

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

BUSINESS DEVELOPMENT

The history of the Group dates back to 1997 when Mr. Wong and Ms. So established Lap Kei. In early years, the Group was principally engaged in the provision of engineering services for building services systems with a focus on air-conditioning systems.

The Group has expanded its building services engineering business by obtaining various qualifications including but not limited to Registered Electrical Contractor, Registered Specialist Contractor (Ventilation Works), Registered Fire Service Installation Contractor — Classes 1 & 2, Approved Suppliers of Materials & Specialist Contractors for Public Works — Air-conditioning installation (Group I) and Registered Minor Works Contractor (Classes I, II and III) and by setting up another company Wealth E & M in 2004.

MAJOR MILESTONES

Set out below is a summary of the major milestones of the development of the Group's business:

Year	Milestone
1997	Lap Kei was incorporated in Hong Kong
1998	Lap Kei obtained ISO 9001:2008 from Hong Kong Quality Assurance Agency for compliance with the requirements of quality management system standard applicable to design, supply and installation of low voltage electrical, MVAC systems Lap Kei was registered as a Registered Electrical Contractor
2001	Lap Kei obtained a Certificate of Registered Fire Service Installation Contractor — Classes 1 and 2 from the Fire Services Department
2002	Lap Kei obtained a Certificate of Registration of Specialist Contractor (Ventilation Works)
2004	Wealth E & M was incorporated in Hong Kong
2006	Lap Kei became an approved contractor on the air-conditioning installation category (Group I) of the Specialist List
2007	Lap Kei commenced chiller plant installation works in a clubhouse for a total contract sum of approximately HK\$10.6 million
2009	Lap Kei commenced the building services engineering works in an education centre for a total contract sum of approximately HK\$15.9 million Wealth E & M obtained a Certificate of Registration of a Registered Electrical Contractor
2010	Lap Kei commenced the building services engineering works in hotel buildings for a total contract sum of approximately HK\$27.6 million

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Year	Milestone
2011	Lap Kei commenced building services engineering works in Sha Tin Racecourse for a total contract sum of approximately HK\$30.4 million
2012	Lap Kei obtained a Certificate of Registration of a Registered Minor Works Contractor (Classes I, II and III)
2013	Lap Kei commenced building services engineering works in a private hospital for a total contract sum of approximately HK\$11.9 million
2014	Lap Kei commenced building services engineering works in a residential building for a total contract sum of approximately HK\$52 million
2015	The Company was incorporated in the Cayman Islands as part of the Reorganisation for the purpose of the [REDACTED]

CORPORATE DEVELOPMENT

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 29 April 2015. Pursuant to the Reorganisation as more particularly described in the paragraph headed “Reorganisation” under this section, the Company has become the holding company of the Group for the purpose of the [REDACTED]. As at the Latest Practicable Date, the Group comprised the Company, LKW Enterprise, Lap Kei and Wealth E & M. The following sets forth the corporate development of each subsidiary of the Company since their respective dates of incorporation.

LKW Enterprise

LKW Enterprise was incorporated in BVI on 19 March 2015 with limited liability. It is authorised to issue a maximum of 50,000 ordinary shares of a single class with a par value of US\$1.00 each. It is principally engaged in investment holding.

On 19 March 2015, one subscriber share in LKW Enterprise with a par value of US\$1.00 was allotted and issued as fully paid to Mr. Wong at par and the issued share capital of LKW Enterprise became wholly-owned by Mr. Wong.

On 31 March 2015, 98 shares and one share in LKW Enterprise of US\$1.00 each were allotted and issued to Mr. Wong and Ms. So, respectively, and the issued share capital of LKW Enterprise was owned as to 99% and 1% by Mr. Wong and Ms. So, respectively.

On 18 May 2015, the Company acquired 99 shares and one share in LKW Enterprise at US\$1.00 each from Mr. Wong and Ms. So, respectively. Such transactions were properly and legally completed and settled on the same day. Upon completion, LKW Enterprise became a wholly-owned subsidiary of the Company.

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Lap Kei

Lap Kei was incorporated in Hong Kong on 22 December 1997 with limited liability. It is principally engaged in the provision of building services engineering works in Hong Kong.

As at the time of its incorporation, Lap Kei had an authorised share capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1.00 each. On 22 December 1997, one subscriber share in Lap Kei with a par value of HK\$1.00 was allotted and issued at par to each of Mr. Wong and Ms. So, respectively, and the issued share capital of Lap Kei was owned as to 50% and 50% by Mr. Wong and Ms. So, respectively.

On 30 December 1997, 8,999 and 999 shares in Lap Kei with a par value of HK\$1.00 each were allotted and issued to Mr. Wong and Ms. So, respectively, and the issued share capital of Lap Kei was owned as to 90% and 10% by Mr. Wong and Ms. So, respectively.

On 8 December 1998, the authorised share capital of Lap Kei was increased from HK\$10,000 to HK\$300,000. On the same day, 290,000 shares in Lap Kei with a par value of HK\$1.00 each were allotted and issued to Mr. Wong, and the issued share capital of Lap Kei was owned as to approximately 99.67% and 0.33% by Mr. Wong and Ms. So, respectively.

On 12 May 1999, the authorised share capital of Lap Kei was increased from HK\$300,000 to HK\$500,000. On the same day, 200,000 shares in Lap Kei with a par value of HK\$1.00 each were allotted and issued to Mr. Wong, and the issued share capital of Lap Kei was owned as to 99.80% and 0.20% by Mr. Wong and Ms. So, respectively.

On 30 January 2001, the authorised share capital of Lap Kei was increased from HK\$500,000 to HK\$600,000. On the same day, 100,000 shares in Lap Kei with a par value of HK\$1.00 each were allotted and issued to Mr. Wong, and the issued share capital of Lap Kei was owned as to approximately 99.83% and 0.17% by Mr. Wong and Ms. So, respectively.

On 31 March 2015, as part of the Reorganisation, LKW Enterprise acquired 599,000 and 1,000 shares in Lap Kei from Mr. Wong and Ms. So, respectively. Such transactions were properly and legally completed and settled on the same day. Upon completion, Lap Kei became a wholly-owned subsidiary of LKW Enterprise.

Wealth E & M

Wealth E & M was incorporated in Hong Kong on 30 April 2004 with limited liability. It is principally engaged in the provision of building services engineering works in Hong Kong.

As at the time of its incorporation, Wealth E & M had an authorised share capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1.00 each. On 30 April 2004, 10,000 shares in Wealth E & M with a par value of HK\$1.00 each was allotted and issued to Ms. So, and the issued share capital of Wealth E & M became wholly-owned by Ms. So.

On 31 March 2015, as part of the Reorganisation, LKW Enterprise acquired 10,000 shares in Wealth E & M from Ms. So. Such transaction was properly and legally completed and settled on the same day. Upon completion, Wealth E & M became a wholly-owned subsidiary of LKW Enterprise.

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REORGANISATION

The Group underwent the Reorganisation in preparation for the [REDACTED], which involved the following steps:

Incorporation of LKW Enterprise

On 19 March 2015, LKW Enterprise was incorporated in BVI with limited liability. As at the date of its incorporation, LKW Enterprise was authorised to issue a maximum of 50,000 ordinary shares of a single class with a par value of US\$1.00 each. On the same day, one subscriber share in LKW Enterprise with a par value of US\$1.00 was allotted and issued as fully paid to Mr. Wong at par and the issued share capital of LKW Enterprise became wholly-owned by Mr. Wong.

Acquisition of the issued share capital of Lap Kei and Wealth E & M by LKW Enterprise from Mr. Wong and Ms. So, respectively

Lap Kei was legally and beneficially owned as to 599,000 shares by Mr. Wong and 1,000 shares by Ms. So immediately before the Reorganisation, representing approximately 99.83% and 0.17% of the issued share capital of Lap Kei, respectively.

Wealth E & M was legally and beneficially owned as to 10,000 shares by Ms. So immediately before the Reorganisation, representing 100% of the issued share capital of Wealth E & M.

On 31 March 2015, Mr. Wong and Ms. So (as transferors), LKW Enterprise (as transferee), Lap Kei and Wealth E & M entered into a reorganisation agreement. Pursuant to the reorganisation agreement, LKW Enterprise acquired (i) 599,000 and 1,000 shares in Lap Kei from Mr. Wong and Ms. So, respectively, being approximately 99.83% and 0.17% of the issued share capital of Lap Kei, respectively; and (ii) 10,000 shares in Wealth E & M from Ms. So, being the entire issued share capital of Wealth E & M. In consideration of the acquisition, LKW Enterprise allotted and issued 98 shares and one share of US\$1.00 each in LKW Enterprise, credited as fully paid, to Mr. Wong and Ms. So, respectively.

On 31 March 2015, Mr. Wong (as transferor) and LKW Enterprise (as transferee) executed an instrument of transfer and bought and sold notes, pursuant to which 599,000 shares in Lap Kei legally and beneficially owned by Mr. Wong were transferred to LKW Enterprise.

On 31 March 2015, Ms. So (as transferor) and LKW Enterprise (as transferee) executed an instrument of transfer and bought and sold notes, pursuant to which 1,000 shares in Lap Kei legally and beneficially owned by Ms. So were transferred to LKW Enterprise.

On 31 March 2015, Ms. So (as transferor) and LKW Enterprise (as transferee) executed an instrument of transfer and bought and sold notes, pursuant to which 10,000 shares in Wealth E & M legally and beneficially owned by Ms. So were transferred to LKW Enterprise.

Upon settlement and completion of the above acquisitions on 31 March 2015, Lap Kei and Wealth E & M became wholly-owned subsidiaries of LKW Enterprise, and the issued share capital of LKW Enterprise was owned as to 99% and 1% by Mr. Wong and Ms. So, respectively.

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Incorporation of Golden Luck

On 24 April 2015, Golden Luck was incorporated in BVI with limited liability. As at the date of its incorporation, Golden Luck was authorised to issue a maximum of 50,000 ordinary shares of a single class with a par value of US\$1.00 each.

On 24 April 2015, one subscriber share in Golden Luck with a par value of US\$1.00 was allotted and issued as fully paid to Mr. Wong and the issued share capital of Golden Luck became wholly-owned by Mr. Wong.

Incorporation of the Company

On 29 April 2015, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. The authorised share capital of the Company as at the date of incorporation was HK\$380,000 divided into 38,000,000 Shares with a par value of HK\$0.01 each.

On 29 April 2015, one subscriber Share in the Company was transferred to Golden Luck at par value of HK\$0.01. Upon settlement and completion, the Company became a wholly-owned subsidiary of Golden Luck.

Acquisition of the issued share capital of LKW Enterprise by the Company from Mr. Wong and Ms. So, respectively

On 18 May 2015, Mr. Wong and Ms. So (as transferors), the Company (as transferee), LKW Enterprise and Golden Luck entered into a reorganisation agreement. Pursuant to the reorganisation agreement, the Company acquired 99 shares and one share in LKW Enterprise from Mr. Wong and Ms. So, respectively, representing 99% and 1% of the issued share capital of LKW Enterprise, respectively. In consideration of the acquisition, Golden Luck allotted and issued 98 shares and one share of US\$1.00 each, credited as fully paid, to Mr. Wong and Ms. So, respectively.

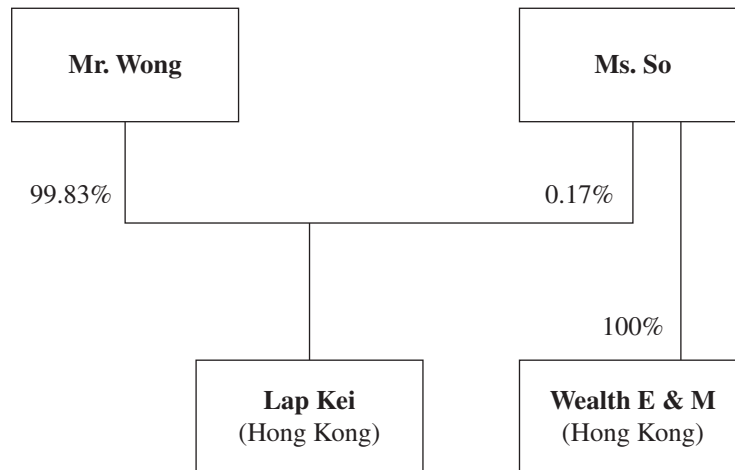
On 18 May 2015, Mr. Wong (as transferor) and the Company (as transferee) executed an instrument of transfer, pursuant to which 99 shares in LKW Enterprise legally and beneficially owned by Mr. Wong were transferred to the Company.

On 18 May 2015, Ms. So (as transferor) and the Company (as transferee) executed an instrument of transfer, pursuant to which one share in LKW Enterprise legally and beneficially owned by Ms. So was transferred to the Company.

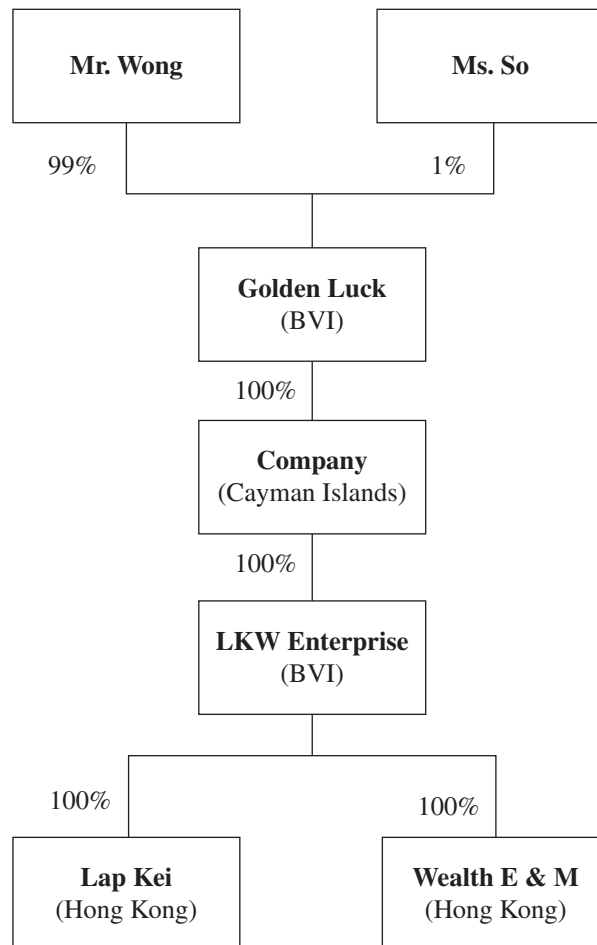
Upon settlement and completion of the above acquisitions on 18 May 2015, (i) LKW Enterprise became a wholly-owned subsidiary of the Company; and (ii) the issued share capital of Golden Luck was legally and beneficially owned as to 99% and 1% by Mr. Wong and Ms. So, respectively.

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The following chart sets forth the Group’s shareholding and corporate structure immediately before the Reorganisation:



The following chart sets forth the Group’s shareholding and corporate structure immediately after the Reorganisation but before the [REDACTED] and the [REDACTED]:



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[REDACTED]

Conditional upon the share premium account of the Company being credited as a result the new issue of Shares pursuant to the [REDACTED], an amount of HK\$[REDACTED] standing to the credit of the share premium account of the Company will be capitalised and applied in paying up in full at par a total of [REDACTED] Shares in the Company to be allotted and issued to Golden Luck prior to the [REDACTED] so that the number of Shares so allotted and issued, when aggregated with the number of Shares already owned by Golden Luck, will constitute [REDACTED]% of the issued share capital of the Company immediately after the [REDACTED] and the [REDACTED] (taking into account the Shares to be allotted and issued to Golden Luck and to be offered by it for purchase by public Shareholders under the [REDACTED]).

The following chart sets out the Group's corporate structure immediately after the [REDACTED] and the [REDACTED], taking no account any Shares that may be issued pursuant to the exercise of any options that may be granted under the Share Option Scheme:

