
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to November 2010 when Mr. Wang, leveraging his work experience, industry knowledge and resources, decided to capture potential opportunities in the construction industry brought by the establishment of Tianjin Binhai New Area as an administrative area formed in 2009 in Tianjin, the PRC. Our Company was established as a limited liability company in the PRC on November 4, 2010 under the name of Tianjin Binhai New Area Shanshengyuan Municipal Engineering Co., Ltd.* (天津市濱海新區山盛源市政工程有限公司) and was founded by Mr. Wang. For details of Mr. Wang’s background and experience, please refer to the section headed “Directors, Supervisors and Senior Management” in this document. At the time of its establishment, the registered capital of our Company was RMB10,000,000, which was wholly-owned by Mr. Wang and was then primarily engaged in municipal public construction. According to the Frost & Sullivan Report, among the 2,547 and 3,351 construction enterprises in Tianjin in 2022 and 2023, respectively, there were only three and four construction companies which possessed qualifications in both petrochemical engineering works and highway construction works at the same time, respectively, out of which we were the only construction company which is a private company. In addition to qualifications in petrochemical engineering works and highway construction works, we also possessed qualifications in municipal public construction works and building construction, enabling us to participate in a wider range of projects compared to construction companies possessing fewer qualification. As of the Latest Practicable Date, we possessed 25 qualifications related to our construction business, which included two first-grade construction qualifications: (i) first-grade qualification in petrochemical engineering construction general contracting* (石油化工工程施工總承包壹級資質); and (ii) first-grade qualification in foundation construction professional contracting* (地基基礎工程專業承包一級資質). For details, please refer to the section headed “Business — Licenses, Qualifications and Permits” in this document.

In preparation for the [REDACTED], our Group underwent a series of corporate reorganization. Pursuant to the promoters’ agreement entered into between Shengyuan Holding, Tianjin Zhiweilai and Tianjin Gongmeihao on June 2, 2023 and upon approval by the Shareholders at the shareholders’ general meeting held on June 5, 2023, our Company was converted into a joint stock company on June 6, 2023. As of the Latest Practicable Date, Shengyuan Holding, Tianjin Zhiweilai, Tianjin Gongmeihao and Zhuhai Zhongqing held 68.5%, 19.5%, 9.3% and 2.7% of the issued share capital in our Company, respectively. For further details, please refer to the paragraph headed “Reorganization” in this section.

As of the Latest Practicable Date, our Company held 100% equity interests in each of Tianjin Zhongjianke, Yujiacheng and Tianjin Binhai, all established in the PRC. For further details of our subsidiaries, please refer to the paragraph headed “Our Subsidiaries” in this section.

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BUSINESS DEVELOPMENT MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestones
2010	Our Company was established in November.
2013	Our Company undertook the construction project of Jing San Road (Phase III) in the Tianjin Lingang Industrial Zone* (天津臨港產業區經三路(三期)), tapping into the municipal public construction industry in Tianjin.
2018	Our Company registered its first construction project management software and utility model patent.
2019	Our Company was recognized as a High and New Technology Enterprise* (高新技術企業) by the Tianjin Municipal Science and Technology Bureau (天津市科學技術局), the Tianjin Municipal Finance Bureau (天津市財政局) and Tianjin Municipal Tax Service, State Taxation Administration (國家稅務總局天津市稅務局). Our self-developed Jiexiao System debuted and was first applied to our construction projects.
2020	Our Company was recognized as Leading Enterprise in the Strategic Emerging Industries in Tianjin* (天津市戰略性新興產業領軍企業) by the Tianjin Binhai New Area Talent Office* (天津市濱海新區人才辦) and Tianjin Gazelle Enterprise* (天津市瞪羚企業) by the Tianjin Municipal Science and Technology Bureau* (天津市科學技術局).
2022	Our Company entered into an investment cooperation agreement with the Tianjin Economic and Technological Development Area Administrative Committee* (天津經濟技術開發區管理委員會), pursuant to which the Tianjin Economic and Technological Development Area Administrative Committee* conditionally agreed to provide us with support in various areas, including operation, technological innovation, subsidies for talents, taxation and marketing. Our Company was recognized as a Tianjin Municipal Specialized, Sophisticated, Unique and Innovative Small and Medium-sized Enterprise* (天津市「專精特新」中小企業) by the Tianjin Industrial and Information Technology Bureau (天津市工業和信息化局) and the Tianjin Finance Bureau (天津市財政局) and Leading Nurturing Technological Enterprise in Tianjin* (天津市科技領軍培育企業) by the Tianjin Municipal Science and Technology Bureau* (天津市科學技術局).

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OUR GROUP COMPANIES

Our Company

The Establishment in 2010

On November 4, 2010, our Company was established in the PRC as a limited liability company with an initial registered capital of RMB10,000,000. At the time of its establishment, our Company was wholly-owned by Mr. Wang. The then principal business of our Company was the implementation of construction projects as subcontractors, cooperating with state-owned enterprises.

Changes in the Registered Capital of our Company

On February 25, 2014, the registered capital of our Company was increased to RMB77,000,000, the amount of the increase in registered capital was fully settled on the same date, and our Company remained wholly-owned by Mr. Wang.

On February 15, 2017, the registered capital of our Company was further increased to RMB78,000,000 as Ms. Dou agreed to subscribe for an increased registered capital of RMB1,000,000 of our Company, with the capital contribution to be fully settled on or before December 31, 2029. Upon completion of the aforesaid subscription, our Company was owned as to 98.7% by Mr. Wang and 1.3% by Ms. Dou, respectively.

Transfer of Equity Interest with Jiangshengyuan and Tianjin Yicheng

In 2017, Mr. Wang considered integrating the businesses of our Company and Jiangshengyuan Construction Co. Ltd.* (江盛源建设有限公司) (“**Jiangshengyuan**”), a company established in the PRC which was then mainly involved in earthwork foundation works, as he intended to combine the resources and efforts of the two companies to achieve greater business scale and size. Against such background, on October 12, 2017, Mr. Wang entered into a joint venture cooperation agreement* (合資合作協議書) with Mr. Fu Jinpeng and Ms. Fu Jinjie, both being the cousins of Mr. Wang and the then ultimate beneficial owners of Jiangshengyuan, pursuant to which, among other things, Mr. Wang and Ms. Dou agreed to transfer all of their equity interest in our Company to Jiangshengyuan and, as consideration, the then shareholders of Jiangshengyuan, namely, Mr. Fu Jinpeng and Ms. Fu Jinjie, agreed to transfer 40% of the equity interests in Jiangshengyuan to Mr. Wang and Ms. Dou after completion of the transfer of equity interest in our Company to Jiangshengyuan. According to Mr. Wang and Ms. Dou, the parties in determining the ratios of the equity interest to be transferred under the transactions have taken into account the subject companies’ then paid-up capital, conditions of net asset value (such as working capital and fixed assets), business prospects and the final ratios were the result of commercial discussion. On November 14, 2017, Mr. Wang and Ms. Dou respectively entered into an equity transfer agreement with Jiangshengyuan, whereby Mr. Wang and Ms. Dou transferred their respective equity interests in our Company to Jiangshengyuan. Upon completion of such transfer, Mr. Wang and Ms. Dou ceased to hold any equity interest in our Company and our Company became a wholly-owned subsidiary of Jiangshengyuan.

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The business integration plan fell through as the parties subsequently failed to reach agreement on the management and development direction of the integrated company. On April 4, 2018, Jiangshengyuan transferred all of their equity interest in our Company back to Mr. Wang and Ms. Dou. Upon completion of the transfer on April 4, 2018, our Company was owned as to 98.7% by Mr. Wang and 1.3% by Ms. Dou, respectively, back to the shareholding position and structure prior to the intended business integration with Jiangshengyuan.

The equity interests of Mr. Wang and Ms. Dou in our Company were transferred to Jiangshengyuan before the parties agreed on the management and development direction of the integrated company because the transfer of equity interest by Mr. Wang and Ms. Dou was stipulated in the joint venture cooperation agreement, thus, Mr. Wang and Ms. Dou merely acted to comply with the terms of the agreement. As confirmed by Mr. Wang and Ms. Dou, they believed that the then proposed integration would complete as planned and trusted Jiangshengyuan given that ultimate beneficial owners of Jiangshengyuan were cousins of Mr. Wang.

Under the then proposed integration between our Company and Jiangshengyuan, after the transfer of equity interests of Mr. Wang and Ms. Dou in our Company, representing 100% equity interests in our Company, Mr. Fu Jipeng and Ms. Fu Jinjie were to subsequently transfer 40% equity interest in Jiangshengyuan to Mr. Wang and Ms. Dou as consideration. Correspondingly, the transfer of such 40% equity interest did not happen as the business integration fell through. As the same equity interests in our Company were eventually transferred back to Mr. Wang and Ms. Dou and the relevant transfer of equity interests in Jiangshengyuan never occurred, as confirmed by Mr. Wang and Ms. Dou, there was no gain or loss on their part.

With the continuing aim to enlarge the business scale of our Company, Mr. Wang held discussions with Tianjin Yicheng Chemical Construction Engineering Co. Ltd.* (天津贻成化工建设工程有限公司) (“**Tianjin Yicheng**”), a limited liability company established in the PRC, an Independent Third Party, which resulted in Mr. Wang and Ms. Dou entering into a joint venture agreement* (合資協議書) with Tianjin Yicheng on June 22, 2018, whereby Mr. Wang and Ms. Dou would transfer their respective equity interest in our Company to Tianjin Yicheng, while Tianjin Yicheng, as consideration, would procure its shareholders to transfer 30% equity interest in Tianjin Yicheng to Mr. Wang and Ms. Dou. According to Mr. Wang and Ms. Dou, the parties in determining the ratios of the equity interest to be transferred under the proposed transaction have taken into account the subject companies’ then paid up capital, conditions of net asset value (such as working capital and fixed assets), business prospects and the final ratios were the result of commercial discussion. Mr. Wang saw potential in combining the two companies as Tianjin Yicheng had experiences in municipal public construction, and saw its potential in bringing business opportunities from state-owned enterprises and local government to our Group, as Tianjin Yicheng was owned as to 10% by Tianjin Bohai Chemical Company Limited* (天津渤海化工集團有限責任公司), a state-owned petrochemical company in Tianjin, which was majority-owned by Tianjin State Owned Investment Operation Company Limited* (天津國有資本投資營運有限公司), an investment vehicle of the Tianjin municipal government. On June 26, 2018, Mr. Wang

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and Ms. Dou respectively entered into an equity transfer agreement with Tianjin Yicheng to transfer their respective equity interests in our Company to Tianjin Yicheng. After such transfers, our Company was owned as to 100% by Tianjin Yicheng.

The cooperation plan between our Company and Tianjin Yicheng fell through as Tianjin Yicheng’s shareholders failed to reach agreement to effect their respective transfer of Tianjin Yicheng’s equity interests to Mr. Wang and Ms. Dou, respectively. Thus, on October 19, 2018, Tianjin Yicheng transferred all of its equity interest in our Company back to Mr. Wang and Ms. Dou. Upon the completion of the transfer on October 19, 2018, our Company was owned as to 98.7% by Mr. Wang and 1.3% by Ms. Dou, respectively, back to the shareholding position and structure prior to the intended business cooperation with Tianjin Yicheng.

The equity interest of Mr. Wang and Ms. Dou in our Company were transferred to Tianjin Yicheng before the shareholders of Tianjin Yicheng effected their respective transfer of equity interests in Tianjin Yicheng to Mr. Wang and Ms. Dou because the transfer of equity interest by Mr. Wang and Ms. Dou was stipulated in the joint venture agreement, thus, Mr. Wang and Ms. Dou merely acted to comply with the terms of the agreement. As confirmed by Mr. Wang and Ms. Dou, they had high regard for and trusted Tianjin Yicheng given its aforesaid state-owned shareholder status.

Under the then proposed cooperation plan between our Company and Tianjin Yicheng, after the transfer of equity interest of Mr. Wang and Ms. Dou in the Company, representing 100% equity interests in our Company, Tianjin Yicheng’s shareholders were to subsequently transfer 30% equity interest in Tianjin Yicheng to Mr. Wang and Ms. Dou as consideration. Correspondingly, the transfer of such equity interests in Tianjin Yicheng eventually did not happen as the cooperation plan fell through. As the same equity interests in our Company were eventually transferred back to Mr. Wang and Ms. Dou and the transfer of relevant equity interests in Tianjin Yicheng never occurred, as confirmed by Mr. Wang and Ms. Dou, there was no gain or loss on their part.

Capital Changes from 2020 to 2022

On June 17, 2020, the registered capital of our Company was increased to RMB166,770,000 as Mr. Wang and Ms. Dou agreed to subscribe for the additional registered capital of RMB87,633,744 and RMB1,136,256 in our Company, respectively, on a pro rata basis with reference to their respective equity interests in our Company. The capital contributions from Mr. Wang and Ms. Dou were to be fully settled on or before November 1, 2030.

On September 19, 2022, in view of the fact that a part of the registered capital of our Company had yet to be paid-up, a resolution by the Shareholders was passed to reduce the registered capital of our Company from RMB166,770,000 to RMB77,998,400. The reduced registered capital was part of the registered capital of our Company that was unpaid. Mr. Wang’s capital contribution was fully settled by February 25, 2014 and Ms. Dou’s capital contribution was fully settled on October 20, 2021. Upon completion of such capital reduction on September 23, 2022, Mr. Wang held 98.7% of the equity interest in our

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Company, corresponding to the registered capital of RMB77,000,000 and Ms. Dou held 1.3% of the equity interest in our Company, corresponding to the registered capital of RMB998,400.

Immediately prior to the Reorganization, the registered capital of our Company was RMB77,998,400 and was owned as to 98.7% by Mr. Wang and 1.3% by Ms. Dou, respectively.

For details of the steps of Reorganization, please refer to the paragraph headed “—Reorganization” in this section.

Capital Increase in July 2023

On July 19, 2023, the [REDACTED], Zhuhai Zhongqing, entered into an investment agreement with our Company and the then equity holders of our Company, pursuant to which our Company increased its registered capital from RMB150,000,000 to RMB154,347,826 and Zhuhai Zhongqing subscribed for the additional registered capital of RMB4,347,826 of the Company, representing approximately 2.8% of the equity interest in our Company at a consideration of RMB10,000,000. Upon the completion of the [REDACTED], our Company was owned as to 68.0% by Shengyuan Holding, 19.5% by Tianjin Zhiweilai, 9.7% by Tianjin Gongmeihao and 2.8% by Zhuhai Zhongqing, respectively. For details of the [REDACTED], please refer to the paragraph headed “—[REDACTED]” in this section.

Capital Increase in December 2023

On December 1, 2023, Shengyuan Holding, Tianjin Zhiweilai and our Company entered into a loan capitalization agreement, pursuant to which our Company increased its registered capital from RMB154,347,826 to RMB161,844,749. Shengyuan Holding and Tianjin Zhiweilai subscribed for 5,830,940 Shares and 1,665,983 Shares at the consideration of RMB13,411,164 and RMB3,831,761 by way of loan capitalization, respectively. Upon the completion of the capital increase, the Company was owned as to 68.5% by Shengyuan Holding, 19.5% by Tianjin Zhiweilai, 9.3% by Tianjin Gongmeihao and 2.7% by Zhuhai Zhongqing. For details of the capital increase, please refer to the paragraph headed “—Loan Capitalization” in this section.

Our Subsidiaries

Tianjin Zhongjianke

Tianjin Zhongjianke was established in the PRC as a limited liability company under the name of Tianjin Shanshengyuan Industrial Co., Ltd.* (天津山盛源實業有限公司) on March 24, 2017 with an initial registered capital of RMB50,000,000. At the time of its establishment, Tianjin Zhongjianke was wholly-owned by our Company. Tianjin Zhongjianke changed its name to Zhongjianke (Tianjin) Co. Limited* (中建科(天津)有限公司) on April 30, 2020. As of the Latest Practicable Date, Tianjin Zhongjianke was a property holding company which held a property primarily used as our Group’s office with a portion rented out to Independent Third Parties, with no other business operation.

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Yujiacheng

Yujiacheng was established in the PRC as a limited liability company under the name of Tianjin Yujiacheng Construction Engineering Co. Limited* (天津裕嘉程建築工程有限公司) on March 1, 2017 with an initial registered capital of RMB50,000,000. At the time of its establishment, Yujiacheng was wholly-owned by the Company. Yujiacheng changed its name to Yujiacheng Trading Co., Ltd.* (裕嘉程商貿有限公司) on November 12, 2019. As of the Latest Practicable Date, the principal business of Yujiacheng was sales of construction materials.

Tianjin Binhai

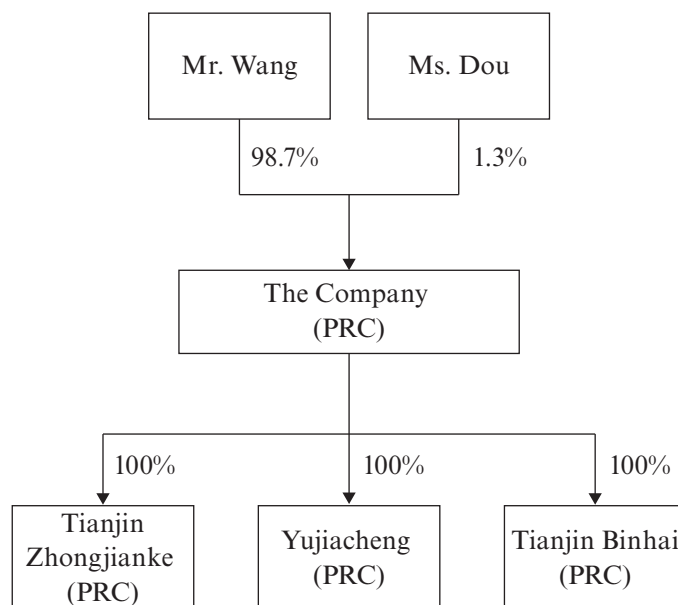
Tianjin Binhai was established in the PRC as a limited liability company on September 11, 2020 with an initial registered capital of RMB100,000,000. At the time of its establishment, Tianjin Binhai was owned as to 80% by our Company and 20% by Mr. Hao Peitao, an Independent Third Party, who was introduced to our executive Director and president, Mr. Zhao Kuanghua, in September 2020 through a mutual acquaintance. Our Company and Mr. Hao Peitao jointly established Tianjin Binhai with the belief that our Company could further develop its construction design business by utilizing Mr. Hao Peitao’s knowledge and resources in the construction industry. Subsequently, Mr. Hao Peitao decided to transfer his equity interest in Tianjin Binhai to our Company and resigned as a supervisor of Tianjin Binhai due to his intention to devote more time to his other personal and business commitments. As such, Mr. Hao Peitao and our Company entered into an equity transfer agreement dated August 11, 2022, pursuant to which, Mr. Hao Peitao agreed to transfer 20% of the equity interest held by him in Tianjin Binhai to our Company at nil consideration, considering that the registered capital of Tianjin Binhai was not yet paid up. Upon completion of such transfer, Tianjin Binhai became wholly-owned by our Company. As of the Latest Practicable Date, the principal business of Tianjin Binhai was building construction.

As of the Latest Practicable Date, the registered capital of our Company has been fully paid up, while the registered capital of Tianjin Zhongjianke, Yujiacheng and Tianjin Binhai have not been fully paid up, and shall be paid up by December 31, 2037, December 31, 2037 and September 1, 2050, respectively.

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REORGANIZATION

The shareholding and corporate structure of our Group immediately prior to the Reorganization is set out in the chart below:



In anticipation of the [REDACTED], we underwent the Reorganization, the details of which are set out below:

On November 21, 2022, Mr. Wang transferred 19.7%, 69%, 5% and 5% of his interest in our Company to Shanshengyuan Enterprise Management, Shengyuan Group, Tianjin Jushi and Tianjin Huizhi, all of which were controlled by Mr. Wang and our other Controlling Shareholders, by way of equity contribution to those entities at the consideration of RMB29,957,187, RMB104,819,763, RMB7,595,635 and RMB7,595,635, respectively, which were determined with reference to, among other things, the appraisal value of the shareholders’ equity of our Company made by an independent appraisal agency on May 31, 2022. Ms. Dou transferred 0.3% and 1% of her interest in our Company to Shanshengyuan Enterprise Management and Shengyuan Group by way of equity contribution to those entities at the consideration of RMB425,356 and RMB1,519,127, respectively, which were determined with reference to, among other things, the appraisal value of the shareholders’ equity of our Company made by an independent appraisal agency on May 31, 2022. Upon completion of the transfers, our Company was owned as to 70% by Shengyuan Group, 20% by Shanshengyuan Enterprise Management, 5% by Tianjin Jushi and 5% by Tianjin Huizhi, respectively.

On November 24, 2022, Shengyuan Group transferred all of its equity interest in our Company to its wholly-owned subsidiary, Shengyuan Holding, at a consideration of RMB54,598,880, which was determined with reference to the net book value of the equity interest of our Company as of November 16, 2022.

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On May 30, 2023, Shanshengyuan Enterprise Management transferred 20% of its equity interest in our Company to Tianjin Zhiweilai by way of equity contribution to Tianjin Zhiweilai at the consideration of RMB30,382,540, which was determined with reference to, among other things, the appraisal value of the shareholders’ equity of our Company made by an independent appraisal agency on May 31, 2022. On the same date, each of Tianjin Huizhi and Tianjin Jushi transferred 5% of the equity interest in our Company to Tianjin Gongmeihao by way of equity contribution to Tianjin Gongmeihao at the consideration of RMB7,595,635 determined with reference to, among other things, the appraisal value of the shareholders’ equity of our Company made by an independent appraisal agency on May 31, 2022. Upon completion of the transfers on May 31, 2023, our Company was owned as to 70% by Shengyuan Holding, 20% by Tianjin Zhiweilai and 10% by Tianjin Gongmeihao, respectively.

Pursuant to the promoters’ agreement dated June 2, 2023 and the shareholders’ resolution passed on June 5, 2023, the Shareholders agreed to convert our Company into a joint stock company with limited liability in the PRC with an initial registered share capital of RMB150,000,000 divided into 150,000,000 Shares with a nominal value of RMB1.0 each. On June 6, 2023, our Company was registered as a joint stock company with limited liability and was renamed as Tianjin Construction Development Group Co., Ltd. (天津建设发展集团股份有限公司).

Loan Capitalization

In October 2023, Mr. Wang, Shengyuan Holding, Tianjin Zhiweilai and the Company entered into a loan assignment agreement, pursuant to which Mr. Wang assigned the amounts of RMB13,411,164 due from the Company to Shengyuan Holding and the amounts of RMB3,831,761 due from the Company to Tianjin Zhiweilai, respectively. On December 1, 2023, the Company, Shengyuan Holding and Tianjin Zhiweilai entered into a loan capitalization agreement, pursuant to which Shengyuan Holding and Tianjin Zhiweilai subscribed for 5,830,940 Shares and 1,665,983 Shares at the consideration of RMB13,411,164 and RMB3,831,761 by way of loan capitalization, respectively.

The recognition of the abovementioned loan capitalization was determined based on the valuation report with the reference date of October 31, 2023, issued by Zhongqin Assets Appraisal Co., Ltd.* (中勤資產評估有限公司).

Immediately upon completion of the aforementioned subscription, Shengyuan Holding and Tianjin Zhiweilai held 110,830,940 Shares and 31,665,983 Shares, respectively.

For details of the shareholding structure of our Group immediately after the completion of the Reorganization, see the paragraph headed “— Corporate Structure” under this section.

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PRC REGULATORY REQUIREMENTS

As advised by our PRC Legal Adviser, all the acquisitions and equity transfers as described in “— Reorganization” were properly and legally completed and all necessary registration and filings from the relevant PRC authorities have been completed.

[REDACTED]

The table below sets out the key particulars of the [REDACTED] by Zhuhai Zhongqing:

Name of the [REDACTED]	Zhuhai Zhongqing
Date of investment agreement	July 19, 2023
Number of Shares subscribed for	4,347,826 Shares
Amount of consideration paid	RMB10,000,000
Basis of determination of consideration	The consideration was based on arm’s length negotiation between the parties and had taken into account the historical financial conditions, future growth prospects and performances of our Company. During our Company’s negotiation with Zhuhai Zhongqing, there was already an estimated market capitalization range. A [REDACTED] discount rate was applied to the estimated market capitalization range to determine the consideration. The [REDACTED] discount was discussed between the parties and was determined taking into account that our Company has already submitted its [REDACTED] and that the inherent investment risk may be different to that when a [REDACTED] was not yet submitted
Settlement date of the consideration	July 20, 2023
Cost per share and discount to the [REDACTED]	RMB[REDACTED] per Share (equivalent to approximately HK\$[REDACTED] per Share), representing a discount of [REDACTED]% to the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range stated in this document)

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Use of [REDACTED] [REDACTED]	The [REDACTED] from the [REDACTED] were used for our Group’s business expansion, capital expenditures and other purposes as approved by the [REDACTED]. As of the Latest Practicable Date, we have utilized 100% of the [REDACTED]
Strategic benefits	Our Directors are of the view that our Group could benefit from the [REDACTED] as it demonstrated such investor’s confidence in our business operation and provided our Group with additional capital to fund our operation and expansion. In addition, the [REDACTED] will strengthen and diversify the Shareholders’ portfolio
Shareholding in our Company upon [REDACTED]	[REDACTED]
Lock-up	One year from the [REDACTED]
[REDACTED]	Zhuhai Zhongqing is an Independent Third Party, and upon [REDACTED], its shareholding in our Company will be counted towards [REDACTED] for the purpose of Rule 8.08 of the Listing Rules
Special rights	No special right was granted to the [REDACTED]

Background of [REDACTED]

Zhuhai Zhongqing is a limited partnership established in the PRC and a private equity fund which is principally engaged in equity investment in electronics equipment manufacturing industry and invested in several semiconductor and chip device companies in Tianjin and other provinces in the PRC. Zhuhai Zhongqing was acquainted with the Company through participation in a business conference in 2021. Zhuhai Zhongqing is controlled and managed by its general partner, Zhongqing Henghui Private Equity Fund Management Co., Ltd.* (中青恒輝私募基金管理有限公司) (“**Zhongqing Henghui**”). Zhongqing Henghui is an indirect subsidiary of Tsinghua Unigroup Co., Ltd.* (紫光集團有限公司) (“**Tsinghua Unigroup**”) (which is principally engaged in the production and development of integrated circuit and was established in the PRC in 1993 with a registered capital of RMB670 million) and has been managing private equity investment funds which invest in enterprises in various industries in the PRC. Having discussed with our Company, Zhuhai Zhongqing was optimistic towards the prospects of the construction industry in Tianjin and it had confidence in our senior management and operational team to deliver consistent operational and financial performance. While understanding our business model, Zhuhai Zhongqing believed in the potential of our self-developed Jiexiao System in terms of its application in the construction industry. Furthermore, Zhuhai Zhongqing was in search for [REDACTED] targets in Tianjin at the time, therefore, they were interested in becoming a [REDACTED] in anticipation of our [REDACTED]. These factors have led to the [REDACTED] made by Zhuhai Zhongqing.

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As of the Latest Practicable Date, Zhuhai Zhongqing was owned as to 0.5% by Zhongqing Henghui, 29.6% by Zhuhai Lingxiang Investment Partnership (Limited Partnership)* (珠海領翔投資合夥企業(有限合夥)) (“**Zhuhai Lingxiang**”), 10.8% by Zhuhai Henghui Runzhi Investment Management Partnership (Limited Partnership)* (珠海恒輝潤智投資管理合夥企業(有限合夥)) (“**Zhuhai Henghui**”), 29.6% by Ningbo Jiaxin Dingcheng Business Consulting Partnership (Limited Partnership)* (寧波嘉信鼎誠商務諮詢合夥企業(有限合夥)) (“**Ningbo Jiaxin**”) and 29.6% by Hainan Shengshi Huilian Enterprise Management Partnership (Limited Partnership)* (海南盛世匯聯企業管理合夥企業(有限合夥)) (“**Shengshi Huilian**”). Zhuhai Lingxiang, Zhuhai Henghui, Ningbo Jiaxin and Shengshi Huilian whose ultimate beneficial owners are Wang Haiyong (王海勇) and Gao Xue (高雪), Wu Lifang (吳莉芳) and Jiang Jinhua (蔣錦華), Zhang Dapeng (張大鵬) and Zhang Li (張麗), and Liu Xiuqing (劉秀清) and Zheng Suhua (鄭素華), respectively, are limited partners of Zhuhai Zhongqing. The abovementioned individuals are either the licensed investment managers and/or general partners who are entitled to exercise voting power or investors ultimately holding more than one-third of the total equity interest of the respective relevant limited partners of Zhuhai Zhongqing.

Zhuhai Lingxiang was established in the PRC on December 13, 2022 and is owned as to 66.7% by Wang Haiyong (王海勇) and 33.3% by Gao Xue (高雪). It is principally engaged in investment activities.

Zhuhai Henghui was established in the PRC on December 20, 2016 and is owned as to 40% by Zhuhai Hengshun Ruida Equity Investment Partnership (Limited Partnership)* (珠海恒順瑞達股權投資合夥企業(有限合夥)), 35% by Zhongqing Henghui and 25% by Zhuhai Hengshun Xinrong Equity Investment Partnership (Limited Partnership)* (珠海恒順鑫榮股權投資合夥企業(有限合夥)). Zhuhai Henghui is ultimately controlled by Wu Lifang (吳麗芳) and Jiang Jinhua (蔣錦華). It is principally engaged in investment activities.

Ningbo Jiaxin is owned as to 66.7% by Zhang Li (張麗) and 33.3% by Zhang Dapeng (張大鵬). It is principally engaged in commercial consulting services.

Shengshi Huilian was established on December 9, 2022 and is owned as to 66% by Zheng Suhua (鄭素華) and 34% by Liu Xiuqing (劉秀清). It is principally engaged in consulting services.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

As confirmed by Zhuhai Zhongqing, Tsinghua Unigroup is wholly owned by Beijing Zhiguangxin Holding Limited* (北京智廣芯控股有限公司) (“**Beijing Zhiguangxin**”) which is held by a consortium with no actual controller (無實際控制人的聯合體). Beijing Zhiguangxin is held by more than 10 equity holders (the “**Equity Holders**”), of which more than 50% equity interests in Beijing Zhiguangxin is held by limited partnerships which are controlled by Beijing Wise Road Capital Co., Ltd.* (北京智路資產管理有限公司) (“**Beijing Wise Road**”) as general partner. Beijing Wise Road is ultimately controlled by Li Bin (李濱). The ultimate beneficial owners of the Equity Holders include, among others, the State-owned Assets Supervision Committee of Changping District of Beijing* (北京市昌平區人民政府國有資產監督管理委員會), Li Houwen (李厚文) and Li Bin (李濱).

To the best knowledge of our Directors, the [REDACTED], its general partner, limited partners and ultimate beneficial owner are Independent Third Parties. Save as disclosed in the prospectus, Zhuhai Zhongqing (including its general partner and limited partners and their respective beneficial owners) did not have any past or present relationships (including, without limitation, family, trust, business, employment relationships) and did not enter into any agreements, arrangements or understanding with our Group, any of our Shareholders or senior management and their respective associates. As confirmed by Zhuhai Zhongqing, the consideration of its subscription was funded by its internal resources which are derived from its limited partners.

Sole Sponsor’s Confirmation

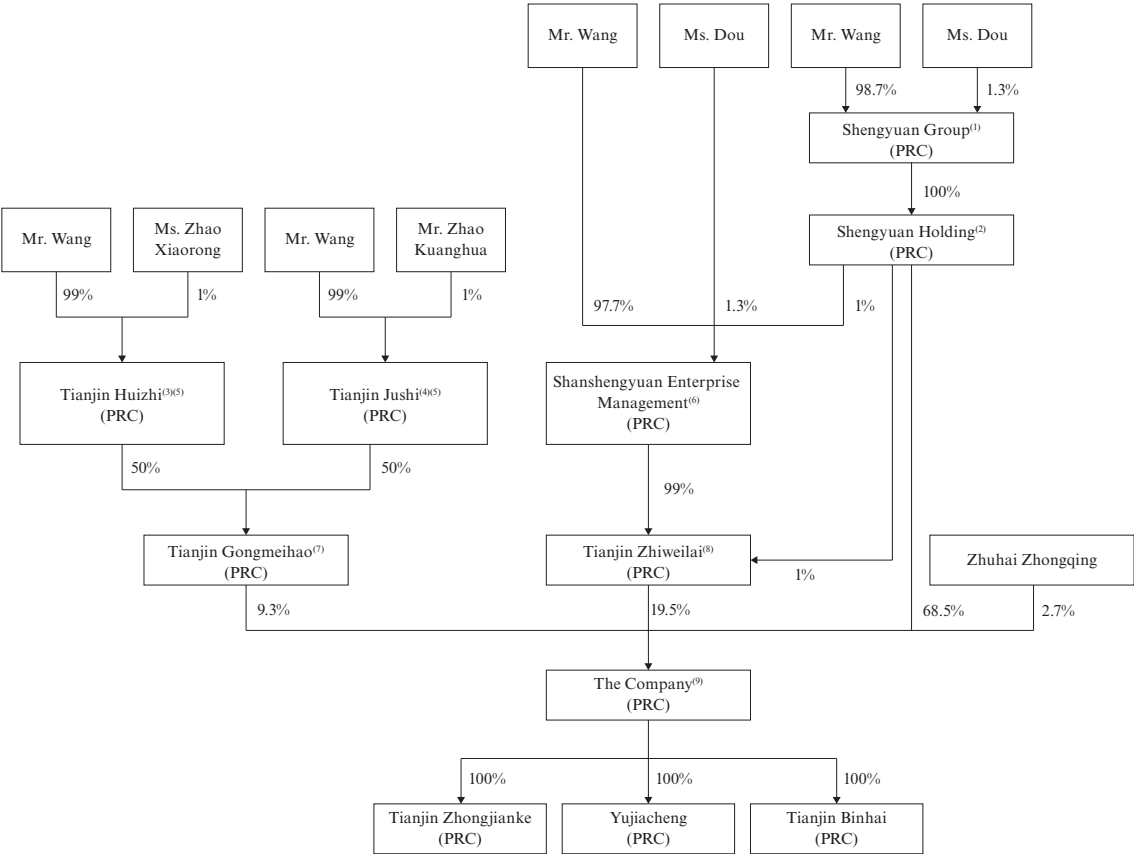
Under Chapter 4.2 under the Guide for New Listing Applicants published by the Hong Kong Stock Exchange, where any [REDACTED] is completed on or after the date of the first submission of the [REDACTED] form to the Hong Kong Stock Exchange, the Hong Kong Stock Exchange will generally delay the first day of [REDACTED] until 120 clear days after the completion of the last [REDACTED]. The consideration for the [REDACTED] was settled on July 20, 2023. On the basis that (i) the [REDACTED] will be more than 120 clear days after the completion of the [REDACTED]; and (ii) the [REDACTED] was not granted any special rights, the Sole Sponsor has confirmed that the [REDACTED] is in compliance with Chapter 4.2 under the Guide for New [REDACTED] published by the Hong Kong Stock Exchange.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE STRUCTURE

Corporate structure after the Reorganization and immediately prior to the [REDACTED]

Our corporate and shareholding structure after the Reorganization and immediately prior to the [REDACTED] is as follows:



Notes:

- (1) Shengyuan Group is a company established under the laws of the PRC on October 12, 2021 with limited liability and had no business operation except for holding Shares through its subsidiaries as of the Latest Practicable Date. As of the Latest Practicable Date, Shengyuan Group was owned as to 98.7% and 1.3% by Mr. Wang and Ms. Dou, respectively.
- (2) Shengyuan Holding is a company established under the laws of the PRC on March 1, 2022 with limited liability and a wholly-owned subsidiary of Shengyuan Group. Shengyuan Holding had no business operation except for holding Shares directly and indirectly as of the Latest Practicable Date.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

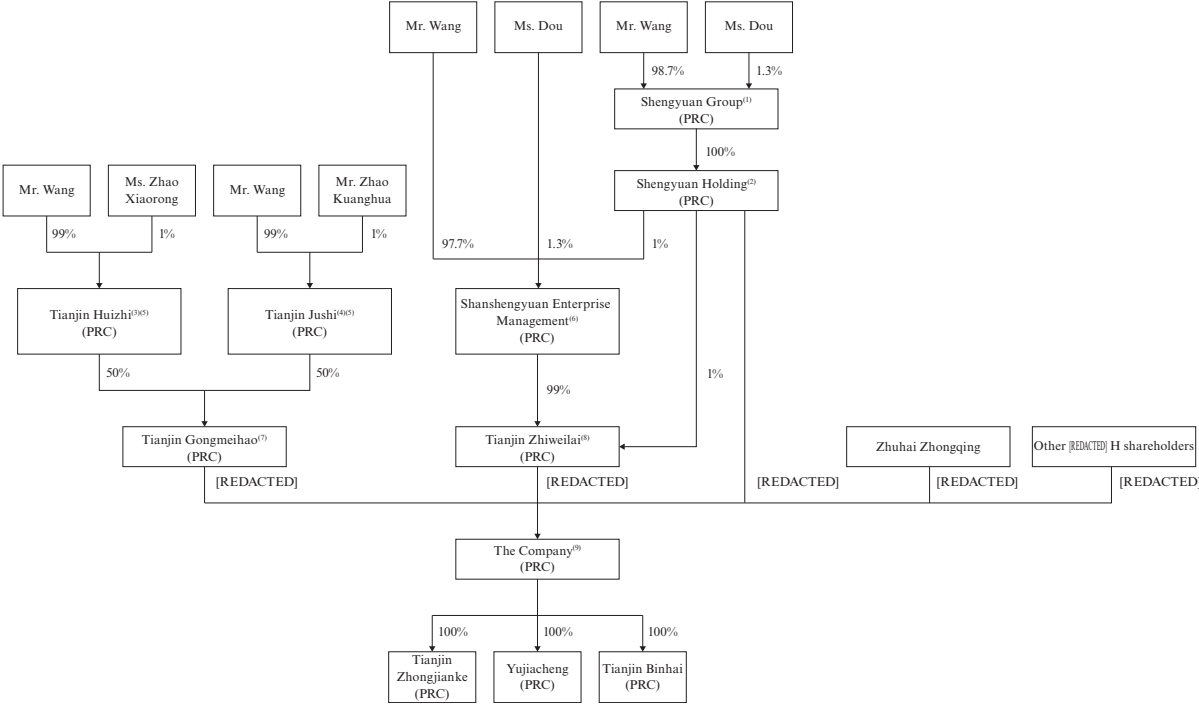
- (3) Tianjin Huizhi is a limited partnership established under the laws of the PRC on November 18, 2021 and had no business operation except for holding Shares through its subsidiary as of the Latest Practicable Date. As of the Latest Practicable Date, Tianjin Huizhi was owned as to 99% and 1% respectively by Mr. Wang (as limited partner) and Ms. Zhao Xiaorong (as general partner), an executive Director and vice president of our Company. Pursuant to Part XV of the SFO, Mr. Wang, as the limited partner that holds 99% equity interests in, i.e., who contributed more than one third of the capital of, Tianjin Huizhi, shall disclose the interest in the shares in which Tianjin Huizhi is interested. Therefore, Tianjin Huizhi is deemed as a member of the group of Controlling Shareholders alongside other Controlling Shareholders in which Mr. Wang has control. On the other hand, Ms. Zhao Xiaorong, as the general partner of Tianjin Huizhi, is deemed to have de facto control in it and hence is a controller of Tianjin Huizhi. Ms. Zhao Xiaorong, therefore, is also a Controlling Shareholder.
- (4) Tianjin Jushi is a limited partnership established under the laws of the PRC on November 18, 2021 and had no business operation except for holding Shares in our Company through its subsidiary as of the Latest Practicable Date. As of the Latest Practicable Date, Tianjin Jushi was owned as to 99% and 1%, respectively, by Mr. Wang (as limited partner) and Mr. Zhao Kuanghua (as general partner), an executive Director and president of our Company. Pursuant to Part XV of the SFO, Mr. Wang, as the limited partner that holds 99% equity interests in, i.e., who contributed more than one third of the capital of, Tianjin Jushi, shall disclose the interest in the shares in which Tianjin Jushi is interested. Therefore, Tianjin Jushi is deemed as a member of the group of Controlling Shareholders alongside other Controlling Shareholders in which Mr. Wang has control. On the other hand, Mr. Zhao Kuanghua, as the general partner of Tianjin Jushi, is deemed to have de facto control in it and hence is a controller of Tianjin Jushi. Mr. Zhao Kuanghua, therefore, is also a Controlling Shareholder.
- (5) For the avoidance of doubt, the aggregate interest held by Tianjin Huizhi and Tianjin Jushi in our Company through Tianjin Gongmeihao only adds up to 9.3% voting right in the Company, and Ms. Zhao Xiaorong and Mr. Zhao Kuanghua, as the general partners of Tianjin Huizhi and Tianjin Jushi, respectively, are deemed as members of the group of Controlling Shareholders. To the best of our Directors’ knowledge, there is no voting arrangement or concert-party arrangement among Ms. Zhao Xiaorong and Mr. Zhao Kuanghua and the other members of the group of Controlling Shareholders.
- (6) Shanshengyuan Enterprise Management is a limited partnership established under the laws of PRC on March 17, 2022 and had no business operation except for holding Shares through its subsidiary as of the Latest Practicable Date. As of the Latest Practicable Date, Shanshengyuan Enterprise Management was owned as to 97.7%, 1.3% and 1%, by Mr. Wang (as limited partner), Ms. Dou (as limited partner), and Shengyuan Holding (as general partner), respectively.
- (7) Tianjin Gongmeihao is a company established under the laws of the PRC on May 29, 2023 with limited liability and had no business operation except for holding Shares as of the Latest Practicable Date. As of the Latest Practicable Date, Tianjin Gongmeihao was owned as to 50% and 50% by Tianjin Huizhi and Tianjin Jushi, respectively.
- (8) Tianjin Zhiweilai is a company established under the laws of the PRC on May 24, 2023 with limited liability and had no business operation except for holding Shares as of the Latest Practicable Date. As of the Latest Practicable Date, Tianjin Zhiweilai was owned as to 99% and 1% by Shanshengyuan Enterprise Management and Shengyuan Holding, respectively.
- (9) As of the Latest Practicable Date, our Company had one branch office in Shenzhen.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Corporate Structure Immediately after the [REDACTED]

Our corporate and shareholding structure immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will be as follows:



Note: Please refer to notes (1) to (9) on pages 123–124 for details.