
HISTORY, DEVELOPMENT AND REORGANISATION

OVERVIEW

Our Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 17 May 2024. Pursuant to the Reorganisation as more particularly described in the paragraph headed “Reorganisation” in this section, our Company has become the holding company of our Group for the purpose of the [REDACTED] and holds the entire interest of eight subsidiaries, namely, Wing Lee Green Technology, Wing Lee Group (Holdings), Wing Lee Construction, Wing Lee Development, Tai Shan Engineering, Wing Lee New Energy, Sum Hing Trading and Kaiser Construction Engineering.

HISTORY

We are an established contractor in Hong Kong engaged in civil and electrical engineering works, and renewable energy works. Our history can be traced back to 2005 when Sum Hing Trading, the first subsidiary of our Group and one of our principal operating subsidiaries, was established in 29 August 2005 in Hong Kong by Mr. Yiu and Mr. Yiu Wang Lung to undertake subcontracting of private sector electrical and civil engineering works from CLP Group, being an electricity utility company which provides electricity to more than 80% of Hong Kong’s population and our long-standing major customer in Hong Kong.

With a view to further expanding our business, we established our other principal operating subsidiaries, including Wing Lee Construction in 2014, Wing Lee Development and Wing Lee New Energy (then known as Sum Hing Construction Limited (森興建築工程有限公司)) in 2015, and Wing Lee Group (Holdings) in 2017. In addition, we acquired certain shares in Tai Shan Engineering, an approved subcontractor of CLP, in 2016 to capture more business opportunities with CLP Group.

To further expand the business of the Group beyond private sector projects into large-scale public sector works:

- in 2019, we acquired Kaiser Construction Engineering, which is admitted to the List of Approved Contractors for Public Works maintained by the Development Bureau in the category “Roads and Drainage (Group A)” (with probationary status) and is eligible to tender for public works contracts with total value of works of up to HK\$150 million;
- Wing Lee Construction and Tai Shan Engineering were first registered as a registered subcontractor under the Registered Specialist Trade Contractors Scheme of the Construction Industry Council in 2019 and 2020, respectively; and

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- Tai Shan Engineering and Wing Lee Construction were first registered as a registered specialist trade contractor under the Registered Specialist Trade Contractors in 2020 and 2023, respectively.

Under the leadership of Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan, our Group has gradually expanded our business throughout the years and undertaken public sector and private sector projects as subcontractor and main subcontractor. In the public sector, our projects have included major infrastructure projects in Hong Kong, including the infrastructure project at the third runway of the Hong Kong International Airport, and works for various Government departments and statutory bodies. In the private sector, our projects have included works for CLP Group, being an electricity utility company in Hong Kong.

Our key business milestones

The key milestones in our Group’s development to date are set out below:

Year	Events
2005	<ul style="list-style-type: none">• Sum Hing Trading was incorporated in Hong Kong in August 2005, being the first subsidiary of our Group.• We commenced our business relationship with CLP Group, an electricity utility company which provides electricity to more than 80% of Hong Kong’s population and our long-standing major customer, as subcontractor undertaking private sector electrical and civil engineering works.
2016	<ul style="list-style-type: none">• Sum Hing Trading, Wing Lee Construction and Wing Lee Development were first certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.
2017	<ul style="list-style-type: none">• We began a major private sector project involving site formation and roads and drainage works atop a mass railway transport station in Hong Kong.
2018	<ul style="list-style-type: none">• We began performing design, installation and maintenance works of solar photovoltaic systems under our electrical engineering segments as a pioneer in the solar energy space in Hong Kong.• Wing Lee Development was first registered as a registered electrical contractor with the Electrical and Mechanical Services Department.

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Year	Events
	<ul style="list-style-type: none">• Tai Shan Engineering was first registered as a registered electrical contractor with the Electrical and Mechanical Services Department.• Wing Lee Construction was first registered as a registered minor works contractor (Class I, II, III (Type A); Class II, III (type B, D, E, F and G)) with the Buildings Department.• Tai Shan Engineering was first registered as a registered minor works contractor (Class II, III (Types A, B, C, D, E, F and G)) with the Buildings Department.
2019	<ul style="list-style-type: none">• To further expand the business of our Group beyond private sector projects into large-scale public sector works, we acquired Kaiser Construction Engineering, which is admitted to the List of Approved Contractors for Public Works maintained by the Development Bureau in the category “Roads and Drainage (Group A)” (with probationary status).• We commenced undertaking subcontracting works for the infrastructure project at the third runway of the Hong Kong International Airport.• We began our first major solar energy works project for a school in Hong Kong.• Wing Lee Development was first registered as a registered minor works contractor (Class II, III (Types A, B, C, D, E, F and G)) with the Buildings Department.• Wing Lee Construction was first registered as a registered subcontractor under the Registered Specialist Trade Contractors Scheme of the Construction Industry Council under the trade categories “General Civil Works (Roadworks; Road drainage and sewer)”, “Electrical (Electrical wiring; General electrical installation; Electrical control and power panel assembly)”, and “Temporary Electricity Installations”.• Tai Shan Engineering began providing subcontracting services to CLPe Solutions Limited, a subsidiary of CLP Group.

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Year	Events
2020	<ul style="list-style-type: none">Tai Shan Engineering was first registered as a registered specialist trade subcontractor under the Registered Specialist Trade Contractors Scheme of the Construction Industry Council under the trade categories “General Civil Works (Roadworks; Road drainage and sewer)”, “Electrical (Electrical wiring; General electrical installation; Electrical control and power panel assembly)”, “Temporary Electricity Installations”; and “Interior fitting-out (Group 1)”.
2023	<ul style="list-style-type: none">We were admitted as one of the approved contractors of CLP Group, in recognition of CLP Group’s trust in our ability in providing quality services which conform with the quality standards, requirements and specifications of CLP Group to undertake refurbishment works for electric sub-stations.We began providing subcontracting services in site formation works and road and drainage works in a project, which marked our first cooperation with Sun Hung Kai Properties, one of Hong Kong’s major private sector developers.Wing Lee Construction was first registered as a registered specialist trade contractor under the Registered Specialist Trade Contractors Scheme of the Construction Industry Council under the trade categories “Concreting (Group 1)”, “Concreting Framework (Group 1)”, and “Reinforcement Bar Fixing (Group 1)”.
2024	<ul style="list-style-type: none">We were first included on the List of Pre-qualified Tenderers for Civil Engineering Works of Hong Kong International Airport, enabling us to bid for tender projects as main contractor.We entered into a distribution agreement with China Wealth Hong Kong Machine Limited (中富香港機械有限公司) (“China Wealth”), a subsidiary of SANY Heavy Industry Co., Ltd* (三一重工股份有限公司), being a heavy equipment manufacturing multinational company which is listed on the Shanghai Stock Exchange, pursuant to which China Wealth has granted us the right to distribute various electric construction machinery, such as excavators, dump trucks and lifting platform under the brand name of “SANY” in Hong Kong for a term of three years commencing on 12 June 2024 and ending on 11 June 2027.

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OUR CORPORATE DEVELOPMENT

Our Company and subsidiaries

A brief corporate history of the establishment and major changes in shareholdings of our Company and its operating subsidiaries is set out below.

Our Company

For details regarding the incorporation of our Company, please refer to the paragraph headed “Reorganisation – 1. Incorporation of our Company” in this section.

Wing Lee Group (Holdings)

Wing Lee Group (Holdings) was incorporated in Hong Kong with limited liability on 15 March 2017. It principally engages in investment holding and is an intermediate holding company of our Group.

On the date of its incorporation, Wing Lee Group (Holdings) allotted and issued one share of HK\$1.00 as fully paid to Mr. Yiu. On 10 April 2017, Wing Lee Group (Holdings) further allotted and issued 36 shares, 23 shares, 20 shares, and 20 shares of HK\$1.00 each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung, Mr. Yiu Fai, and Mr. Chan, respectively, after which they held 37%, 23%, 20% and 20% of the issued share capital of Wing Lee Group (Holdings), respectively.

On 28 March 2019, Wing Lee Group (Holdings) further allotted and issued 5,279 shares, 1,541 shares, 1,740 shares, and 1,340 shares of HK\$1.00 each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung, Mr. Yiu Fai, and Mr. Chan, respectively. Upon completion of the above transactions, Wing Lee Group (Holdings) had 10,000 shares in issue, of which 5,316 shares, 1,564 shares, 1,760 shares, and 1,360 shares were owned by Mr. Yiu, Mr. Yiu Wang Lung, Mr. Yiu Fai, and Mr. Chan, respectively, representing approximately 53.2%, 15.6%, 17.6%, and 13.6% of the issued share capital of Wing Lee Group (Holdings), respectively.

On 25 May 2022, Mr. Yiu Fai transferred (i) 1,484 shares in Wing Lee Group (Holdings) to Mr. Yiu for the total consideration of HK\$1,484 paid by Mr. Yiu to Mr. Yiu Fai. In connection with such transfer, an outstanding loan amount of HK\$4,561,770, which was due from Mr. Yiu Fai to Wing Lee Group (Holdings) (the “Debt”), was novated to Mr. Yiu; (ii) 136 shares to Mr. Yiu Wang Lung for the total consideration of HK\$136 paid by Mr. Yiu Wang Lung to Mr. Yiu Fai; and (iii) 140 shares to Mr. Chan for the total consideration of HK\$140 paid by Mr. Chan to Mr. Yiu Fai. The consideration for the above transfers was determined based on arm’s length negotiations between the parties and on a commercial basis.

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Upon completion of the above transactions, Wing Lee Group (Holdings) had a total issued share capital of 10,000 shares, of which 6,800 shares were owned by Mr. Yiu, 1,700 shares were owned by Mr. Yiu Wang Lung, and 1,500 shares were owned by Mr. Chan, respectively, representing 68%, 17% and 15% of the issued share capital of Wing Lee Group (Holdings), respectively.

As part of the Reorganisation, Wing Lee Group (Holdings) became an indirect wholly-owned subsidiary of our Company.

Wing Lee Construction

Wing Lee Construction was incorporated in Hong Kong with limited liability on 5 August 2014. It principally engages in sub-contracting of construction, manpower supply, and material supplies.

On the date of its incorporation, Wing Lee Construction allotted and issued 35 shares, 30 shares, and 35 shares of HK\$1.00 each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung, and Mr. Yiu Fai, respectively, representing 35%, 30% and 35% of the issued share capital of Wing Lee Construction, respectively.

On 11 August 2017, Mr. Yiu, Mr. Yiu Wang Lung, and Mr. Yiu Fai transferred 35 shares, 30 shares, and 35 shares respectively, being each of their entire shareholding in Wing Lee Construction, to Wing Lee Group (Holdings) whereupon Wing Lee Construction became a wholly-owned subsidiary of Wing Lee Group (Holdings).

On 18 October 2021, Wing Lee Construction further allotted and issued 11,999,900 shares of HK\$1 each as fully paid to Wing Lee Group (Holdings).

As part of the Reorganisation, Wing Lee Construction became an indirect wholly-owned subsidiary of our Company.

Wing Lee Development

Wing Lee Development was incorporated in Hong Kong with limited liability on 10 June 2015. It principally engages in sub-contracting of construction and manpower supply.

On the date of its incorporation, Wing Lee Development allotted and issued 60 shares and 40 shares of HK\$1 each as fully paid to Mr. Yiu and Mr. Yiu Fai, respectively, representing 60% and 40% of the issued share capital of Wing Lee Development, respectively.

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On 11 August 2017, Mr. Yiu and Mr. Yiu Fai each transferred their entire shareholding in Wing Lee Development to Wing Lee Group (Holdings) whereupon Wing Lee Development became a wholly-owned subsidiary of Wing Lee Group (Holdings).

As part of the Reorganisation, Wing Lee Development became an indirect wholly-owned subsidiary of our Company.

Tai Shan Engineering

Tai Shan Engineering was incorporated in Hong Kong with limited liability on 16 January 2002. It principally engages in sub-contracting of construction, manpower supply, and material supplies.

On the date of its incorporation, Tai Shan Engineering allotted and issued 25 shares, 10 shares, 15 shares, and 50 shares of HK\$100 each as fully paid to Mr. Chan Sam Ming (being the father of Mr. Chan), Mr. Chan Yin Tang, Mr. Wong Siu Wa, and Tai Shan Holdings Limited (of which Mr. Chan is director and sole shareholder), respectively, representing 25%, 10%, 15% and 50% of the issued share capital of Tai Shan Engineering, respectively.

On 25 July 2013, Mr. Wong Siu Wa transferred his entire shareholding in Tai Shan Engineering to Mr. Chan Sam Ming.

On 27 September 2016, Mr. Chan Sam Ming and Mr. Chan Yin Tang each transferred their entire shareholding in Tai Shan Engineering to Mr. Chan for the respective total consideration of HK\$1 paid by Mr. Chan to each of Mr. Chan Sam Ming and Mr. Chan Yin Tang; and Tai Shan Holdings Limited transferred 42 shares and 8 shares in Tai Shan Engineering to each of Wing Lee Development and Mr. Chin Tat Yung (being an independent third party), respectively. As a result, Mr. Chan, Wing Lee Development and Mr. Chin Tat Yung owned as to 50 shares, 42 shares and 8 shares in Tai Shan Engineering, respectively, representing 50%, 42% and 8% of the issued share capital of Tai Shan Engineering, respectively.

On 30 November 2016, Wing Lee Development, Mr. Chin Tat Yung, and Mr. Chan each transferred their entire shareholding in Tai Shan Engineering to Wing Lee Group (Holdings) whereupon Tai Shan Engineering became a wholly-owned subsidiary of Wing Lee Group (Holdings).

As part of the Reorganisation, Wing Lee Development became an indirect wholly-owned subsidiary of our Company.

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Wing Lee New Energy

Wing Lee New Energy (formerly known as Sum Hing Construction) was incorporated in Hong Kong with limited liability on 26 February 2015. It principally engages in sub-contracting of construction, manpower supply, and material supplies.

On the date of its incorporation, Wing Lee New Energy allotted and issued 4 shares, 2 shares, 2 shares and 2 shares of HK\$1.00 each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung, Mr. Yiu Fai, and Mr. Kong Hoi Sun, respectively, representing 40%, 20%, 20% and 20% of the issued share capital of Wing Lee New Energy, respectively.

On 30 June 2016, Mr. Kong Hoi Sun transferred his entire shareholding in Wing Lee New Energy to Mr. Yiu.

On 10 April 2019, Wing Lee New Energy allotted and issued 45 shares of HK\$1.00 each as fully paid to each of Tai Shan Engineering and On Shing Construction Limited.

On 18 April 2019, Mr. Yiu, Mr. Yiu Wang Lung and Mr. Yiu Fai each transferred their entire shareholding in Wing Lee New Energy, comprising 6 shares, 2 shares and 2 shares, respectively, to Tai Shan Engineering.

On 19 January 2022, Tai Shan Engineering and On Shing Construction Limited transferred their entire shareholding in Wing Lee New Energy, comprising 55 shares and 45 shares, respectively, to Wing Lee Group (Holdings) for the total consideration of HK\$1.00, respectively, whereupon Wing Lee New Energy became a wholly-owned subsidiary of Wing Lee Group (Holdings). The consideration for the above transfers was determined after arm's length negotiations between the parties and on a commercial basis.

As part of the Reorganisation, Wing Lee New Energy became an indirect wholly-owned subsidiary of our Company.

Sum Hing Trading

Sum Hing Trading, formerly known as Sum Hing Engineering Limited, was incorporated in Hong Kong with limited liability on 29 August 2005. It principally engages in trading of construction materials.

On the date of its incorporation, Sum Hing Trading allotted and issued 5,500 shares and 4,500 shares of HK\$1.00 each as fully paid to Mr. Yiu and Mr. Yiu Wang Lung, respectively, representing 55% and 45% of the issued share capital of Sum Hing Trading, respectively.

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On 22 July 2008, Sum Hing Trading allotted and issued 500 shares, 1,500 shares, 6,000 shares, and 2,000 shares of HK\$1.00 each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung, Mr. Wong Sai Yiu, and Mr. Yiu Fai, respectively. Upon completion of the above transactions, Sum Hing Trading had 20,000 shares in issue, of which, 6,000 shares, 6,000 shares, 6,000 shares, and 2,000 shares were held by Mr. Yiu, Mr. Yiu Wang Lung, Mr. Wong Sai Yiu, and Mr. Yiu Fai, respectively, representing approximately 30%, 30%, 30%, and 10% of the issued share capital of Sum Hing Trading, respectively.

On 27 October 2010, Mr. Wong Sai Yiu transferred 1,000 shares, 2,000 shares, and 3,000 shares, collectively being his entire shareholding in Sum Hing Trading to each of Mr. Yiu, Mr. Yiu Fai, and Mr. Yu Chu Fai (being an independent third party), respectively.

On 30 March 2015, Mr. Yiu transferred 200 shares to Mr. Yiu Wang Lung; and Mr. Yu Chu Fai transferred 400 shares and 2,600 shares, collectively being his entire shareholding in Sum Hing Trading, to each of Mr. Yiu Wang Lung and Mr. Yiu Fai, respectively.

On 17 August 2017, Mr. Yiu, Mr. Yiu Wang Lung, and Mr. Yiu Fai each transferred their entire shareholding in Sum Hing Trading to Wing Lee Group (Holdings) whereupon Sum Hing Trading became a wholly-owned of Wing Lee Group (Holdings).

As part of the Reorganisation, Sum Hing Trading became an indirect wholly-owned subsidiary of our Company.

Kaiser Construction Engineering

Kaiser Construction Engineering was incorporated in Hong Kong with limited liability on 10 February 1999. It principally engages in provision of sub-contracting of construction.

On the date of its incorporation, Kaiser Construction allotted and issued 600 shares, 300 shares, and 100 shares of HK\$1.00 each as fully paid to Mr. Sin Wai Hung, Mr. So Kwok Kay, and Mr. Li Ka Lok (each being an independent third party), respectively, representing 60%, 30% and 10% of the issued share capital of Kaiser Construction Engineering, respectively.

After a series of allotments and transfers of shares as well as an increase in the authorised share capital of Kaiser Construction Engineering which took place between September 2000 and December 2016, Kaiser Construction Engineering had 2,200,000 shares in issue, of which 1,320,000 shares, 660,000 shares and 220,000 shares were owned by Mr. Sin Wai Hung, Mr. So Kwok Kay, and Mr. Li Ka Lok, respectively, representing 60%, 30% and 10% of the issued share capital of Kaiser Construction Engineering, respectively.

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On 26 April 2017, Mr. Sin Wai Hung, Mr. So Kwok Kay, and Mr. Li Ka Lok each transferred 1,100,000 shares, 660,000 shares, and 220,000 shares to Pang Kee Construction Limited, respectively.

On 6 July 2017, Pang Kee Construction Limited transferred 1,100,000 shares, 660,000 shares, and 220,000 shares, collectively being its entire shareholding in Kaiser Construction Engineering, to each of Mr. Sin Wai Hung, Mr. So Kwok Kay, and Mr. Li Ka Lok, respectively.

On 10 September 2018, Mr. So Kwok Kay transferred 220,000 shares to Mr. Sin Wai Hung.

On 2 September 2019, Mr. Sin Wai Hung transferred 1,320,000 shares to Wing Lee Group (Holdings); and Mr. So Kwok Kay and Mr. Li Ka Lok each transferred 440,000 shares and 220,000 shares for the total consideration of HK\$2,400,000 paid by Wing Lee Group (Holdings) to Mr. Sin Wai Hung, being their entire shareholding in Kaiser Construction Engineering, to Wing Lee Group (Holdings) for the respective total consideration of HK\$800,000 and HK\$400,000 paid by Wing Lee Group (Holdings) to each of Mr. So Kwok Kay and Mr. Li Ka Lok. Upon completion of the above transactions, Kaiser Construction Engineering had 2,200,000 shares in issue, of which 1,980,000 shares and 220,000 shares were held by Wing Lee Group (Holdings) and Mr. Sin Wai Hung, respectively, representing 90% and 10% of Kaiser Construction Engineering, respectively. Pursuant to a declaration of trust dated 2 September 2019, Mr. Sin Wai Hung declared that his 220,000 shares in Kaiser Construction Engineering were held on trust for Wing Lee Group (Holdings).

After a series of allotments which took place between May 2021 and October 2021, Kaiser Construction Engineering had 11,400,000 shares in issue, of which 11,180,000 shares and 220,000 shares were held by Wing Lee Group (Holdings) and Mr. Sin Wai Hung, respectively.

On 27 July 2022, Mr. Sin Wai Hung transferred his entire shareholding in Kaiser Construction Engineering, comprising 220,000 shares, to Wing Lee Group (Holdings) for the total consideration of HK\$220,000, whereupon Wing Lee Group (Holdings) became the sole legal and beneficial owner of Kaiser Construction Engineering.

As part of the Reorganisation, Kaiser Construction Engineering became an indirect wholly-owned subsidiary of our Company.

Disposals during the Track Record Period

During the Track Record Period, we disposed of our subsidiaries, namely Creative Sun Engineering and Sanying Property, details of which are set out below.

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Creative Sun Engineering

Creative Sun Engineering was incorporated in Hong Kong with limited liability on 14 August 2015. It was principally engaged in the provision of interior design, decoration, renovation works and other related services but has been dormant during the financial year commencing from 1 April 2021.

At the commencement of the Track Record Period, the entire issued share capital of Creative Sun Engineering comprised 100 shares of HK\$1.00 each, of which 75 shares were owned by Wing Lee Development and 25 shares were owned by Mr. Ngai Hong, an independent third party, representing 75% and 25% of the total issued share capital of Creative Sun Engineering.

On 13 August 2021, Mr. Ngai Hong transferred 25 shares in Creative Sun Engineering to Wing Lee Development at a total consideration of HK\$25 as mutually and commercially agreed between Mr. Ngai Hong and Wing Lee Development. Upon completion of the above transfer, Creative Sun Engineering became a wholly-owned subsidiary of Wing Lee Development.

Subsequently, on 13 August 2021, to streamline the structure of the Group, Wing Lee Development transferred its entire shareholding in Creative Sun Engineering to Asone Asia Limited (formerly known as Wing Lee Engineering (Asia) Limited), which was then, and remains, wholly-owned by Mr. Yiu, the chief executive officer of our Group, the chairman of our Board, an executive Director and one of our Controlling Shareholders, at a nominal consideration of HK\$1.00 given that Creative Sun Engineering was dormant at the time of the above transfer and was properly and legally completed and settled on 13 August 2021. Creative Sun Engineering had net liabilities immediately prior to the above transfer. Upon completion of the above transfer on 13 August 2021, Creative Sun Engineering ceased to be a member of our Group. Please refer to the paragraph headed “Financial Information — Other gains” in this document regarding gain recorded by our Group on above transfer.

Our Directors are of the view that the disposal of Creative Sun Engineering did not have any material adverse impact on the business and financial performance of our Group and confirm that Creative Sun Engineering did not have any subsisting claim or litigation against it at the time of its disposal by Wing Lee Development to Asone Asia Limited (formerly known as Wing Lee Engineering (Asia) Limited).

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Sanying Property

Sanying Property was incorporated in Hong Kong with limited liability on 5 December 2017. It had not commenced business since incorporation.

Upon commencement of the Track Record Period, the entire issued share capital of Sanying Property, which comprised one share of HK\$1.00, was wholly-owned by Wing Lee Group (Holdings).

On 8 November 2022, to streamline the structure of our Group, Wing Lee Group (Holdings) transferred its entire shareholding in Sanying Property to Mr. Yiu, the chief executive officer of our Group, the chairman of our Board, an executive Director and one of our Controlling Shareholders, at a nominal consideration was HK\$1.00 given that Sanying Property had not commenced any business activities. The above transfer was properly and legally completed and settled on 8 November 2022. Upon completion of the above transfer on 8 November 2022, Sanying Property ceased to be a member of our Group. Please refer to the paragraph headed “Financial Information — Other gains” in this document regarding gain recorded by our Group on above transfer.

Our Directors are of the view that the disposal of Sanying Property did not have any material adverse impact on the business and financial performance of our Group and confirm that Sanying Property did not have any subsisting claim or litigation against it at the time of its disposal by Wing Lee Group (Holdings) to Sanying Property.

Business activities of related companies of Mr. Yiu Fai

Mr. Yiu Fai, aged 39, is the nephew of Mr. Yiu and the son of Mr. Yiu Wang Lung, who are our Controlling Shareholders and an executive Directors.

Mr. Yiu Fai was a director of various subsidiaries of our Group and was a shareholder of various subsidiaries of our Group as mentioned above in the sub-section headed “Our Company and subsidiaries” above. He resigned and left the Group as a director of our various subsidiaries in or around November 2020 even through the filings with the company registry indicated that he resigned in or around March 2022 and were dated March 2022 and in the case of Sum Hing Trading, in August 2022, due to a delay in such filings.

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Notwithstanding the above, from November 2020, Mr. Yiu Fai had left our Group to start his own business and ceased to be involved in the management and operations of our Group. Since then, Mr. Yiu Fai, through the following companies where he is a director and a shareholder (the “**YF Group Companies**”), undertakes minor civil works, road and drainage works for private developers, and underground and cabling works for CLP Group (the “**CLP Group Projects**”):

	<u>Name of Company</u>	<u>Principal business activities</u>	<u>Shareholding</u>
1.	Kai Fung Construction Co., Limited 啟豐建築有限公司 (“ Kai Fung Construction ”)	The CLP Group Projects in Shatin district	100%
2.	Golden Jade Construction Co. Limited 金碧建築有限公司	Road and drainage works in private sector	100%
3.	King Fight Construction Co. Limited 輝煌(集團)控股有限公司	Private construction projects other than the CLP Group Projects	80%
4.	Yan Kiu Construction & Engineering Co., Ltd. 旻翹建築工程有限公司	The CLP Group Projects in Sheung Shui district	50%

While the YF Group Companies carry out business activities that are similar to the businesses of our Group, the businesses of the YF Group Companies are delineated from and are not competing with our businesses in that:

- the YF Group Companies do not undertake minor civil works and road and drainage works for the Drainage Department or Highway Department;
- none of the YF Group Companies are on the List of Approved Contractors for Public Works as
- none of the YF Group Companies have submitted tenders for CLP Group Projects in Sham Shui Po, Wong Tai Sin and Tsuen Wan where CLP Group Projects undertaken by our Group are located;

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- the YF Group Companies procure all of its materials directly from independent suppliers; and
- the YF Group Companies and our Group have not engaged the same subcontractors.

In any event, while Mr. Yiu Fai is a connected person of our Group by virtue of him being the son of Mr. Yiu Wang Lung, he is not a close associate (as defined in the Listing Rules) of Mr. Yiu Wang Lung for the purposes of Rule 8.10 of the Listing Rules.

During the Track Record Period, we provided construction service, truck rental services and supplied materials to Kai Fung Construction and separately, Kai Fung Construction also supplied materials to us, both on arm’s length basis. Accordingly, Kai Fung Construction was both our customer and supplier during the Track Record Period. The amounts of the above transactions between our Group and Kai Fung Construction during the Track Record Period are set out below:

Services provided by our Group to Kai Fung:

	For the year ended 31 March		
	2022	2023	2024
	(HK\$)	(HK\$)	(HK\$)
— Construction service	154,565	—	23,435
— Sales of material	229,987	85,850	—
— Rental of truck	93,450	—	—
Total	478,002	85,850	23,435

Construction service

Background

Kai Fung engaged the Group as a subcontractor in a solar photovoltaic system installation project for a warehouse in Sai Sha (in Sai Kung district) in March 2021, and completed in October 2023 (the “**Solar Project**”). The total contract sums for the Solar Project amounted to HK\$178,000, among which, HK\$154,565 was recognised in FY2022 and HK\$23,435 was recognised in FY2024 when the defect liabilities period ended.

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Reason for the engagement for Solar Project

Kai Fung is principally engaged in civil and electrical engineering, while the Group’s main business activities include civil and electrical engineering as well as renewable energy construction works. Specifically, for the renewable energy works segment, the Group has specialised in the design, installation, and maintenance of solar photovoltaic systems since 2018. The Group has built a team of experienced personnel and established a stable network of suppliers to perform the construction works and source quality raw materials for this segment. As a result, Kai Fung engaged the Group as a subcontractor for the Solar Project, leveraging the Group’s track record in this area. The Directors confirm that this transaction was conducted on an arm’s length basis, with terms no less favourable than those available from independent third parties.

Sales of material

Background

Our Group occasionally supplied construction materials, for instance, cables and quartz sand to Kai Fung in FY2022 and FY2023. The total revenue derived from the sales of materials amounted to HK\$229,987 for FY2022, and HK\$85,850 for FY2023.

Reason for the supply of construction materials

Both Kai Fung and our Group have been engaged in the electrical engineering projects for CLP Group since December 2020 (the “**CLP Group Projects**”). Specifically, our Group undertakes the CLP Group Projects located in the Sham Shui Po, Wong Tai Sin, Tsuen Wan, Yuen Long districts, while Kai Fung is responsible for the projects in the Shatin district. The job nature of the CLP Group Projects is similar across different districts, and the raw materials required are the same. Due to the high volume of work orders, our Group often makes bulk purchases of the necessary raw materials for the CLP Group Projects. As a result, Kai Fung occasionally purchased some of these materials from our Group when they were in urgent needs. Our Directors confirm that this transaction was conducted on an arm’s length basis, with terms no less favourable than those available to independent third parties.

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Rental of truck

Background

Our Group occasionally rented a clam truck to Kai Fung in FY2022 on monthly basis. The total revenue derived from the rental of truck amounted to HK\$93,450 for FY2022.

Reason for the supply of truck

As mentioned above, both Kai Fung and the Group have been engaged in the CLP Group Projects. In terms of business scale, the Group is larger than Kai Fung, as the CLP Group Projects have been Kai Fung’s principal business. As a result, Kai Fung owned only a few trucks to support its operations in a cost-efficient manner. Kai Fung occasionally rented a clam truck from the Group on monthly basis in FY2022, as Kai Fung experienced sudden high volume of work orders under the CLP Group Projects, and was in need for additional work capacity. The Directors confirm that this transaction between Kai Fung and the Group was conducted on an arm’s length basis, with terms no less favourable than those available to independent third parties.

Cost paid to Kai Fung by our Group:

	For the year ended 31 March		
	2022	2023	2024
	(HKD)	(HKD)	(HKD)
— Purchase of material	171,620	132,014	4,070

Background

The Group occasionally purchased construction materials, for instance, cable end caps and end caps pilot from Kai Fung during the Track Record Period. The total purchase cost paid to Kai Fung amounted to HKD171,620, HKD132,014 and HKD4,070 for FY2022, FY2023 and FY2024, respectively.

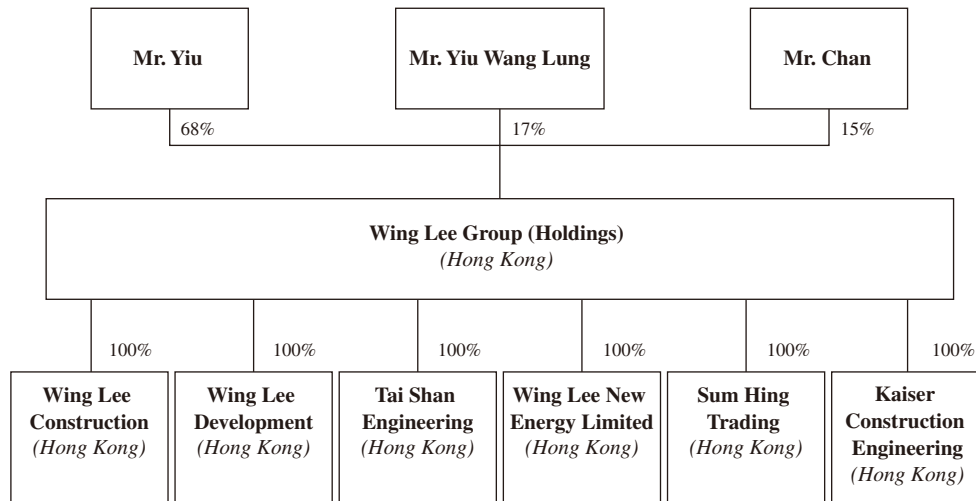
Reason for the purchase of material

As previously stated, the job nature for CLP Group Projects remain consistent across various districts, and the necessary raw materials are identical. Kai Fung purchased the same raw materials for these projects as the Group does. Occasionally, due to a high volume of work orders, the Group purchased some of these materials from Kai Fung when they were in urgent needs. The Directors confirm that this transaction was conducted on an arm’s length basis, with terms no less favourable than those available to independent third parties.

HISTORY, DEVELOPMENT AND REORGANISATION

REORGANISATION

In preparation for the [REDACTED], our Group underwent the Reorganisation which involved a series of steps. The chart below sets out the corporate structure of our Group immediately before the Reorganisation:



The Reorganisation involved the following steps:

1. Incorporation of Wing Lee Green Development

On 17 May 2024, Wing Lee Green Development was incorporated in the BVI as a limited liability company and is authorised to issue up to a maximum of 50,000 ordinary shares without par value.

On the date of its incorporation, 68 shares, 17 shares and 15 shares were initially allotted and issued each as fully paid to Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan at the subscription price of US\$1 each, respectively, as the initial subscribers, representing 100% of the issued share capital of Wing Lee Green Development.

2. Incorporation of our Company

On 17 May 2024, our Company was incorporated in the Cayman Islands as an exempted company with limited liability. As at the date of its incorporation, it had an authorised share capital of HK\$380,000 divided into 38,000,000 ordinary shares of par value of HK\$0.01 each.

HISTORY, DEVELOPMENT AND REORGANISATION

On the date of its incorporation, our Company allotted and issued one subscriber Share at par and credited as fully paid to a nominee subscriber, being an independent third party. On the same date, the nominee subscriber as transferor executed an instrument of transfer in favour of Wing Lee Green Development, pursuant to which the nominee subscriber transferred the one subscriber Share, representing the entire issued share capital of our Company, to Wing Lee Green Development.

Upon completion of the above transfer, the issued share capital of our Company then became wholly-owned by Wing Lee Green Development.

On 27 June 2024, our Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622).

3. Incorporation of Wing Lee Green Technology

On 28 May 2024, Wing Lee Green Technology was incorporated in the BVI as a limited liability company and is authorised to issue up to a maximum of 50,000 ordinary shares without par value.

On the date of its incorporation, Wing Lee Green Technology allotted and issued one share as fully paid to our Company at the subscription price of US\$1.00, and all the issued shares of Wing Lee Green Technology became wholly-owned by our Company.

4. Acquisition of the entire issued share capital in Wing Lee Group (Holdings) by Wing Lee Green Technology

On 26 June 2024, a share sale and purchase agreement was entered into among Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan (collectively, as vendors), our Company (as purchaser) and Wing Lee Green Technology, pursuant to which Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan agreed to sell, and Wing Lee Green Technology agreed to purchase, 6,800, 1,700 and 1,500 shares, respectively, representing the entire issued share capital of Wing Lee Group (Holdings) (the “**WLG Acquisition**”).

In consideration of Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan agreeing to sell their respective shares held in Wing Lee Group (Holdings) as mentioned above, our Company allotted and issued 999 shares of HK\$0.01 each (the “**Consideration Shares**”), credited as fully paid, to Wing Lee Green Development at the direction of Mr. Yiu, Mr. Yiu Wang Lung and Mr. Chan.

Upon completion of the WLG Acquisition, Wing Lee Group (Holdings) became a wholly-owned subsidiary of our Company.

HISTORY, DEVELOPMENT AND REORGANISATION

5. Increase in the authorised share capital of our Company

On [•], the authorised share capital of our Company was increased from HK\$380,000 divided into 38,000,000 shares of par value HK\$[REDACTED] each to HK\$[REDACTED] divided into [REDACTED] Shares of par value HK\$[REDACTED] each, by the creation of an additional [REDACTED] new shares of par value of HK\$[REDACTED] each, ranking pari passu with the shares of our Company then in issue in all respects.

6. [REDACTED]

Conditional upon the share premium account of our Company having sufficient balance, or otherwise being credited with the [REDACTED] of the [REDACTED], an appropriate sum will be [REDACTED] and applied in paying up in full such number of Shares to be allotted and issued to the shareholders whose names are on the register of members or the [REDACTED] of our Company at the close of business on the date of the document of our Company to be issued in proportion (as nearly as possible without involving fraction) to their existing shareholdings in our Company so that the aggregate number of Shares so allotted and issued will constitute not more than approximately [REDACTED]% of the issued share capital of our Company (without taking into account any Share that may be allotted and issued (i) upon the exercise of the [REDACTED] or any option which may be granted under the Share Option Scheme), and (ii) under the Share Award Scheme (the “[REDACTED]”).

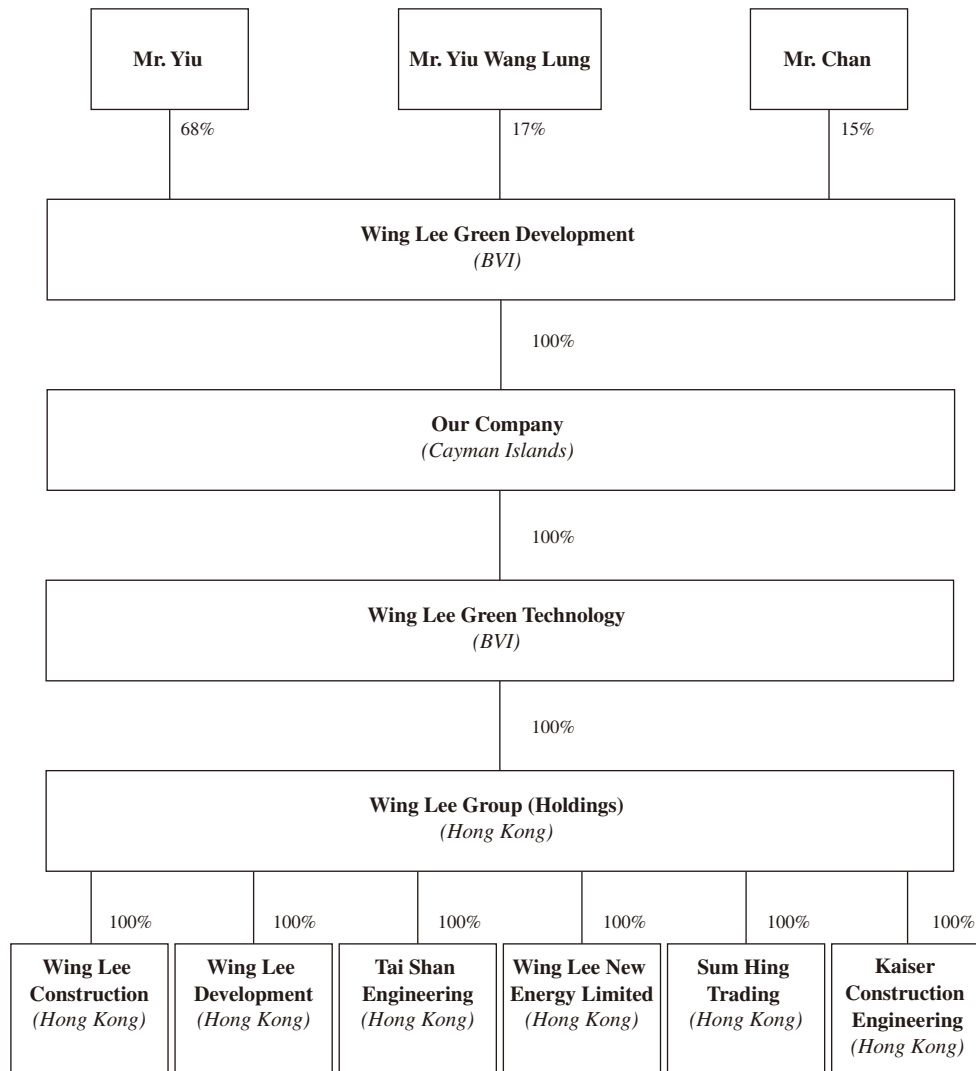
7. [REDACTED]

A total of [REDACTED], comprising [REDACTED] and [REDACTED] will be offered for subscription/purchase by way of [REDACTED], representing approximately [REDACTED]% of the enlarged issued share capital of our Company upon the [REDACTED] (assuming the [REDACTED] and options which may be granted under the Share Option Scheme are not exercised, and no Shares are issued under the Share Award Scheme).

HISTORY, DEVELOPMENT AND REORGANISATION

CORPORATE STRUCTURE

The following chart sets out the corporate structure of our Group immediately after the Reorganisation but before the [REDACTED] and the [REDACTED]:



HISTORY, DEVELOPMENT AND REORGANISATION

The chart below sets out the corporate structure of our Group immediately after the [REDACTED] and the [REDACTED] (assuming the [REDACTED] and options which may be granted under the Share Option Scheme are not exercised, and no Shares are issued under the Share Award Scheme):

