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i-CONTROL HOLDINGS LIMITED

超智能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8355)

**MAJOR TRANSACTION
IN RELATION TO THE ACQUISITIONS OF PROPERTIES**

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Acquisitions”	collectively, the Carpark Acquisition and the Warehouse Acquisition
“Agent”	the estate agent for the Acquisitions, being a party to both the Carpark Provisional Agreement and the Warehouse Provisional Agreement, and an Independent Third Party
“Announcement”	the announcement dated 11 June 2015 made by the Company in respect of the Acquisitions which, when aggregated, constitute a major transaction of the Company
“associate(s)”	has the meanings given to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“BVI”	British Virgin Islands
“Carpark Acquisition”	the acquisition of the Carpark Property by the Purchaser pursuant to the Carpark Provisional Agreement and the Carpark Formal Agreement from the Carpark Vendor
“Carpark Completion”	completion of the Carpark Acquisition
“Carpark Consideration”	the consideration for the Carpark Acquisition, being HK\$2,500,000
“Carpark Formal Agreement”	the formal sale and purchase agreement to be entered into between the Purchaser and the Carpark Vendor in relation to Carpark Acquisition
“Carpark Further Deposit”	being HK\$150,000
“Carpark Initial Deposit”	being HK\$100,000
“Carpark Property”	the car parking space No. L22 situated at Basement, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon, Hong Kong
“Carpark Provisional Agreement”	the provisional sale and purchase agreement dated 11 June 2015 entered into among the Purchaser, the Carpark Vendor and the Agent in relation to the Carpark Acquisition

DEFINITIONS

“Carpark Vendor”	UI Tech Company Limited, a company incorporated in Hong Kong with limited liability, being the vendor to the Carpark Provisional Agreement and the Carpark Formal Agreement
“Company”	i-Control Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Completion”	collectively, the Carpark Completion and the Warehouse Completion
“Completion Date”	21 August 2015
“connected person(s)”	has the meaning given to it in the GEM Listing Rules
“Considerations”	collectively the Carpark Consideration and the Warehouse Consideration
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules, and in the context of the Company, means Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan and Mr. WL Chan
“Director(s)”	director(s) of the Company
“Dr. Wong”	Dr. Wong King Keung, being a non-executive Director and a Controlling Shareholder of the Company
“EGM”	any extraordinary general meeting of the Company to be held for the Shareholders to consider and, if thought fit, approve the Provisional Agreements and the Formal Agreements and the transactions contemplated thereunder
“EWEW”	EWEW Limited, being a company incorporated in the BVI with limited liability on 2 May 2014 and is a wholly owned subsidiary of MWMW
“Formal Agreements”	collectively, the Carpark Formal Agreement and the Warehouse Formal Agreement
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“i-Control (Hong Kong)”	i-Control Limited, being a company incorporated in Hong Kong with limited liability on 25 October 1999 and an indirect wholly-owned subsidiary of the Company
“i-Control (ITAV)”	i-Control (ITAV) Limited, being a company incorporated in the BVI with limited liability on 17 June 2014 and a direct wholly-owned subsidiary of the Company
“Independent Third Party(ies)”	means an independent third party(ies) which is not connected with (within the meaning of the GEM Listing Rules) any Directors, chief executive or substantial shareholders of the Company or any of their respective associates
“Latest Practicable Date”	30 June 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Mr. Lin”	Mr. Lin Wing Ching, being a non-executive Director of the Company
“Mr. Tong”	Mr. Tong Sai Wong, being the chairman of the Board and an executive Director of the Company
“Mr. WL Chan”	Mr. Chan Wing Lun, being an executive Director of the Company
“Mr. WY Chan”	Mr. Chan Wing Yiu, being an executive Director of the Company
“MWMW”	MWMW Limited, being a company incorporated in the BVI with limited liability on 17 June 2014 and is owned as to 38.6%, 19.8%, 19.8%, 19.8% and 2.0% by Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin respectively
“Newmark”	Newmark Company Limited, being a company incorporated in Hong Kong with limited liability on 2 September 1986 and is controlled by Dr. Wong, Mr. Lin, Mr. Tong and Mr. WY Chan
“Newmark Group”	Newmark Group Limited, a company incorporated in the BVI with limited liability
“Placing”	the completed placing of the Shares on GEM

DEFINITIONS

“Properties”	collectively, the Carpark Property and the Warehouse Property
“Prospectus”	the prospectus of the Company in relation to the Placing dated 14 May 2015
“Provisional Agreements”	collectively, the Carpark Provisional Agreement and the Warehouse Provisional Agreement
“Purchaser”	Deluxe Peace Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company
“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 HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules, and in the context of the Company, means Newmark Group, Dr. Wong and his wife
“Vendors”	collectively, the Carpark Vendor and the Warehouse Vendor
“Warehouse Acquisition”	the acquisition of the Warehouse Property by the Purchaser pursuant to the Warehouse Provisional Agreement and the Warehouse Formal Agreement from the Warehouse Vendor
“Warehouse Completion”	completion of the Warehouse Acquisition
“Warehouse Consideration”	the consideration for the Warehouse Acquisition, being HK\$39,880,000
“Warehouse Formal Agreement”	the formal sale and purchase agreement to be entered into among the Purchaser and the Warehouse Vendor in relation to Warehouse Acquisition
“Warehouse Further Deposit”	being HK\$2,788,000
“Warehouse Initial Deposit”	being HK\$1,200,000

DEFINITIONS

“Warehouse Property”	the premises situated at Units Nos. 32, 33, 34, 35, 36, 37, 38, 39, 40, Flat Roof 39 & Flat Roof 40 on 5th Floor, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon, Hong Kong
“Warehouse Provisional Agreement”	the provisional sale and purchase agreement dated 11 June 2015 entered into between the Purchaser, the Warehouse Vendor and the Agent in relation to the Warehouse Acquisition
“Warehouse Vendor”	SEPL Global (H.K.) Limited, a company incorporated in Hong Kong with limited liability, being the vendor to the Warehouse Provisional Agreement and the Warehouse Formal Agreement
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

i-CONTROL HOLDINGS LIMITED

超智能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8355)

Executive Directors:

Mr. Tong Sai Wong (*Chairman*)

Mr. Chan Wing Yiu

Mr. Chan Wing Lun

Non-executive Directors:

Dr. Wong King Keung

Mr. Lin Wing Ching

Independent non-executive Directors:

Dr. Chan Man Hung

Dr. Lai Wing Cheung

Mr. Lum Pak Sum

Registered office:

Appleby Trust (Cayman) Ltd.

Clifton House, 75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

Head office:

Unit A & B, 12/F, MG Tower

133 Hoi bun Road, Kwun Tong

Kowloon, Hong Kong

3 July 2015

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION IN RELATION TO THE ACQUISITIONS OF PROPERTIES

INTRODUCTION

Reference is made to the Announcement. As both the Carpark Vendor and the Warehouse Vendor are ultimately and beneficially owned by the same Independent Third Party, the Carpark Acquisition and the Warehouse Acquisition shall be aggregated pursuant to Rule 19.22 of the GEM Listing Rules.

In respect of the Acquisitions, the applicable percentage ratios, where applicable, calculated by reference to Rule 19.07 of the GEM Listing Rules, are 25% or more but less than 100%. Accordingly, the Acquisitions together constitute a major transaction for the Company pursuant to Rule 19.06(3) of the GEM Listing Rules and are therefore subject to the announcement and the Shareholders' approval at an EGM requirements under Chapter 19 of the GEM Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the relevant resolution to be proposed at an EGM in relation to the Provisional Agreements and the Formal Agreements and the transactions contemplated thereunder.

The Company has obtained a written approval for the Acquisitions, in accordance with Rule 19.44 of the GEM Listing Rules, from Newmark Group, which is beneficially interested in

LETTER FROM THE BOARD

510,000,000 Shares, representing approximately 51% of the entire issued share capital of the Company as at the date of the Announcement and the date of this circular. As such, no EGM will be convened for the purpose of approving the Acquisitions as permitted under Rule 19.44 of the GEM Listing Rules. This circular will therefore be sent to the Shareholders for their information only.

The purpose of this circular is to provide you with, among other things, further details of the Provisional Agreements, the Formal Agreements and the Acquisitions.

THE CARPARK ACQUISITION

The Carpark Provisional Agreement:

On 11 June 2015, the Purchaser entered into the Carpark Provisional Agreement with the Carpark Vendor and the Agent pursuant to which the Carpark Vendor has agreed to sell, and the Purchaser as agreed to acquire, the Carpark Property at the Carpark Consideration.

The principal terms of the Carpark Provisional Agreement are as follows:

Date: 11 June 2015

The purchaser: The Purchaser, Deluxe Peace Limited, an indirectly wholly-owned subsidiary of the Company

The Vendor: The Carpark Vendor, UI Tech Company Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Carpark Vendor and its ultimate beneficial owner are Independent Third Parties.

Assets to be acquired

The asset to be acquired by the Purchaser under the Carpark Provisional Agreement is the Carpark Property. The Carpark Property will be sold to the Purchaser on an "as is" basis.

The Carpark Property is a car parking space located at the basement floor of Pacific Trade Centre in Kwun Tong which is located in close proximity to the principal place of business of the Company.

A valuation of the Carpark Property has been carried out by Peak Vision Appraisals Limited, which valued the market value of the Carpark Property at HK\$2,000,000 as at 31 May 2015. The valuation report of the Carpark Property performed by Peak Vision Appraisals Limited is set out in Appendix III to this circular.

Formal agreement

The Carpark Vendor and the Purchaser agreed to enter into the Carpark Formal Agreement on or before 24 June 2015.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Carpark Vendor and the Purchaser had entered into the Carpark Formal Agreement.

Consideration

Pursuant to the Carpark Provision Agreement, the Carpark Consideration, being HK\$2,500,000, shall be settled in cash.

The Carpark Consideration shall be settled in the following manners:

- (i) the Carpark Initial Deposit shall be paid by the Purchaser to the Carpark Vendor upon the signing of the Carpark Provisional Agreement;
- (ii) the Carpark Further Deposit shall be paid by the Purchaser to the Carpark Vendor upon the entering into the Carpark Formal Agreement; and
- (iii) the remaining balance of the consideration, being HK\$2,250,000, shall be satisfied in full by the Purchaser upon the Carpark Completion.

As at the Latest Practicable Date, the Carpark Initial Consideration and the Carpark Further Deposit had been settled by the Purchaser in cash.

Basis of the consideration

The Carpark Consideration was determined after arm's length negotiations between the Purchaser and the Carpark Vendor by reference to, among others, the prevailing market price of properties similar to the Carpark Property of the nearby areas.

The Carpark Consideration represents a premium of approximately 25.0% to the valuation of the Carpark Property. The Carpark Property will be used for parking the Group's commercial vehicle and served as loading and unloading spot. The Carpark Property is necessary for the Company to fully utilise the Warehouse Property. Although the Carpark Consideration represents a premium to its respective valuation, given the foregoing reason and the valuation of the Warehouse Property, the premium is considered to be reasonable and acceptable.

The Directors therefore consider that the Carpark Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Conditions precedent

The Carpark Completion is conditional upon the satisfaction of the following conditions:

- (i) all necessary consents and approvals required to be obtained on the part of the Purchaser in respect of the Carpark Acquisition having been obtained (if any); and
- (ii) the Shareholders having approved the ordinary resolution(s) to approve the Carpark Provisional Agreement and the Carpark Formal Agreement and the transactions contemplated thereunder at an EGM.

LETTER FROM THE BOARD

If any of the above conditions is not fulfilled by 24 June 2015, the Carpark Provisional Agreement shall terminate, whereupon the Carpark Vendor shall be entitled to retain the Carpark Initial Deposit as having been forfeited by the Purchaser and neither party shall have any further obligations towards the other.

As at the Latest Practicable Date, the above conditions had been fulfilled.

Agency fee

On the Carpark Completion, the Purchaser and the Carpark Vendor shall pay a sum of HK\$25,000 and HK\$25,000, respectively, to the Agent as commission for services rendered by the Agent.

Completion

Subject to the fulfilment of the above conditions, the Carpark Completion will take place on or before 21 August 2015.

THE WAREHOUSE ACQUISITION

The Warehouse Provisional Agreement

On 11 June 2015, the Purchaser entered into the Warehouse Provisional Agreement with the Warehouse Vendor and the Agent pursuant to which the Warehouse Vendor has agreed to sell, and the Purchaser as agreed to acquire, the Warehouse Property at the Warehouse Consideration.

The principal terms of the Warehouse Provisional Agreement are as follows:

Date: 11 June 2015

The purchaser: The Purchaser, Deluxe Peace Limited, an indirectly wholly-owned subsidiary of the Company

The Vendor: The Warehouse Vendor, SEPL Global (H.K.) Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Warehouse Vendor and its ultimate beneficial owner are Independent Third Parties.

Assets to be acquired

The asset to be acquired by the Purchaser under the Warehouse Provisional Agreement is the Warehouse Property. The Warehouse Property is to be sold to the Purchaser on an "as is" basis.

The Warehouse Property is a series of warehouses located on the 5th floor of Pacific Trade Centre in Kwun Tong which is located in close proximity to the principal place of business of the Company.

LETTER FROM THE BOARD

A valuation of the Warehouse Property has been carried out by Peak Vision Appraisals Limited, which valued the market value of the Warehouse Property at HK\$40,700,000 as at 31 May 2015. The valuation report of the Warehouse Property performed by Peak Vision Appraisals Limited is set out in Appendix III to this circular.

Formal agreement

The Warehouse Vendor and the Purchaser have agreed to enter into the Warehouse Formal Agreement on or before 24 June 2015.

As at the Latest Practicable Date, the Warehouse Vendor and the Purchaser had entered into the Warehouse Formal Agreement.

Consideration

Pursuant to the Warehouse Provision Agreement, the Warehouse Consideration, being HK\$39,880,000, shall be settled in cash.

The Warehouse Consideration shall be settled in the following manners:

- (i) the Warehouse Initial Deposit shall be paid by the Purchaser to the Warehouse Vendor upon the signing of the Warehouse Provisional Agreement;
- (ii) the Warehouse Further Deposit shall be paid by the Purchaser to the Warehouse Vendor upon the entering into the Warehouse Formal Agreement; and
- (iii) the remaining balance of the consideration, being HK\$35,892,000, shall be satisfied in full by the Purchaser upon the Warehouse Completion.

As at the Latest Practicable Date, the Warehouse Initial Consideration and the Warehouse Further Deposit had been settled by the Purchaser in cash.

Basis of the consideration

The Warehouse Consideration was determined after arm's length negotiations between the Purchaser and the Warehouse Vendor by reference to, among others, the prevailing market price of properties similar to the Warehouse Property of the nearby areas.

The Warehouse Consideration represents a discount of approximately 2.0% to the valuation of the Warehouse Property. The slight discount is considered to be reasonable and acceptable.

The Directors therefore consider that the Warehouse Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions precedent

The Warehouse Completion is conditional upon the satisfaction of the following conditions:

- (i) all necessary consents and approvals required to be obtained on the part of the Purchaser in respect of the Warehouse Acquisition having been obtained (if any); and
- (ii) the Shareholders having approved the ordinary resolution(s) to approve the Warehouse Provisional Agreement and the Warehouse Formal Agreement and the transactions contemplated thereunder at an EGM.

If any of the above conditions is not fulfilled by 24 June 2015, the Warehouse Provisional Agreement shall terminate, whereupon the Warehouse Vendor shall be entitled to retain the Warehouse Initial Deposit as having been forfeited by the Purchaser and neither party shall have any further obligations towards the other.

As at the Latest Practicable Date, the above conditions had been fulfilled.

Agency fee

On the Warehouse Completion, the Purchaser and the Warehouse Vendor shall pay a sum of HK\$398,800 and HK\$200,000, respectively, to the Agent as commission for the services rendered by the Agent.

Completion

Subject to the fulfilment of the above conditions, the Warehouse Completion will take place on or before 21 August 2015.

REASONS FOR THE ACQUISITIONS

As disclosed in the Prospectus, the Company had drawn up strategies to achieve its business objectives, including, but not limited to, acquiring a warehouse in Hong Kong with a portion of the proceeds resulting from the Placing. The Directors consider that the Acquisitions are one of the milestone events to achieve the Company's business objectives as stated in the Prospectus.

The leases of the Company's current warehouse premises will be due to expire in July 2015 and December 2015, respectively. It is intended that upon expiry of the said leases, the Company will move into the Properties and use them as its warehouse and carpark. Based on the above and having taken the Considerations and the location of the Properties into account, the Board considers that the terms of the Acquisitions are fair and reasonable and that the Acquisitions are in the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECT OF THE ACQUISITIONS

The Company intends to finance the Carpark Consideration as to approximately HK\$1,500,000 by the net proceeds which resulted from the Placing and as to the balance of approximately HK\$1,000,000 by means of a mortgage loan from bank.

LETTER FROM THE BOARD

The Company intends to finance the Warehouse Consideration as to approximately HK\$23,928,000 by the net proceeds which resulted from the Placing and as to the balance of approximately HK\$15,952,000 by means of a mortgage loan from bank.

As at the Latest Practicable Date, the Company and the banks are still negotiating the terms of the proposed mortgage loans for the Properties, which have not yet been finalized.

Following the Acquisitions, the total assets of the Group are expected to increase by approximately HK\$46,669,000, representing the sum of the Considerations, commission expenses, stamp duty and other expenses incurred for the Acquisitions. On the other hand, the net asset value of the Group is expected to remain unchanged as the increase in property investment will be offset by the decrease in cash balances of the Group and increase in bank borrowings.

Subject to the audit by the auditors of the Group, the Considerations paid and the related expenses for the Acquisitions will be recognised by the Group in the consolidated statement of financial position as non-current assets.

INFORMATION OF THE PURCHASER, THE COMPANY AND THE GROUP

The Purchaser is an indirect wholly-owned subsidiary of the Company and its principal activity is investment holding.

The Group is principally engaged in (i) the provision of solution for audio-visual, conferencing, presentation and multimedia control systems including installation services; and (ii) audio-visual system maintenance services.

INFORMATION OF THE VENDORS

To the Directors' best knowledge, information and belief, the Carpark Vendor and the Warehouse Vendor are companies both engaged in general trading. Both the Carpark Vendor and the Warehouse Vendor are ultimately and beneficially owned by the same Independent Third Party.

LISTING RULES IMPLICATIONS

As both the Carpark Vendor and the Warehouse Vendor are ultimately and beneficially owned by the same Independent Third Party, the Carpark Acquisition and the Warehouse Acquisition shall be aggregated pursuant to Rule 19.22 of the GEM Listing Rules.

In respect of the Acquisitions, the applicable percentage ratios, where applicable, calculated by reference to Rule 19.07 of the GEM Listing Rules, are 25% or more but less than 100%. Accordingly, the Acquisitions constitute a major transaction for the Company pursuant to Rule 19.06(3) of the GEM Listing Rules and are therefore subject to the announcement and the Shareholders' approval at an EGM requirements under Chapter 19 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the relevant resolution to be proposed at an EGM in relation to the Provisional Agreements and the Formal Agreements and the transactions contemplated thereunder.

LETTER FROM THE BOARD

The Company has obtained written approval for the Acquisitions in accordance with Rule 19.44 of the GEM Listing Rules from Newmark Group, which is beneficially interested in 510,000,000 Shares, representing approximately 51% of the entire issued share capital of the Company as at the date of the Announcement and the date of this circular. Newmark Group is wholly and jointly owned by the executive Directors and the non-executive Directors.

As such, no EGM will be convened for the purpose of approving the Acquisitions as permitted under Rule 19.44 of the GEM Listing Rules. This circular will therefore be sent to the Shareholders for their information only.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
i-Control Holdings Limited
Tong Sai Wong
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out in this circular information for the last three financial years with respect to the profits and losses, financial record and position and the latest published statement of financial statements of the Group for the last financial year.

The audited combined financial statements of the Group for the year ended 31 March 2015 has been set out from Page 51 to 101 of the 2014/2015 annual report of the Company published on 23 June 2015. The audited combined financial statements of the Group for the year ended 31 March 2014 and 31 March 2013 has been set out from page I-6 to I-47 of the Prospectus.

2. STATEMENT OF INDEBTEDNESS

The following table sets out the indebtedness of our Group as at 31 May 2015:

	<i>HK\$'000</i>
Bank borrowings	
– Secured mortgage loan	42,159
– Unsecured revolving loan	12,000
	<u>54,159</u>

As at 31 May 2015, bank borrowings of approximately HK\$39.2 million, which are not scheduled to be repaid within one year, were classified as current liabilities as the related loan agreements contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion. None of the portion of these interest-bearing borrowings due for repayment after one year, which contain a repayment on demand clause and that are classified as current liabilities, are expected to be settled within one year.

As at 31 May 2015, the bank borrowings of approximately HK\$42,159,000 was secured by land and buildings of the Group with carrying amount of approximately HK\$51,116,000.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have at the close of business on 31 May 2015 any debt securities authorized or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgage, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, following completion of the Acquisition, after taking into account the financial resources available to the Group, including internally generated funds, available banking facilities of approximately HK\$6.0 million and net proceeds of approximately HK\$66.3 million from the Placing on 26 May 2015, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular, in the absence of unforeseeable circumstances.

4. FINANCIAL AND TRADING PROSPECTS

The Group has maintained its market position as one of the leading service providers of video conferencing and multimedia audiovisual solution, mainly in Hong Kong and other geographical locations, such as Beijing, Shanghai, Macau and Singapore.

As disclosed in the Prospectus, the company had drawn up strategies to achieve its business objectives, including, but not limited to, acquiring a warehouse in Hong Kong with a portion of the proceeds which resulted from the Placing.

The Directors consider that it would not be in the best interest to continue to use leased properties as the Group's warehouse because of the risk of substantial increases in rental expenses and the risk of early termination or non-renewal of the Group's tenancy agreements by the relevant landlord. In addition, after acquisition the warehouse premises, the Group can carry out further expansions in our staff team, including our sales and marketing departments in Hong Kong, the Directors believe that there will be an increase in the Group's clientele base, business volume as well as net profit in the foreseeable future. As such, the Acquisitions are in the interests of the Company and its Shareholders as a whole.

The following is an illustrative and unaudited pro forma statement of assets and liabilities of the Group which has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the acquisition of Properties (the "Acquisitions") as if the Acquisitions have taken place on 31 March 2015.

This unaudited pro forma statement of assets and liabilities of the Group has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the assets and liabilities of the Group had the Acquisitions been completed as at 31 March 2015 or at any future date.

A. UNAUDITED PRO FORMA STATEMENTS OF ASSETS AND LIABILITIES OF THE GROUP AS AT 31 MARCH 2015

	The Group as at 31 March 2015 HK\$'000 Note 1	Unaudited pro forma adjustments in relation to the Warehouse Acquisition HK\$'000 Note 2	Unaudited pro forma adjustments in relation to the Carpark Acquisition HK\$'000 Note 3	Unaudited Pro forma adjusted total for the Group HK\$'000
Non-current assets				
Property and equipment	51,989	44,019	2,600	98,608
Deferred tax assets	281			281
	<u>52,270</u>			<u>98,889</u>
Current assets				
Inventories	5,567			5,567
Trade receivables	20,844			20,844
Prepayments, deposits and other receivables	5,367			5,367
Bank balances and cash	14,831	(28,067)	(1,600)	(14,836) ^{note 4}
	<u>46,609</u>			<u>16,942</u>
Current liabilities				
Trade payables	6,360			6,360
Other payables and accruals	12,083			12,083
Bank borrowings	54,868	15,952	1,000	71,820
Tax payables	1,370			1,370
	<u>74,681</u>			<u>91,633</u>
Net current liabilities	<u>(28,072)</u>			<u>(74,691)</u>
Total assets less current liabilities	<u>24,198</u>			<u>24,198</u>
Non-current liability				
Deferred tax liabilities	335			335
Net assets	<u><u>23,863</u></u>			<u><u>23,863</u></u>

Note 1 The assets and liabilities of the Group as at 31 March 2015 have been extracted from the published annual report of the Company for the year ended 31 March 2015 dated 17 June 2015.

Note 2 According to HKAS 16, an item of property and equipment that qualifies for recognition as an asset shall be measured at cost. The costs of an item is its purchase price and its related expenses during the acquisition.

Based on the sale and purchase agreement dated 24 June 2015, the consideration in respect of the Warehouse Acquisition amounted to approximately HK\$39,880,000. Of the amount, approximately HK\$23,928,000 will be settled in cash and the remaining HK\$15,952,000 will be financed by a mortgage loan with bank.

In addition, the commission expenses, stamp duty and other legal and professional expenses incurred for the acquisitions amounted to approximately HK\$399,000, HK\$3,390,000 and HK\$350,000 respectively, to be settled in cash and would be capitalised to cost of acquisition as it relates to direct expenses incurred for the acquisition.

Note 3 Based on the sale and purchase agreement dated 24 June 2015, the consideration in respect of the Carpark Acquisition amounted to approximately HK\$2,500,000. Of the amount, approximately HK\$1,500,000 will be settled in cash and the remaining HK\$1,000,000 will be financed by a mortgage loan with bank.

In addition, the commission expenses and stamp duty incurred for the acquisition amounted to approximately HK\$25,000 and HK\$75,000 respectively, to be settled in cash and would be capitalised to cost of acquisition as it relates to direct expenses incurred for the acquisition.

Note 4 On 26 May 2015, net proceeds of approximately HK\$66,300,000 were received and recognised as bank balances and cash through the Placing. The details of the Placing were set out in the Prospectus dated 14 May 2015. Such net proceeds had not been included in the unaudited pro forma bank and cash balances.

Note 5 Apart from the adjustments stated above, no adjustments have been made to reflect any trading results or other transactions of the Group and the Carpark Property and Warehouse Property.

**B. ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL:
INFORMATION OF THE GROUP**

SHINEWING (HK) CPA Limited
43/F, Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

3 July 2015

The Directors
i-Control Holdings Limited
Unit A&B, 12/F
MG Tower
133 Hoi Bun Road
Kwun Tong, Kowloon
Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of i-Control Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma statement of assets and liabilities as at 31 March 2015 and related notes as set out on pages 16 to 17 of the circular issued by the Company dated 3 July 2015 (the “Circular”). The applicable criteria on the basis of which the directors of the Company have compiled the pro forma financial information are described in pages 16 to 17 of the Circular.

The pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the proposed acquisition of a carpark and a warehouse located in Hong Kong (the “Transaction”) on the Group’s assets and liabilities as at 31 March 2015 as if the Transaction had taken place at 31 March 2015. As part of this process, information about the Group’s financial position has been extracted by the directors of the Company from the Group’s combined financial statements for the year ended 31 March 2015, on which an audit report has been published.

Directors’ Responsibility for the Pro Forma Financial Information

The directors of the Company are responsible for compiling the pro forma financial information in accordance with paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG7”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 31(7) of Chapter 7 of the GEM Rules, on the 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 pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the pro forma financial information in accordance with paragraph 31 of Chapter 7 of the GEM Rules and with reference to AG7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" 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 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 pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of the Transaction on unadjusted financial information of the Group as if 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 Transaction at 31 March 2015 would have been as presented.

A reasonable assurance engagement to report on whether the 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 pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the 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 pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Rules.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Pang Wai Hang

Practising Certificate Number P05044

Hong Kong

The following is the text of a letter, summary of values and valuation certificates prepared for the purpose of incorporation in this circular received from Peak Vision Appraisals Limited, an independent property valuer, in connection with its opinion of market value of the Properties as at 31 May 2015.



12/F, Effectual Building
14-16 Hennessy Road
Wanchai, Hong Kong
www.peakval.com

Tel (852) 2187 2238
Fax (852) 2187 2239

3 July 2015

The Board of Directors
i-Control Holdings Limited
Unit A & B, 12th Floor
MG Tower
133 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

Dear Sirs,

In accordance with the instructions from i-Control Holdings Limited (hereinafter referred to as the “Company”) for us to value property interests (as more particularly described in the Summary of Values attached herewith) located in the Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for providing you with our opinion of value of the property interests as at 31 May 2015 (hereinafter referred to as the “Valuation Date”) for public documentation purpose.

This letter, forming part of our valuation report, identifies the property interests being valued, explains the basis and methodology of our valuation and lists out the assumptions and title investigation, which we have made in the course of our valuation, as well as the limiting conditions.

Our valuation represents our opinion of market value which we would define to mean “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

In valuing the property interests, which are to be held for owner occupation by the Company, we have adopted the Direct Comparison Method assuming such property interests are capable of being sold in their existing states with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

Our valuation has been made on the assumption that the owner sells the properties on the open market in their existing states without the benefit of deferred terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could serve to affect the values of the properties. No forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

We have caused title searches to be made at the Land Registry in respect of the properties. However, we have not searched the original documents to verify the ownership or to ascertain the existence of any amendments.

The properties were inspected by Tony M. W. Cheng, a manager of our firm with 9 years of experience in the inspection of properties in Hong Kong and the PRC, during June 2015. We have inspected the exterior and, where possible, the interior of the properties. In the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

We have not carried out on-site measurements to verify the correctness of the floor areas of the properties but have assumed that the floor areas shown on the documents and floor plans available to us are correct. Dimensions, measurements and areas included in the attached valuation certificates are based on information contained in the documents provided to us and are, therefore, only approximations.

We have relied to a considerable extent on the information provided by the Company and have accepted advice on such matters as planning approvals, statutory notices, easements, tenures, floor areas and all other relevant materials regarding the properties.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We were also advised by the Company that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

In valuing the property interests, we have complied with all the requirements set out in Chapter 8 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards 2012 Edition issued by the Hong Kong Institute of Surveyors.

Unless otherwise stated, all monetary amounts stated in this report are in Hong Kong Dollars (HK\$).

We hereby confirm that we have neither present nor prospective interests in the Company, the property interests or the values reported herein.

Our Summary of Values and Valuation Certificates are enclosed herewith.

Yours faithfully,
For and on behalf of
Peak Vision Appraisals Limited
Nick C. L. Kung
MRICS, MHKIS, RPS (G.P.), RICS Registered Valuer
Director

Note: Mr. Nick C. L. Kung is a RICS Registered Valuer and a Registered Professional Surveyor who has over 20 years of experience in the valuation of properties in Hong Kong and abroad.

Summary of Values

	Property	Capital value in existing state as at 31 May 2015	Interest attributable to the Company	Capital value attributable to the Company as at 31 May 2015
1	Unit Nos. 32, 33, 34, 35, 36, 37, 38, 39, 40, Flat Roof 39 and Flat Roof 40 on 5th Floor, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon	HK\$40,700,000	100%	HK\$40,700,000
2	Car Parking Space No. L22 on Basement, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon	HK\$2,000,000	100%	HK\$2,000,000
	TOTAL:	HK\$42,700,000		HK\$42,700,000

Valuation Certificate

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 May 2015
1	Unit Nos. 32, 33, 34, 35, 36, 37, 38, 39, 40, Flat Roof 39 and Flat Roof 40 on 5th Floor, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon 137/12,041th equal and undivided shares of and in New Kowloon Inland Lot No. 6036 (the "Lot")	Pacific Trade Centre is a 15-storey industrial building erected over a 1-storey basement car park completed in 1990. It is located on the northwestern side of Kai Hing Road at its intersection with Hoi Bun Road within Kowloon Bay, Kowloon. The property comprises 9 industrial units and 2 flat roofs on the 5th Floor of Pacific Trade Centre with a total gross floor area of approximately 8,476 sq.ft. (787.44 sq.m.) and a total saleable area of approximately 6,188 sq.ft. (574.88 sq.m.), exclusive of the 2 flat roofs with a total area of approximately 3,309 sq.ft. (307.41 sq.m.). New Kowloon Inland Lot No. 6036 (the Lot) is held under Conditions of Sale No. 11936 for a term from 23 March 1987 until 30 June 2047. The government rent payable for the Lot is an amount equal to 3% of the rateable value from time to time of the Lot.	As advised, Unit Nos. 32, 33, 34, 35, 36, 37 and 38 were owner-occupied whilst Unit Nos. 39 and 40 were vacant as at the Valuation Date.	HK\$40,700,000 100% interest attributable to the Company: HK\$40,700,000

Notes:

- i) According to the Land Registry Search conducted on 19 June 2015, the registered owner of the property is SEPL Global (H.K.) Limited vide Memorial No. 14052902210041 dated 19 May 2014 for a consideration of HK\$32,200,000; and
- ii) The property is zoned as "Commercial" under Approved Kai Tak Outline Zoning Plan No. S/K22/4 dated September 2012.

Valuation Certificate

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 May 2015
2	Car Parking Space No. L22 on Basement, Pacific Trade Centre, No. 2 Kai Hing Road, Kowloon Bay, Kowloon 3/12,041th equal and undivided shares of and in New Kowloon Inland Lot No. 6036 (the "Lot")	Pacific Trade Centre is a 15-storey industrial building erected over a 1-storey basement car park completed in 1990. It is located on the northwestern side of Kai Hing Road at its intersection with Hoi Bun Road within Kowloon Bay, Kowloon. The property comprises a lorry parking space No. L22 on the basement of Pacific Trade Centre. New Kowloon Inland Lot No. 6036 (the Lot) is held under Conditions of Sale No. 11936 for a term from 23 March 1987 until 30 June 2047. The government rent payable for the Lot is an amount equal to 3% of the rateable value from time to time of the Lot.	As advised, the property was owner-occupied as at the Valuation Date.	HK\$2,000,000 100% interest attributable to the Company: HK\$2,000,000

Notes:

- i) According to the Land Registry Search conducted on 19 June 2015, the registered owner of the property is UI Tech Company Limited vide Memorial No. 14052802360102 dated 19 May 2014 for a consideration of HK\$1,200,000; and
- ii) The property is zoned as "Commercial" under Approved Kai Tak Outline Zoning Plan No. S/K22/4 dated September 2012.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the Shares and the underlying Shares of the Company and its associated corporation

As at the Latest Practicable Date, the Directors and the chief executive of the Company had the following interests and/or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or (iii) which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange:

(i) *Interests in the Company*

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of issued Shares
Dr. Wong	Beneficial owner	92,640,000 (L)	9.26%
	Interest of controlled corporation (<i>Note 1</i>)	510,000,000 (L)	51.00%
Mr. Tong	Beneficial owner	47,520,000 (L)	4.75%
Mr. WL Chan	Beneficial owner	47,520,000 (L)	4.75%
Mr. WY Chan	Beneficial owner	47,520,000 (L)	4.75%
Mr. Lin	Beneficial owner	4,800,000 (L)	0.49%

(L) – Long Position

Note:

- (1) These Shares are held by Newmark Group, which is owned as to 38.6% by Dr. Wong. Pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, Dr. Wong is deemed to have an interest in all Shares in which Newmark Group has, or deemed to have, an interest.

(ii) Interests in associated corporation(s) of our Company

Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of Shares	Percentage of shareholding
Dr. Wong	Newmark Group	Beneficial interests	386	38.60%
Mr. Tong	Newmark Group	Beneficial interests	198	19.80%
Mr. WL Chan	Newmark Group	Beneficial interests	198	19.80%
Mr. WY Chan	Newmark Group	Beneficial interests	198	19.80%
Mr. Lin	Newmark Group	Beneficial interests	20	2.00%

Save as disclosed above, as at the Latest Practicable Date, to the best knowledge and belief of the Directors, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or (iii) which were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

(b) Particulars of the Directors' other interests

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into a service contract with the Company or any other member of the Group (excluding contracts which are expiring or determinable by the Company or any member of the Group within one year without payment of any compensation, other than statutory compensation).

As at the Latest Practicable Date, none of the Directors or proposed Directors had any direct or indirect interest in any assets which had been, since 31 March 2015, being the date on which the latest audited combined financial statements of the Group was made up, had acquired, disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was subsisting and was significant in relation to the business of the Group taken as a whole.

(c) Substantial Shareholders' interests

As at the Latest Practicable Date, so far as was known to, or could be ascertained after reasonable enquiries by, the Directors, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or the underlying Shares (i) which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; (ii) which were directly or indirectly interested

in 10% of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group; or (iii) which were recorded in the register of interests required to be kept by the Company under section 336 of the SFO:

Name	Number of issued ordinary shares held*	Nature of interests	Approximate percentage of issued share capital of the Company*
Newmark Group (<i>Note 1</i>)	510,000,000(L)	Beneficial owner	51%(L)
Mrs. Wong Lau Sau Yee Angeli ("Mrs. Wong") (<i>Note 2</i>)	602,640,000(L)	Interest of spouse	60.26%(L)

* (L)-Long position

Notes:

1. Dr. Wong is beneficial interested in 38.6% of the entire issued share capital of Newmark Group. Accordingly, Dr. Wong is deemed to be interested in 510,000,000 Shares held by Newmark Group by virtue of the SFO. Mr. Tong, Mr. WY Chan, Mr. WL Chan, Dr. Wong, Mr. Lin are the directors of Newmark Group.
2. Mrs. Wong is the spouse of Dr. Wong. By virtue of the SFO, Mrs. Wong is also deemed, as the spouse of Dr. Wong, to be interested in all the Shares in which Dr. Wong has or deem to have, including the 92,640,000 Shares beneficially owned by Dr. Wong and the 510,000,000 Shares beneficially owned by Newmark Group, in which Dr. Wong is deemed to have interest.

Save as disclosed above, so far as was known to the Directors, as at the Latest Practicable Date, there was no other person (other than the Directors or chief executive of the Company) who had any interests or short positions in the Shares and the underlying Shares (i) which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO; (ii) which were directly or indirectly interested in 10% of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group; or (iii) which were recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors and non-executive Directors has entered into a service agreement with the Company for a fixed term of two years commencing from 27 May 2015. Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a fixed term of two years from 27 May 2015.

As at the Latest Practicable Date, none of the Directors entered or was proposing to enter into any service agreement or letter of appointment with the Company which is not determinable within one year without payment of compensation (other than the statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, the proposed Directors or Controlling Shareholders and their respective associates had any interest in a business, which competes or may compete, either directly or indirectly, with the businesses of the Group, nor did any of them have or might have any other conflict of interests with the Group.

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Company or any of member of the Group.

6. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the experts who have given advice and opinions which are contained in this circular:

Name	Qualification
Peak Vision Appraisals Limited	Professional valuer
SHINEWING (HK) CPA Limited	Certified Public Accountants

- (i) As at the Latest Practicable Date, each of Peak Vision Appraisals Limited and SHINEWING (HK) CPA Limited did not have any shareholding, directly or indirectly in the Company or any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for or to nominate persons to subscribe for securities in the Company or any member of the Group;
- (ii) Peak Vision Appraisals Limited and SHINEWING (HK) CPA Limited have given their consent and have not withdrawn its written consent to the issue of this circular with the inclusion herein of their letters dated 3 July 2015 and/or reference to their names in the form and context in which they are included; and
- (iii) As at the Latest Practicable Date, each of Peak Vision Appraisals Limited and SHINEWING (HK) CPA Limited did not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 March 2015, being the date on which the latest audited combined financial statements of the Group was made up.

7. MATERIAL ADVERSE CHANGE

Save as disclosed in the Prospectus, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 March 2015, being the date on which the latest audited combined financial statements of the Group was made up.

The Acquisitions will not have any adverse effect on the operation, liquidity and financial resources, and capital structure of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) have been entered into by the Group within the two years immediately preceding the date of this circular and up to and including the Latest Practicable Date which are, or may be, material:

- (i) The Carpark Formal Agreement;
- (ii) The Warehouse Formal Agreement;
- (iii) The Carpark Provisional Agreement;
- (iv) The Warehouse Provisional Agreement;
- (v) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Newmark and i-Control (ITAV), pursuant to which Newmark transferred 1,750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK\$1,750,000;
- (vi) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Mr. WL Chan and i-Control (ITAV), pursuant to which Mr. WL Chan transferred 750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK\$750,000;
- (vii) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Newmark and i-Control (ITAV), pursuant to which Newmark transferred 2,400,000 ordinary shares in Eduserve International Limited, an indirect non wholly-owned subsidiary of the Company, to i-Control (ITAV) at a consideration of HK\$2,400,000;
- (viii) the agreement for transfer of the entire consultancy and administrative business of Newmark entered into between Newmark and i-Control Consultancy Limited, an indirect non wholly-owned subsidiary of the Company, dated 29 June 2014;
- (ix) an instrument of transfer and bought and sold notes all dated 30 June 2014 between i-Control (Hong Kong) and EWEW, pursuant to which i-Control (Hong Kong) transferred 7,000 ordinary shares in View Mark Limited to EWEW at a consideration of HK\$7,000;
- (x) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 4,500,000 ordinary shares in Modern China Business Consultants Limited, an indirect non wholly-owned subsidiary of the Company, to i-Control (ITAV) at a consideration of HK\$4,500,000;

- (xi) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 10,000 ordinary shares in View Mark Limited to i-Control (ITAV) at a consideration of HK\$10,000;
- (xii) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 10,000 ordinary shares in Billion Peace Limited, an indirect non wholly-owned subsidiary of the Company, to i-Control (ITAV) at a consideration of HK\$10,000;
- (xiii) a share swap agreement dated 11 May 2015 entered into by MWMW and the Company;
- (xiv) a deed of indemnity dated 11 May 2015 given by the Controlling Shareholders in favour of the Company (for itself and for the benefit of the Company's subsidiaries) regarding certain indemnities by them;
- (xv) a deed of non-competition dated 11 May 2015 given by the Controlling Shareholders in favour of the Company (for itself and for the benefit of the Company's subsidiaries) regarding their non-competition undertaking; and
- (xvi) an underwriting agreement dated 13 May 2015 relating to the Placing and entered into by, among others, the Company and the underwriters.

9. MISCELLANEOUS

- (a) The compliance officer of the Company is Mr. WY Chan. He is one of the founders of the Company and has approximately 38 years of experience in the audio-visual industry.
- (b) The company secretary of the Company is Mr. Wong Yiu Leung. He is an associate member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Company in October 2014, he had over 8 years of working experience in accounting, auditing and tax consultancy.
- (c) The audit committee of the Company comprises three independent non-executive Directors, namely Dr. Chan Man Hung, Dr. Lai Wing Cheung and Mr. Lum Pak Sum. Mr. Lum Pak Sum is the chairman of our audit committee.
 - (i) Dr. Chan Man Hung currently holds positions in a number of organisations, namely, a council member of the Confucius Institute of Hong Kong Limited, a member of the committee of overseers of the Lee Woo Sing College of the Chinese University of Hong Kong since August 2011 and a member of the board of governors of the Chu Hai College of Higher Education (Hong Kong) since January 2013. Dr. Chan served as the managing director and chief editor from May 1988 to December 2003 of the Commercial Press (H.K.) Limited. Dr. Chan was also the vice-chairman and president of the Sino United

Publishing (Holdings) Limited from September 2003 to March 2013. Dr. Chan has also been serving as a member of the National Committee of the Chinese People's Political Consultative Conference since January 2008. In addition, Dr. Chan was appointed as a Hong Kong Affairs Advisor from April 1994 to April 1996 and May 1996 to June 1997. Dr. Chan was appointed by the Government as Justice of the Peace in July 2004.

Dr. Chan obtained his bachelor of arts in October 1973 and a master of philosophy in October 1975, both from the Chinese University of Hong Kong. He completed studies for his doctorate course (majoring in oriental history) at the Hiroshima University in March 1980. Dr. Chan obtained his doctor of philosophy from the University of Hong Kong in December 1990. In June 2007, Dr. Chan was conferred an award of honorary fellowship by the Hong Kong University of Science and Technology. Dr. Chan specialises in the history of modern Chinese culture and thought, and he has written a number of books on this subject since 1990s.

- (ii) Dr. Lai Wing Cheung currently serves as a member of the audit sub-committee of the Hong Kong Housing Authority, a chairman of the PIPS Limited since February 2011, a board member of the Jao Tsung-I Academy since June 2011, independent non-executive directors of China Xintiandi Limited and China Xintiandi Holdings Company Limited, both wholly-owned subsidiaries of the Shui On Land Limited (Stock Code: 272), since March 2013 and December 2013 respectively, and a member of the college council of the Centennial College since November 2012.

Since August 1996, Dr. Lai has been an executive director at the Hong Kong Airport Authority in charge of finance and investment until he retired in May 2010. Dr. Lai was also the first vice chairman of the Hangzhou Xiaoshan International Airport Company Limited from December 2006 to April 2010, the chairman of Hong Kong-Zhuhai Airport Management Co Ltd from April 2006 to April 2010 and the vice chairman of Shanghai Hong Kong Airport Management Co Ltd from October 2009 to May 2010.

Dr. Lai obtained his bachelor of science degree from the State University of New York, Fredonia in August 1975, his master degree of business administration from the University of Toronto, Toronto in December 1976 and a honorary doctor degree of science from the State University of New York at Fredonia in May 2004.

- (iii) Mr. Lum Pak Sum has over 20 years' experience in the Hong Kong financial market. Mr. Lum has engaged in the securities and corporate finance business since July 1988 and September 2004 respectively. Mr. Lum worked for REXCAPITAL (Hong Kong) Limited from September 2004 to January 2009 and AsiaVest Partners Limited (now known as SPDB International Holdings Limited) from September 2009 to June 2012. Since July 2012 and October 2014, Mr. Lum has worked for RaffAello Capital Limited and RaffAello Asset Management (HK) Limited.

Mr. Lum's directorships in other listed companies in the last three years are listed as follows:

Company	Position	Period
Jimei International Entertainment Group Limited (Stock Code: 1159)	Independent non-executive director	April 2009 to November 2014
Eagle Ride Investment Holdings Limited (Stock Code: 0901)	Independent non-executive director	May 2010 to October 2013
Great China Properties Holdings Limited (Stock Code: 0021)	Independent non-executive director	August 2007 to present
Bestway International Holdings Limited (Stock Code: 0718)	Independent non-executive director	March 2010 to May 2013
Asia Resources Holdings Limited (Stock Code: 0899)	Independent non-executive director	November 2010 to January 2015
Orient Securities International Holdings Limited (Stock Code: 8001)	Non-executive director	April 2011 to present
Beautiful China Holdings Company Limited (Stock Code: 0706)	Independent non-executive director	January 2014 to present
Pak Tak International Limited (Stock Code: 2668)	Independent non-executive director	June 2014 to November 2014
Shinhint Acoustic Link Holdings Limited (Stock Code: 2728)	Independent non-executive director	December 2014 to present
Asia Green Agriculture Corporation, a company trading on the Over-the-Counter Bulletin Board in the United States (Symbol: AGAC) (currently privatised)	Independent director	September 2011 to present

Mr. Lum obtained his master degree of business administration from The University of Warwick in July 1994 and his bachelor degree of laws from The University of Wolverhampton in October 2002 by way of distance learning. He has become a fellow of the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants (the "HKICPA") since June 1996 and is currently a non-practicing member of the HKICPA. Mr. Lum was admitted as an associate and a fellow of the Association of Chartered Certified Accountants (previously known as the Chartered Association of Certified Accountants) in September 1988 and September 1993 respectively.

- (d) The registered office of the Company is located at Appleby Trust (Cayman) Ltd. Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Units A & B, 12/F, MG Tower 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.
- (e) The share registrar and transfer office of the Company is located at Appleby Trust (Cayman) Ltd. Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands.
- (f) In the event of inconsistency, the English language of this circular shall prevail over the Chinese language.

10. DOCUMENT AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any week day (except public holidays) at the principal place of business of the Company at Units A & B, 12/F, MG Tower 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong for 14 days from the date of this circular:

- (a) the memorandum of association and articles of association of the Company;
- (b) the material contracts referred to in the section headed “Material Contracts” in this appendix;
- (c) the combined financial statements of the Group for the two financial years ended 31 March 2014 and 2015;
- (d) the report from SHINEWING (HK) CPA Limited in respect of the unaudited pro forma statement of assets and liabilities of the Group as at 31 March 2015, the text of which is set out in Appendix II to this circular;
- (e) the valuation report from Peak Vision Appraisals Limited on the Carpark Property and the Warehouse Property, the text of which is set out in Appendix III to this circular;
- (f) the written consents from SHINEWING (HK) CPA Limited and Peak Vision Appraisals Limited referred to in the section headed “Qualifications and Consents of Experts” in this appendix; and
- (g) this circular.