
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 cable engineering works, and solar PV system 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 and was first involved in projects in which the 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, was the project owner as sub-subcontractor providing zonal cable trenching, laying and jointing works as well as emergency and cable fault repair works.

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 the CLP Group.

To further expand the business of our 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 Scheme 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 contractor. 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 the 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:

<u>Year</u>	<u>Events</u>
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.• Sum Hing Trading was first involved in projects in which the CLP Group, an electricity utility company which provides electricity to more than 80% of Hong Kong’s population, was the project owner as sub-subcontractor providing zonal cable trenching, laying and jointing works as well as emergency and cable fault repair 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 at 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 PV systems under our business segment of solar PV system 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 (Types 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 was 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”.
2020	<ul style="list-style-type: none">• Tai Shan Engineering became the subcontractor of CLPe Solutions Limited, a subsidiary of CLP Group, to provide services as stipulated under Master Agreement A.

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Year	Events
	<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 the CLP Group, in recognition of the CLP Group’s trust in our ability in providing quality services which conform with the quality standards, requirements and specifications of the 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 Limited, 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)”.

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Year	Events
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, 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. China Wealth is (i) a fellow subsidiary of Sany Heavy Equipment International Holdings Company Limited (三一重裝國際控股有限公司), being a company listed on the Main Board of the Stock Exchange (stock code: 631) which is principally engaged in the manufacture and sale of mining equipment, logistics equipment, robotic and smart mined products, petroleum equipment, new energy manufacturing equipment, and spare parts and the provision of related services in the PRC; (ii) a fellow 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 (stock code: 600031); and (iii) a group company of one of our [REDACTED], namely Sany Hongkong Group Limited (三一香港集團有限公司). Mr. Liang Wengen (梁穩根先生), a Chinese entrepreneur, is the ultimate beneficial owner of the above companies.

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 — 2. Incorporation of our Company” in this section.

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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 (being the nephew of Mr. Yiu and the son of Mr. Yiu Wang Lung), 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\$4,563,252, comprising a sum of HK\$1,484 and the novation of HK\$4,561,768, being the outstanding amount due from Mr. Yiu Fai to Wing Lee Group (Holdings) in respect of the interest-free and unsecured loan advanced by Wing Lee Group (Holdings) to Mr. Yiu Fai (the “**Debt**”); (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. Mr. Yiu Fai disposed of his shareholding in Wing Lee Group (Holdings) as he had by then ceased to be involved in the management and operation of our Group and started his own business, as further described in the paragraph headed “Business activities of related companies of Mr. Yiu Fai” in this section. The consideration for the above transfers was determined based on arm’s length negotiations between the parties and on a commercial basis, including Mr. Yiu’s agreement to accept the novation of the Debt to Mr. Yiu solely with effect from 25 May 2022 given that Mr. Yiu was then the largest shareholder of Wing Lee Group (Holdings) and the consideration paid to Mr. Yiu Wang Lung and Mr. Chan being with reference to the nominal value per share given that they did not accept any novation of the Debt (which was solely to Mr. Yiu). The Debt was fully settled by Mr. Yiu on 31 March 2024.

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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\$1.00 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\$1.00 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 (being the cousin of Mr. Chan), Mr. Wong Siu Wa (being an independent third party), 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. Mr. Yiu was acquainted with Mr. Chan Sam Ming through participating in works project, and became acquainted with Mr. Chan (being the son of Mr. Chan Sam Ming).

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). Upon the disposal of his shareholding in Tai Shan Engineering, Mr. Chin Tat Yung was subsequently employed by Tai Shan Engineering as project manager until his departure in April 2023.

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

Wing Lee New Energy

Wing Lee New Energy (formerly known as Sum Hing Construction Limited) 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 (being an independent third party), 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, being currently an independent third party (of which Mr. Wong Sai Yiu, a member of the senior management of our Company, was then a director and sole shareholder).

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.

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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.

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 (being a member of the senior management of our Company), 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 subsidiary 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.

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On the date of its incorporation, Kaiser Construction Engineering 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.

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 (being an independent third party), 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:

- (a) (i) Mr. Sin Wai Hung transferred 1,320,000 shares to Wing Lee Group (Holdings) at a total consideration of HK\$2,400,000 (which comprised HK\$220,000, being the consideration for the transfer referred to in paragraph (b) below), (ii) Mr. So Kwok Kay transferred 440,000 shares to Wing Lee Group (Holdings) at a total consideration of HK\$800,000, and (iii) Mr. Li Ka Lok transferred 220,000 shares to Wing Lee Group (Holdings) at a total consideration of HK\$400,000; and
- (b) Mr. Sin Wai Hung agreed that the beneficial ownership in respect of the remaining 220,000 shares (the “**Relevant Shares**”) be transferred to Wing Lee Group (Holdings) at a total consideration of HK\$220,000 and held on trust for Wing Lee Group (Holdings) in accordance with a declaration of trust dated 2 September 2019 (the “**Declaration of Trust**”).

The Declaration of Trust was entered into to ensure that Kaiser Construction Engineering continued to comply with the then contractor licensing requirements of the Development Bureau (which included a requirement that Kaiser Construction

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Engineering must have, among others, at least one technical personnel with the relevant qualification and experience) pending the search for a qualified technical personnel to replace Mr. Sin Wai Hung who was then the only qualified technical personnel of Kaiser Construction Engineering.

Upon completion of the above transfers, Kaiser Construction Engineering had 2,200,000 shares in issue, of which 1,980,000 shares were held by Wing Lee Group (Holdings) and 220,000 shares (being the Relevant Shares) were held by Mr. Sin Wai Hung on trust for Wing Lee Group (Holdings), representing 90% and 10% of Kaiser Construction Engineering’s total issued share capital, respectively.

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 were held by Wing Lee Group (Holdings) and 220,000 (being the Relevant Shares), were held by Mr. Sin Wai Hung. In May 2022, Mr. Wong Kin Wing, an engineer in Kaiser Construction Engineering, replaced Mr. Sin Wai Hung as a qualified technical personnel in Kaiser Construction Engineering.

On 27 July 2022, at the request of Wing Lee Group (Holdings), Mr. Sin Wai Hung transferred the Relevant Shares, which he held on trust for Wing Lee Group (Holdings) under the Declaration of Trust, to Wing Lee Group (Holdings). The consideration of HK\$220,000 for such transfer, which was paid by Wing Lee Group (Holdings) to Mr. Sin Wai Hung on 2 September 2019 as mentioned above, was deemed fully settled.

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.

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.

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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 business structure of our Group, Wing Lee Development transferred its entire shareholding in Creative Sun Engineering, which was principally engaged in businesses that were not related to the businesses of our Group as disclosed above and was then dormant, to Azone Asia Limited (formerly known as Wing Lee Engineering (Asia) Limited), which was then 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 a net loss of approximately HK\$518,000 based on its then latest available financial statements as at 30 June 2021. 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 Azone Asia Limited (formerly known as Wing Lee Engineering (Asia) Limited); and that Creative Sun Engineering, its directors, shareholders and senior management had not been the subject of any material non-compliant incidents, claims, litigation and/or legal proceedings (whether actual or threatened) since their establishment up to the date of disposal. Mr. Yiu confirms that he does not intend to conduct any business with Creative Sun Engineering following its disposal.

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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 business 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, which had a net loss of approximately HK\$300 based on its then latest available unaudited management account as at 30 September 2022, 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; and that Sanying Property, its directors, shareholders and senior management had not been the subject of any material non-compliant incidents, claims, litigation and/or legal proceedings (whether actual or threatened) since their establishment up to the date of disposal. Mr. Yiu confirms that he does not intend to conduct any business with Sanying Property following its disposal.

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 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”. He resigned and left our Group as a director of our various subsidiaries in or around November 2020 even though the filings with the Registrar of Companies of Hong Kong 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. Under the Companies

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Ordinance, a company and its responsible persons, such as directors, are liable to a fine for delay in filing at level 4 (being HK\$25,000) and in the case of a continuing offence, a further fine of HK\$700 for each day during which the offence continues. However, as no offences under the Companies Ordinance shall be tried beyond three years from the date of breaches, the Hong Kong Legal Counsel has opined that there is no risk of liability for our Group or our officers on the above breaches which occurred more than three years ago. In any event, as at the Latest Practicable Date, no penalty had been imposed on our Group or our Directors.

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, both Mr. Yiu Fai, through the following companies where he is a director and a shareholder (the “**YF Group Companies**”), and our Group, have undertaken minor civil works, road and drainage works for private developers, and underground and electrical cable engineering works for the 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	To undertake road and drainage works in private sector (currently has no business)	100%
3.	King Fight Construction Co. Limited 輝煌(集團)控股有限公司	To undertake private construction projects other than the CLP Group Projects (currently has no business)	80%
4.	Yan Kiu Construction & Engineering Co., Ltd. 焯翹建築工程有限公司 (“ Yan Kiu Construction ”)	The CLP Group Projects in Sheung Shui district	50%

Save and except Kai Fung Construction and Yan Kiu Construction, to the best knowledge and information of our Directors and as confirmed by Mr. Yiu Fai, the other YF Group Companies have no business as at the Latest Practicable Date. For the financial year ended 31 March 2024, the total revenue of Kai Fung Construction and Yan Kiu Construction was approximately HK\$58.9

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million and HK\$54.7 million, respectively. To the best knowledge and information of our Directors, the YF Group Companies do not hold any construction or engineering related licence as at the Latest Practicable Date.

During the Track Record Period, the customers of the YF Group Companies mainly included Kum Shing Construction.

During the Track Record Period, Kum Shing Construction, being a main contractor of the CLP Group Projects, was both a customer of the YF Group Companies and one of our top five customers during FY2021/22 and FY2022/23 where both the YF Group Companies and our Group were engaged as the subcontractors of Kum Shing Construction for the CLP Group Projects. However, our Group undertakes the CLP Group Projects in Sham Shui Po and Wong Tai Sin zones (under Master Agreement A) and Tsuen Wan zone (under Master Agreement B) whereas the YF Group Companies undertake the CLP Group Projects in Shatin and Sheung Shui zones. Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, the YF Group Companies and our Group had not tendered for nor been awarded the same projects, including without limitation, the CLP Group Projects.

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 (and as such, none of the YF Group Companies will compete with our Group's business) in that:

- the YF Group Companies do not undertake minor civil works and road and drainage works for any Government department;
- none of the YF Group Companies are on the List of Approved Contractors for Public Works;
- none of the YF Group Companies have submitted tenders for the CLP Group Projects in Sham Shui Po, Wong Tai Sin and Tsuen Wan where the CLP Group Projects undertaken by our Group are located;
- based on the list of suppliers of the YF Group Companies and our Group during the Track Record Period and up to the Latest Practicable Date, the YF Group Companies and our Group have independent access to suppliers for procurement of materials and had not engaged the same supplier involving the same projects; and

HISTORY, DEVELOPMENT AND REORGANISATION

- based on the list of subcontractors of the YF Group Companies and our Group during the Track Record Period and up to the Latest Practicable Date, the YF Group Companies and our Group have independent access to subcontractors, and had not engaged the same subcontractors involving the same projects.

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 services, 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 Construction:

	FY2021/22	FY2022/23	FY2023/24
	(HK\$'000)	(HK\$'000)	(HK\$'000)
— Construction services	155	—	23
— Sales of materials	230	86	—
— Rental of truck	93	—	—
Total	478	86	23

Construction service

- Background

Kai Fung Construction engaged our Group as a subcontractor in a solar PV 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 sum for the Solar Project amounted to approximately HK\$178,000, of which, approximately HK\$155,000 was recognised for FY2021/22 and approximately HK\$23,000 was recognised for FY2023/24 when the defect liabilities period ended.

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- Reason for the engagement for Solar Project

Kai Fung Construction is principally engaged in civil and electrical cable engineering, while our Group's main business activities include civil and electrical cable engineering as well as solar PV system works. Specifically, for the solar PV system works segment, our Group has specialised in the design, installation, and maintenance of solar PV systems since 2018. Our 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 Construction engaged our Group as a subcontractor for the Solar Project, leveraging our Group's track record in this area. Our 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 Construction in FY2021/22 and FY2022/23. The total revenue derived from the sales of materials amounted to approximately HK\$230,000 for FY2021/22, and approximately HK\$86,000 for FY2022/23.

- Reason for the supply of construction materials

Both Kai Fung Construction and our Group have been engaged in the CLP Group Projects since December 2020. Specifically, our Group undertakes the CLP Group Projects located in the Sham Shui Po, Wong Tai Sin, Tsuen Wan and Yuen Long districts, while Kai Fung Construction 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 Construction in FY2021/22 on monthly basis. The total revenue derived from the rental of truck amounted to approximately HK\$93,000 for FY2021/22.

- Reason for the supply of truck

As mentioned above, both Kai Fung Construction and our Group have been engaged in the CLP Group Projects. In terms of business scale, our Group is larger than Kai Fung Construction, as the CLP Group Projects have been Kai Fung Construction’s principal business. As a result, Kai Fung Construction owned only a few trucks to support its operations in a cost-efficient manner. Kai Fung Construction occasionally rented a clam truck from our Group on monthly basis in FY2021/22, as Kai Fung Construction experienced sudden high volume of work orders under the CLP Group Projects, and was in need for additional work capacity. Our Directors confirm that this transaction between Kai Fung Construction and our 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 Construction by our Group:

	<u>FY2021/22</u>	<u>FY2022/23</u>	<u>FY2023/24</u>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
— Purchase of material.	172	132	4

- Background

Our Group occasionally purchased construction materials, for instance, cable end caps and end caps pilot from Kai Fung Construction during the Track Record Period. The total purchase cost paid to Kai Fung Construction amounted to approximately HKD172,000, HKD132,000 and HKD4,000 for FY2021/22, FY2022/23 and FY2023/24, respectively.

- Reason for the purchase of material

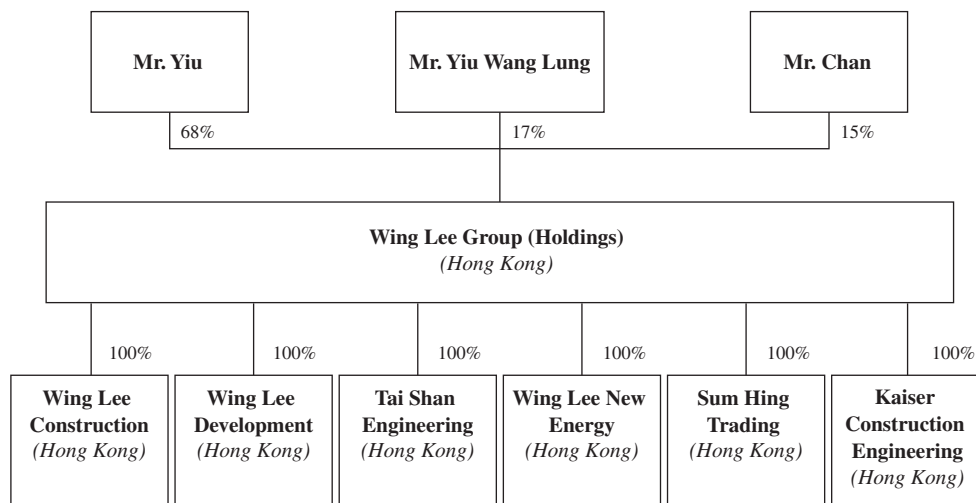
As previously stated, the job nature for the CLP Group Projects remain consistent across various districts, and the necessary raw materials are identical. Kai Fung Construction purchased the same raw materials for these projects as our Group does. Occasionally, due to a high volume of

HISTORY, DEVELOPMENT AND REORGANISATION

work orders, our Group purchased some of these materials from Kai Fung Construction when we 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.

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\$1.00 each, respectively, as the initial subscribers, representing 100% of the issued share capital of Wing Lee Green Development.

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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.

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.

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 our Company 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**”).

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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.

5. Increase in the authorised share capital of our Company

On 20 September 2024, the authorised share capital of our Company was increased from HK\$380,000 divided into 38,000,000 shares of par value HK\$0.01 each to HK\$[REDACTED] divided into [REDACTED] Shares of par value HK\$0.01 each, by the creation of an additional [REDACTED] new shares of par value of HK\$0.01 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 capitalised 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 principal share register 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 Shares that may be issued pursuant to the exercise of the [REDACTED] or any option which may be granted under the Share Option Scheme and any Shares that may be granted under the Share Award Scheme) (the “[REDACTED]”).

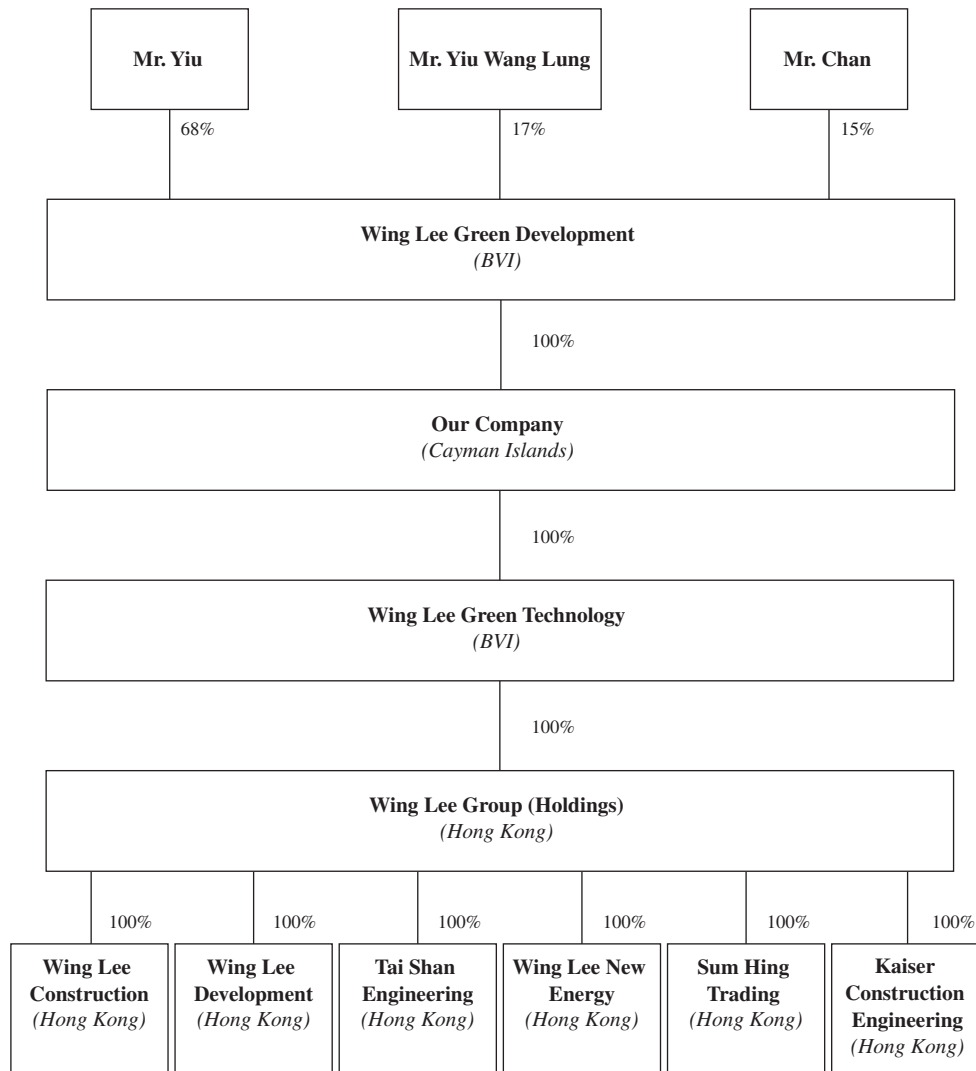
7. [REDACTED]

A total of [REDACTED] [REDACTED], comprising [REDACTED] [REDACTED] and [REDACTED] [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 granted 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 granted under the Share Award Scheme):

