
SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all of the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this document. You should read the entire document before you decide to invest in the [REDACTED].

There are risks associated with any investment. Some of the particular risks associated with an investment in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED]. Various expressions used in this section are defined in the section headed “Definitions and glossary of technical terms” in this document.

BUSINESS OVERVIEW

We are an established contractor in Hong Kong engaged in civil and electrical engineering and renewable energy works. Our civil engineering works specialise in site formation works and road and drainage works, and our electrical engineering works specialise in cable trenching, laying and jointing works. For renewable energy works, we specialise in solar photovoltaic works. To a lesser extent, during the Track Record Period, we leased machinery and traded construction materials to contractors and subcontractors on an ad hoc basis in a limited number of projects in which we participated in.

Our site formation works generally include earthworks, excavation and installation of steel structures. Our road and drainage works mainly included construction and modification of roads, carriageway and pavement, construction of covered walkway, renovation of subways and footbridges, provision of universal accessibility facilities at footbridges, elevated walkways and subways, construction of drainage system, manholes, cable trenches and installation of water mains and sewerage pipes.

Our electrical engineering works generally include cable trenching, laying and jointing, and involve excavation, reinstatement and miscellaneous construction (such as concrete draw) works, traffic impact assessment as well as emergency and cable fault repair. According to the Industry Report, our Group is the largest power cabling and civil pipeline installation subcontractor in Hong Kong in 2023 with the market share of approximately 13.6% based on our revenue for FY2023/24. Our Directors recognised the growing importance of renewable energy and sustainable development which are one of the main drivers for Hong Kong’s future development. Starting from 2019 and during the Track Record Period, our Group also performed design, installation and maintenance works of solar photovoltaic systems under our renewable energy segments.

During the Track Record Period, we participated in certain major infrastructure projects in Hong Kong for each of our segments. For example:

- (i) in respect of our site formation works, we were one of the subcontractors participating in the infrastructure project at the third runway of the Hong Kong International Airport;
- (ii) in respect of our road and drainage works, we were the main contractor of a Government department for a village sewerage project at Mui Wo with a contract sum of approximately HK\$99.1 million; and
- (iii) in respect of our electrical engineering works, we are directly contracted by CLP Group, being a group of companies providing electricity to more than 80% of the Hong Kong’s population, to provide zonal cable trenching, laying and jointing works as well as emergency and cable fault repair under the Master Agreement A in which we covered the Sham Shui Po and Wong Tai Sin zones. We are also a subcontractor of Kum Shing Construction, which is one of the main contractors of CLP Group, to provide zonal cable trenching, laying and jointing works as well as emergency and cable fault repair

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under the Master Agreement B in which we cover Tsuen Wan zone. For the salient terms of the Master Agreement A and the Master Agreement B, please refer to the paragraph headed “Master Agreement A and Master Agreement B for electrical engineering works” in this document.

The following table sets forth the breakdown of our revenue by segments during the Track Record Period:

	FY2021/22		FY2022/23		FY2023/24	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Civil engineering:	278,276	53.5	175,411	48.6	365,454	69.5
— Site formation works	263,022	50.6	114,596	31.8	309,429	58.8
— Road and drainage works	15,254	2.9	60,815	16.8	56,025	10.7
Electrical engineering	127,638	24.5	125,409	34.7	113,244	21.5
Renewable energy	32,907	6.3	38,043	10.5	44,308	8.4
Total service revenue	438,821	84.3	338,863	93.8	523,006	99.4
Leasing of machinery	37,774	7.3	14,917	4.1	1,029	0.2
Sales of materials	43,756	8.4	7,427	2.1	2,064	0.4
Total other revenue	81,530	15.7	22,344	6.2	3,093	0.6
Total revenue	520,351	100	361,207	100	526,099	100

Projects undertaken during the Track Record Period

Revenue by project sectors

During the Track Record Period, we were mainly engaged in public sector projects in Hong Kong. To a lesser extent, we were also engaged in private sector projects in Hong Kong. During the Track Record Period, our key public sector projects mainly included the Third Runway Projects, while our key private sector projects mainly included our projects under the Master Agreement A and the Master Agreement B and Project No. #06.

The following table sets forth a breakdown of our service revenue during the Track Record Period by reference to project sectors:

	FY2021/22		FY2022/23		FY2023/24	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Public sector	288,036	65.6	197,743	58.4	382,976	73.2
Private sector	150,785	34.4	141,120	41.6	140,030	26.8
Total service revenue	438,821	100	338,863	100	523,006	100

Revenue by our role

We undertook projects as both main contractor and subcontractor during the Track Record Period. The table below sets forth a breakdown of our service revenue by our role in the projects during the Track Record Period:

	FY2021/22		FY2022/23		FY2023/24	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Main contractor	17,353	4.0	63,078	18.6	58,136	11.1
Subcontractor	421,468	96.0	275,785	81.4	464,870	88.9
Total service revenue	438,821	100	338,863	100	523,006	100

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Reasons for the decrease in our revenue for FY2022/23

Our Group's revenue decreased by approximately 30.6% from approximately HK\$520.4 million for FY2021/22 to approximately HK\$361.2 million for FY2022/23, which was mainly attributable to the decrease in our service revenue derived from site formation works, from approximately HK\$263.0 million for FY2021/22 to approximately HK\$114.6 million for FY2022/23, caused mainly by the completion of Project No. #01 towards the end of FY2021/22 whilst Project No. #07 (with contract sum of approximately HK\$573.3 million) and Project No. #08 (with contract sum of approximately HK\$189.2 million) only commenced in December 2022 and July 2022, respectively. Consequently a significant portion of the revenue from these two projects had not yet been recognised in FY2022/23 but in FY2023/24.

Gross profit and gross profit margin

The following table sets forth a breakdown of our service gross profit and service gross profit margin in respect of our service revenue by types of works for the years indicated:

	FY2021/22		FY2022/23		FY2023/24	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Civil engineering						
— Site formation works	33,885	12.9	12,783	11.2	61,535	19.9
— Road and drainage works	3,038	19.9	9,401	15.5	10,769	19.2
Electrical engineering	25,767	20.2	29,456	23.5	34,148	30.2
Renewable energy	1,324	4.0	7,696	20.2	14,021	31.6
Total service gross profit/gross profit margin	64,014	14.6	59,336	17.5	120,473	23.0

Our service gross profit margin increased from approximately 14.6% for FY2021/22 to approximately 17.5% for FY2022/23, and increased further to approximately 23.0% for FY2023/24. The increase in our service gross profit margin for FY2022/23 was mainly driven by the increase in our service gross profit margin for electrical engineering works, which was mainly because during the Track Record Period we shifted to deployed more direct labour and reduced the use of subcontractors. The increase in our service gross profit margin for FY2022/23 was mainly driven by the increase in our service gross profit margin for site formation works and electrical engineering works. The increase in our service gross profit margin for site formation works was due to (i) the fact that we incurred substantially less machinery and equipment leasing expenses as we deployed our own machinery more; and (ii) following the easing of COVID-19 outbreak in Hong Kong, the Government gradually relaxed the stringent anti-epidemic measures, which facilitated our projects progress resulting in overall saving of our cost of services.

Backlog

The following table sets out movement in the number of our projects during the Track Record Period and up to the Latest Practicable Date:

	FY2021/22	FY2022/23	FY2023/24	From 1 April 2024 up to 30 April 2024
Opening number of projects	15	27	32	23
Add: Number of new projects awarded to us	27	32	28	2
Less: Number of projects completed	(15)	(27)	(37)	—
Ending number of projects	27	32	23	25

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The following table sets forth the movement in the value of backlog of our projects (excluding the Master Agreement A, the Master Agreement B and the Master Agreement C) during the Track Record Period and up to the Latest Practicable Date:

	FY2021/22	FY2022/23	FY2023/24	From 1 April 2024 up to 30 April 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Opening value of backlog as at the beginning of the relevant year/period	120,651	221,364	722,016	650,515
Add: Total value of contract works awarded during the relevant year/period	414,793	715,962	338,360	8,767
Less: Total service revenue recognised during the relevant year/period	<u>(314,080)</u>	<u>(215,310)</u>	<u>(409,861)</u>	<u>(89,098)</u>
Ending value of backlog to be carried forward to next year/period	<u>221,364</u>	<u>722,016</u>	<u>650,515</u>	<u>570,184</u>

During the Track Record Period, our annual average aggregate revenue derived from Master Agreement A and Master Agreement B relating to our electrical engineering works for the CLP Group was approximately HK\$116.7 million. The above agreements are expected to finish in November 2023 but are renewable for another year.

As at the Latest Practicable Date, we had submitted 22 contract tenders which were still undergoing tender selection process. Of these 22 tenders, we are positive that we shall be able to secure two projects with total contract amount of approximately HK\$705.3 million, taking into consideration latest negotiation with the relevant customer. Further details are set out in the section headed “Future Plans and [REDACTED]”.

Our customers

During the Track Record Period, our customers mainly included a group of companies providing electricity to more than 80% of the Hong Kong’s population, construction contractors in Hong Kong, joint ventures formed by PRC state-owned enterprises through their subsidiaries, and various Government departments.

For FY2021/22, FY2022/23 and FY2023/24, the revenue derived from our top customer for each year during the Track Record Period amounted to approximately HK\$168.5 million, HK\$86.7 million and HK\$171.6 million, respectively, while the revenue derived from our top five customers for each year during the Track Record Period amounted to approximately HK\$440.7 million, HK\$220.5 million and HK\$380.7 million in aggregate, respectively. For FY2021/22, FY2022/23 and FY2023/24, the percentage of our total revenue attributable to our top customer amounted to approximately 32.4%, 24.0% and 32.6%, respectively. The percentage of our total revenue attributable to our top five customers in aggregate amounted to approximately 84.6%, 61.0% and 72.3%, respectively for the same years. Our Directors consider that our Group’s business model is sustainable despite such customer concentration. For further details of such customer concentration, please refer to the paragraph headed “Business — Our customers — Customer concentration” in this document.

When we undertake projects for our customers, there may be occasions where our customers procure materials and provide other services on our behalf and subsequently deduct such amounts in the relevant progress payments to us. The procurement made by our customers on our behalf mainly included materials such as fuel and concrete. For FY2021/22, FY2022/23 and FY2023/24, we incurred approximately HK\$18.3 million, HK\$17.1 million, and HK\$0.8 million, respectively,

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for the procurement of materials and other services from our customers, representing approximately 4.3%, 6.0% and 0.2% of our total cost of services for the corresponding years, respectively.

Our suppliers

Suppliers of goods and services which are specific to our business and are required on a regular basis to enable us to continue carrying on our business mainly include (i) subcontractors; (ii) suppliers of materials such as steel, uPVC pipes and solar photovoltaic panels; and (iii) suppliers of other miscellaneous services such as machinery rental services, testing services and technical consultancy services.

For FY2021/22, FY2022/23 and FY2023/24, the percentage of our total purchases from our top supplier amounted to approximately 7.7%, 3.7% and 10.6% of our total cost of services, respectively, while the percentage of our total purchases from our top five suppliers in aggregate amounted to approximately 30.3%, 13.5% and 22.3%, respectively.

Licences and registrations

During the Track Record Period and up to the Latest Practicable Date, Our Group had obtained the licences and registrations including registration as Registered Electrical Contractor, Contractor on the List of Approved Contractors for Public Works (Roads and Drainage under Group A on probation), Registered Specialist Trade Contractor and Registered Minor Works Contractor as at Latest Practicable Date.

For further details, please refer to the paragraph headed “Business — Licences and permits” in this document.

COMPETITIVE LANDSCAPE AND COMPETITIVE STRENGTHS

Civil Engineering Industry in Hong Kong

According to the Census and Statistics Department, the gross value of civil engineering works performed by main contractors in Hong Kong recorded an overall incline from approximately HKD49,356.0 million in 2019 to HKD57,892.0 million in 2023, representing a CAGR of approximately 3.2%. The rollout and commencement of projects such as Kwu Tung North (KTN) and Fanling North (FLN) New Development Area (NDA), Kau Yi Chau Artificial Island under the Lantau Tomorrow Vision, Tung Chung New Town Extension in the coming few years, shall sustain demand for civil engineering works, the gross value of civil engineering works in Hong Kong is expected to increase at a CAGR of 3.5% during 2024 to 2028.

The civil engineering industry in Hong Kong is relatively concentrated. As estimated by Frost & Sullivan, the aggregate market share of top three market participants in civil engineering industry in Hong Kong in 2023 was approximately 22.4%. The Group recorded revenue of HKD365.5 million, accounting for a market share of approximately 0.6% in the overall civil engineering industry in Hong Kong in 2023.

Electrical Engineering Industry in Hong Kong

Based on Frost & Sullivan’s estimate, the market size of overall electrical works in Hong Kong increased from HK\$18.4 billion in 2018 to HK\$22.2 billion in 2023, representing a CAGR of approximately 4.6% during 2018 to 2023, and is projected to further climb to HK\$26.5 billion by 2028, maintaining a CAGR of around 3.9% between 2024 and 2028.

The electrical construction works in Hong Kong is relatively fragmented. According to Construction Industry Council (“CIC”), there were approximately 1,778 subcontractors on the List of Registered Subcontractors under the trade code of Electrical of CIC as of April 2024. Among the registered contractors, it is estimated that there were approximately 600 market participants in the power cabling & civil pipeline installation market in Hong Kong in 2023 and there were

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approximately 300 market participants in the solar system construction and maintenance market in Hong Kong in 2023. The Group is the largest power cabling & civil pipeline installation subcontractor in Hong Kong in 2023 with the market share of 13.6%.

We believe that our competitive strengths include: (i) we have an established track record in the civil and electrical engineering industries in Hong Kong; (ii) we have diverse experience and capabilities in a wide spectrum of construction services; (iii) we possess our own labour and own a fleet of machinery and equipment to undertake a wide range of construction projects; and (iv) our management team is experienced, dedicated and has an acute sense of the development of the construction industry.

BUSINESS STRATEGIES

The principal business objective of our Group is to further strengthen our market position, increase our market share and capture the growth in the construction industry in Hong Kong.

We intend to pursue the following key business strategies: (i) acquiring additional electric machinery and equipment to enhance our operational capacity for our ongoing and upcoming projects and to seize the opportunity for sustainable construction; (ii) competing for more sizeable projects; (iii) expanding our manpower for project execution and strengthening the skills of our employees; and (iv) enhancing our occupational safety and project implementation efficiency through information technology.

SALES AND MARKETING AND PRICING STRATEGY

During the Track Record Period, we secured new business mainly through invitations for tender by customers. For public sector projects in which we act as main contractor, we identify potential projects from publications on the websites of different Government departments. We may also receive invitations from different Government departments to submit tender since we are registered on the List of Approved Contractors for Public Works maintained by the Development Bureau under Group A on probation of the Roads and Drainage category. Our Directors consider that due to our proven track record and our relationship with our existing customers, we are able to leverage our existing customer base and our reputation in civil and electrical engineering industries in Hong Kong such that we do not rely heavily on marketing activities other than liaising with existing and potential customers from time to time for relationship building and management.

Our pricing is generally determined based on certain mark-up over our estimated costs. Pricing of our services is determined on a case-by-case basis having regard to various factors, which generally include (i) the scope of services; (ii) the price trend for the types of materials and subcontracting services required; (iii) the complexity and the location of the project; (iv) the estimated number and types of machinery required; (v) the completion time requested by customers; and (vi) the availability of our labour and financial resources.

RISK FACTORS

[REDACTED] are advised to carefully read the section headed “Risk factors” in this document before making any investment decision in the [REDACTED]. Some of the more particular risk factors include the following: (i) most of our revenue during the Track Record Period was derived from projects awarded by a limited number of customers and any significant decrease in the number of projects with our major customers may materially and adversely affect our financial performance; (ii) reduction or termination of public and private sector projects in Hong Kong may adversely affect our revenue and results of operations; (iii) our revenue is mainly derived from projects which are non-recurrent in nature and there is no guarantee that our customers will provide us with new businesses; and (iv) potential mismatch in time between receipt of payments from our customers, payment of project up-front costs, and payments to our suppliers may adversely affect our cash flows.

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SUMMARY OF KEY FINANCIAL INFORMATION

Summary of combined statements of profit or loss

	Year ended 31 March		
	2022	2023	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	520,351	361,207	526,099
Cost of sales	(426,738)	(285,674)	(404,492)
Gross profit	93,613	75,533	121,607
Profit before income tax	70,510	47,647	92,916
Income tax expenses	(11,455)	(7,082)	(16,009)
Profit for the year	59,055	40,565	76,907

Summary of combined statements of financial position

	As at 31 March		
	2022	2023	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets	62,052	55,739	92,762
Current assets	206,779	202,646	273,015
Non-current liabilities	17,635	14,509	23,440
Current liabilities	172,745	124,881	186,945
Net current assets	34,034	77,765	86,070
Net assets	78,451	118,955	155,392

Summary of combined statements of cash flows

	FY2021/22	FY2022/23	FY2023/24
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash inflow from operating activities . .	7,919	36,778	69,391
Net cash outflow from investing activities . .	(5,493)	(35,872)	(39,608)
Net cash inflow/(outflow) from financing activities	2,000	(8,779)	(7,892)
Net increase/(decrease) in cash and cash equivalents	4,426	(7,873)	21,891
Cash and cash equivalents at beginning of the financial year	8,917	13,343	5,470
Cash and cash equivalents at end of the financial year	13,343	5,470	27,361

During the Track Record Period, we recorded net cash inflow from operating activities and net cash outflow from investing activities for all years presented. On the other hand, we recorded net cash inflow from financing activities for FY2021/2022 and recorded net cash outflow from financing activities for FY2022/23 and FY2023/24.

Key financial ratios

The following tables set forth certain key financial ratios as at/for the years ended 31 March 2022, 31 March 2023 and 31 March 2024:

	As at/For the year ended 31 March		
	2022	2023	2024
Gross profit margin	18.0%	20.9%	23.1%
Net profit margin	11.3%	11.2%	14.6%
Return on equity	75.3%	34.1%	49.5%
Return on assets	22.0%	15.7%	21.0%
Current ratio	1.2	1.6	1.5
Gearing ratio	64.6%	44.7%	34.1%
Interest coverage ratio	53.9	25.9	40.3

For further details of the key financial ratio, please refer to the paragraph headed “Financial information — Selected financial ratios” in this document.

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CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED], options that may be granted under the Share Option Scheme or any Shares that may be granted under the Share Award Scheme), Wing Lee Green Development will be interested in approximately [REDACTED] of the issued share capital of our Company. Wing Lee Green Development is an investment holding company incorporated in BVI and is owned as to 68% by Mr. Yiu, 17% by Mr. Yiu Wang Lung and 15% by Mr. Chan. On the basis that Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan hold their respective interests in our Company through a common investment holding company, i.e. Wing Lee Green Development, which in turn will be entitled to exercise 30% or more of the voting power at general meetings of our Company, Wing Lee Green Development, Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan are regarded as a group of Controlling Shareholders under the Listing Rules. For details of the shareholding interests of the Controlling Shareholders, please refer to the section headed “Substantial Shareholders” in this document.

LITIGATION AND CLAIMS

During the Track Record Period and up to the Latest Practicable Date, our Group had been involved in certain litigation proceedings and may be subject to potential claims in the ordinary and usual course of our business. As at the Latest Practicable Date, we were involved in one ongoing civil litigation case against our Group in relation to common law personal injuries claim. For further details, please refer to the paragraph headed “Business — Litigations and claims” in this document.

[REDACTED] STATISTICS

Number of [REDACTED]: [REDACTED] Shares (subject to the [REDACTED])

[REDACTED]: Not more than HK\$[REDACTED] per [REDACTED] and expected to be not less than HK\$[REDACTED] per [REDACTED] (excluding brokerage, Stock Exchange trading fee, SFC transaction levy and AFRC transaction levy)

	Based on an [REDACTED] of HK\$[REDACTED] per Share	Based on an [REDACTED] of HK\$[REDACTED] per Share
	<i>HK\$</i>	<i>HK\$</i>
[REDACTED] ^(Note)	[REDACTED]	[REDACTED]
[REDACTED] adjusted consolidated net tangible assets per Shares ^(Note)	[REDACTED]	[REDACTED]

Note: Please refer to Appendix II to this document for the bases and assumptions in calculating the figures.

[REDACTED] EXPENSES

The total amount of [REDACTED] expenses in connection with the [REDACTED], including [REDACTED] commissions, is estimated to be approximately HK\$[REDACTED] (based on the mid-point of the indicative [REDACTED] range), representing approximately [REDACTED] of our [REDACTED] from the [REDACTED] (based on the mid-point of the indicative [REDACTED] range and assuming the [REDACTED] is not exercised). The [REDACTED] expenses of: (i) approximately HK\$[REDACTED] is directly attributable to the issue of the [REDACTED] and is to be accounted for as a deduction from equity in accordance with the relevant accounting standard; and (ii) approximately HK\$[REDACTED] has been or is to be charged to the combined statements of profit or loss, of which (a) approximately

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HK\$[REDACTED] have been charged for FY2023/24; and (b) approximately HK\$[REDACTED] is expected to be charged prior to or upon [REDACTED]. Expenses in relation to the [REDACTED] are non-recurring in nature.

DIVIDEND

For the FY2021/22, FY2022/23 and FY2023/24, members of our Group declared dividends in aggregate of nil, nil, and approximately HK\$40.5 million, to their then shareholders, respectively. As at the Latest Practicable Date, the dividends were either settled by cash or set off against the amount due from director. We will declare and settle final dividends of approximately HK\$30.0 million in respect of FY2023/24 before [REDACTED].

We do not have a predetermined dividend payout ratio after the [REDACTED]. The payment and the amount of any future dividends will be at the discretion of our Directors and will depend on our Group's future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors which our Directors deem relevant. Any final dividend for a financial year will be subject to Shareholders' approval. Holders of the Shares will be entitled to receive such dividends pro rata according to the amounts paid up on the Shares. Dividends may be paid only out of our Company's distributable profits as permitted under the relevant laws. There can be no assurance that our Company will be able to declare or distribute in the amount set out in any plan of our Board or at all. Our Group's historical payment of dividend during the Track Record Period may not be used as a reference or basis to determine the level of dividends that may be declared or paid by our Company in the future.

FUTURE PLANS AND [REDACTED]

We estimate that the [REDACTED] from the [REDACTED] (assuming the [REDACTED] is not exercised) based on the [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED], after deducting the related [REDACTED] expenses, are estimated to be approximately HK\$[REDACTED]. We intend to apply such [REDACTED] as follows: (i) approximately HK\$[REDACTED] or approximately [REDACTED]% will be used for acquiring additional electric machinery and equipment comprising, among others, electric excavators, portable combo fast charging stations, dump trucks, electric cement mixer and electric crawler crane required for our site formation works, road and drainage works and electrical engineering works; (ii) approximately HK\$[REDACTED] or approximately [REDACTED]% will be used for paying upfront costs for our new projects; (iii) approximately HK\$[REDACTED] or approximately [REDACTED]% will be used for recruiting new staff members; (iv) approximately HK\$[REDACTED] or approximately [REDACTED]% will be used for procuring Smart Site Safety System and an enterprise resources planning system; and (v) approximately HK\$[REDACTED] or approximately [REDACTED]% will be reserved for our general working capital.

RECENT DEVELOPMENT AND MATERIAL ADVERSE CHANGE

Our Directors confirm that, subsequent to the Track Record Period and up to the Latest Practicable Date, save for the expenses in connection with the [REDACTED] up to the Latest Practicable Date, (i) there was no material adverse change in the market conditions and the regulatory environment in which our Group operates that would affect our financial or operating position materially and adversely, (ii) there was no material adverse change in our business, revenue structure, profitability, cost structure, financial position and prospects; and (iii) no event had occurred that would affect the information shown in the Accountant's Report in Appendix I to this document materially and adversely.