
HISTORY, DEVELOPMENT AND REORGANISATION

OVERVIEW

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 18 December 2018. 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 Listing and holds the entire interests of 11 subsidiaries, namely, Endless Luck, Ample Coral, Brilliant Town, Max Rank, Ying Hai Tourism (Macau), Zhuhai Ying Hai, Ying Hai Rent-A-Car (Macau), Ying Hai Rent-A-Car (HK), Ying Hai Interurban, C U Macau and Ying Hai Tourism (HK).

BUSINESS DEVELOPMENT

Our history can be traced back to 2014 when Mr. Choi founded Ying Hai Tourism (Macau) with his personal fund accumulated from his property investment activities, and he has been leading the development of our Group since our establishment. Prior to establishing our Group, Mr. Choi engaged in property investment and started running his own business by operating a dessert shop in Macau in October 2009. Back in 2005, in a business event Mr. Choi got acquainted with Mr. Leong, who gained insights in the travel industry in Macau during his employment in the concierge department of Tak Chun since January 2011 up to September 2014. In 2014, in view of the development potential of the travel business in Macau and the market insights from Mr. Leong, Mr. Choi, directly and indirectly through Ying Hai Entertainment, a company owned as to 99% and 1% by Mr. Choi and Mr. Leong, respectively, established Ying Hai Tourism (Macau) to tap the travel industry by engaging in travel agent business. The background information and relevant industry experience of Mr. Choi and Mr. Leong are set out in the section headed “Directors, senior management and employees” in this prospectus.

We commenced the business relationship with L’Arc Hotel Macau in 2014 when only six hotel rooms per day were provided to our Group for the sales and distribution. Our Directors believe that with our years of stable business relationship, we have developed mutual trust with L’Arc Hotel Macau and are gradually provided with more and more hotel rooms per day for the sales and distribution. As at 31 December 2017, 2018 and 30 April 2019, we have secured 150, 172 and 157 hotel rooms per day on average with L’Arc Hotel Macau, respectively, which represent approximately 53.0%, 60.8% and 55.5% of its total number of hotel rooms, respectively. We constantly look for opportunities to work with other hotels in Macau and commenced our business relationship with Waldo Hotel Macao in 2014 and with other hotels over the years. To cater for the needs of our customers, we expanded our services offerings by incorporating Ying Hai Rent-A-Car (Macau) to engage in the provision of car rental services for tourism purpose in 2015. In 2017, we obtained an authorisation granted by the MGTO to provide self-drive rent-a-car services. As at 30 June 2019, only four companies in Macau obtained such authorisation, and only two of which (including us) were providing both travel agent services and such car rental services. As at 30 April 2019, our Group had 45 vehicles. In 2018, Ying Hai Interurban and Ying Hai Rent-A-Car (HK) were incorporated for the purpose of engaging in the point-to-point cross-border car rental services between Macau and Hong Kong following the opening of the HZMB, which we plan to commence in the fourth quarter of 2019.

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The key milestones in our development to date are set out below.

Year	Events
2014	<p>Ying Hai Tourism (Macau) was incorporated to engage in the provision of travel agent services. Our Group commenced business relationship with L'Arc Hotel Macau when six hotel rooms per day were provided to our Group for sales and distribution.</p> <p>Our Group also commenced business relationship with Waldo Hotel Macao.</p>
2015	<p>Ying Hai Rent-A-Car (Macau) was incorporated to engage in the provision of car rental services.</p>
2017	<p>We obtained an authorisation granted by the MGTO to provide self-drive rent-a-car services.</p> <p>As at 31 December 2017, our Group had 8 vehicles for tourism-purpose car rental services.</p>
2018	<p>Our Group commenced the provision of Multi-purpose Car Rental Services in Macau.</p> <p>Our Group obtained three out of 40 permits (one permit for one vehicle) from the Macau government to operate hire car services for carriage of passengers for reward between Macau and Hong Kong via the HZMB.</p> <p>Our Group further strengthened our business relationship with L'Arc Hotel Macau and was provided with over 170 hotel rooms per day for sales and distribution.</p> <p>As at 31 December 2018, our Group had 44 vehicles for our car rental services.</p>
2019	<p>Our Group established business relationship with Hotel P, being a five-star deluxe hotel in Macau.</p> <p>Our Group entered into an agreement with a company held by an operator of an app (the "App"), being one of the leading ride-hailing applications providing chauffeur rental service in the ride-hailing industry in China for a term of one year. Pursuant to the agreement, customers can make orders for our Group's Multi-purpose Car Rental Services through the App.</p>

CORPORATE DEVELOPMENT

The following is a brief corporate history of the establishment and major changes in the shareholdings of the subsidiaries of our Group.

Endless Luck

Endless Luck was incorporated in BVI with limited liability on 9 October 2018. It is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1.0 each. It is an investment holding company.

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On 18 December 2018, Endless Luck allotted and issued one share with a par value of US\$1.0 as fully paid to our Company, and the issued share capital of Endless Luck became wholly-owned by our Company. On 19 February 2019, Endless Luck further allotted and issued 99 shares with a par value of US\$1.0 each as fully paid to our Company. On 20 February 2019, as part of the Reorganisation, Endless Luck further allotted and issued 300 shares with a par value of US\$1.0 each as fully paid to our Company. Upon completion of the allotment and issue of shares as described above, the issued share capital of Endless Luck was wholly-owned by our Company.

Ample Coral

Ample Coral was incorporated in BVI with limited liability on 15 October 2018. It is authorised to issue a maximum of 50,000 no par value shares of a single class. It is an investment holding company.

On 18 December 2018, Ample Coral allotted and issued one share at a consideration of US\$1.0 as fully paid to Endless Luck, and the issued share capital of Ample Coral became wholly-owned by Endless Luck.

Brilliant Town

Brilliant Town was incorporated in BVI with limited liability on 10 October 2018. It is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1.0 each. It is an investment holding company.

On 18 December 2018, Brilliant Town allotted and issued one share with a par value of US\$1.0 as fully paid to Endless Luck, and the issued share capital of Brilliant Town became wholly-owned by Endless Luck.

Max Rank

Max Rank was incorporated in BVI with limited liability on 28 September 2018. It is authorised to issue a maximum of 50,000 no par value shares of a single class. It is an investment holding company.

On 18 December 2018, Max Rank allotted and issued one share at a consideration of US\$1.0 as fully paid to Endless Luck, and the issued share capital of Max Rank became wholly-owned by Endless Luck.

Ying Hai Tourism (Macau)

Ying Hai Tourism (Macau) was incorporated in Macau with limited liability on 28 February 2014 with a registered capital of MOP1,500,000. It engages in the provision of travel agent services.

At the time of its establishment, Ying Hai Tourism (Macau) allotted and issued one quota (share) with a nominal value of MOP1,000,000 (representing approximately 66.67% equity interest) and one quota (share) with a nominal value of MOP500,000 (representing approximately 33.33% equity interest) to Mr. Choi and Ying Hai Entertainment, respectively. Ying Hai Entertainment was owned as to 99% and 1% by Mr. Choi and Mr. Leong, respectively.

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On 20 February 2019, as part of the Reorganisation, Mr. Choi split one quota (share) with a nominal value of MOP1,000,000 in Ying Hai Tourism (Macau) into one quota (share) with nominal value of MOP750,000 and one quota (share) with a nominal value of MOP250,000. On the same date, (i) Ample Coral acquired one quota (share) with a nominal value of MOP750,000 in Ying Hai Tourism (Macau) from Mr. Choi; and (ii) Brilliant Town acquired one quota (share) with a nominal value of MOP250,000 in Ying Hai Tourism (Macau) from Mr. Choi and one quota (share) with a nominal value of MOP500,000 in Ying Hai Tourism (Macau) from Ying Hai Entertainment, and combined them into one quota (share) with a nominal value of MOP750,000 in Ying Hai Tourism (Macau). Such transactions were properly and legally completed and settled on 21 February 2019. Ying Hai Tourism (Macau) then became owned as to 50% and 50% by Ample Coral and Brilliant Town, respectively.

Zhuhai Ying Hai

Zhuhai Ying Hai was established in the PRC with limited liability on 13 November 2015 as a wholly foreign-owned enterprise, with a fully paid-up registered capital of RMB3,800,000. At the time of its establishment, Zhuhai Ying Hai was wholly-owned by Honour Corporate Management Consulting Limited* (榮譽企業管理諮詢有限公司), being a company incorporated in Macau and owned as to 70% and 30% by Mr. Choi and Mr. Leong, respectively. Zhuhai Ying Hai serves as the back office of our Group in the PRC.

On 1 March 2017, Ying Hai Tourism (Macau) acquired the entire equity interest of Zhuhai Ying Hai from Honour Corporate Management Consulting Limited* (榮譽企業管理諮詢有限公司) at a consideration of RMB1,500,000, being its then paid-up registered capital. The registration of the above equity transfer was completed on 17 March 2017. Zhuhai Ying Hai then became a wholly-owned subsidiary of Ying Hai Tourism (Macau). In April 2017, Zhuhai Ying Hai increased its registered capital from RMB1,500,000 to RMB2,500,000, and the increased capital was fully paid up by cash. In November 2017, Zhuhai Ying Hai further increased its registered capital from RMB2,500,000 to RMB3,800,000, and the increased capital was fully paid up by cash.

Ying Hai Rent-A-Car (Macau)

Ying Hai Rent-A-Car (Macau) was incorporated in Macau with limited liability on 19 May 2015, with a registered capital of MOP25,000. It engages in the provision of car rental services.

At the time of its establishment, Ying Hai Rent-A-Car (Macau) allotted and issued one quota (share) with a nominal value of MOP17,500 (representing 70% equity interest) and one quota (share) with a nominal value of MOP7,500 (representing 30% equity interest) to Mr. Choi and Mr. Leong, respectively.

On 23 September 2016, Mr. Choi acquired one quota (share) with a nominal value of MOP7,500 from Mr. Leong at a consideration of MOP7,500. Such transaction was properly and legally completed and settled on 18 October 2016. Upon completion of the above acquisition, Ying Hai Rent-A-Car (Macau) then became wholly-owned by Mr. Choi.

On 14 November 2016, the share capital of Ying Hai Rent-A-Car (Macau) was increased to MOP100,000, with the increased share capital of MOP75,000 fully paid and subscribed by Mr. Choi. Following the increase of share capital, Mr. Choi split one quota (share) with a nominal value of MOP100,000 into one quota (share) with a nominal value of MOP51,000 and one quota (share) with a nominal value of MOP49,000, representing the entire registered capital of Ying Hai Rent-A-Car (Macau).

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On 20 February 2019, as part of the Reorganisation, Mr. Choi split one quota (share) with a nominal value of MOP51,000 in Ying Hai Rent-A-Car (Macau) into one quota (share) with nominal value of MOP50,000 and one quota (share) with a nominal value of MOP1,000. On the same date, (i) Ample Coral acquired one quota (share) with a nominal value of MOP50,000 in Ying Hai Rent-A-Car (Macau); and (ii) Brilliant Town acquired one quota (share) with nominal value of MOP1,000 and one quota (share) with a nominal value of MOP49,000 in Ying Hai Rent-A-Car (Macau) and combined them into one quota (share) with a nominal value of MOP50,000, from Mr. Choi, respectively. Such transactions were properly and legally completed and settled on 21 February 2019. Ying Hai Rent-A-Car (Macau) then became owned as to 50% and 50% by Ample Coral and Brilliant Town, respectively.

Ying Hai Rent-A-Car (HK)

Ying Hai Rent-A-Car (HK) was incorporated in Hong Kong with limited liability on 29 November 2018. It was incorporated for the purpose of engaging in point-to-point cross-border car rental services between Macau and Hong Kong and it did not have any business as at the Latest Practicable Date.

On the date of its incorporation, Ying Hai Rent-A-Car (HK) allotted and issued 100 shares as fully paid to Ying Hai Rent-A-Car (Macau), and the issued share capital of Ying Hai Rent-A-Car (HK) became wholly-owned by Ying Hai Rent-A-Car (Macau).

Ying Hai Interurban

Ying Hai Interurban was incorporated in Macau with limited liability on 22 October 2018 with a registered capital of MOP5,000,000 divided into 5,000 quotas (shares) with a nominal value of MOP1,000 each. It was incorporated for the purpose of providing cross-border car rental services between Macau and Hong Kong and it did not have any business as at the Latest Practicable Date.

At the time of its establishment, Ying Hai Interurban allotted and issued 4,750 quotas (shares) with a nominal value of MOP4,750,000 (representing 95% equity interest), 125 quotas (shares) with a nominal value of MOP125,000 (representing 2.5% equity interest) and 125 quotas (shares) with a nominal value of MOP125,000 (representing 2.5% equity interest) to Ying Hai Rent-A-Car (Macau), Ying Hai Tourism (Macau) and C U Macau, respectively.

C U Macau

C U Macau was incorporated in Macau with limited liability on 9 December 2016 with a registered capital of MOP30,000. It engages in the provision of travel information.

At the time of its establishment, C U Macau allotted and issued one quota (share) with a nominal value of MOP15,000 (representing 50% equity interest) and one quota (share) with a nominal value of MOP15,000 (representing 50% equity interest) to Mr. Choi and Mrs. Choi, respectively. The equity interests of Mrs. Choi were held on trust in favour of Mr. Choi.

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On 27 September 2018, Mr. Choi and Mrs. Choi cancelled the aforementioned trust arrangement, and Mrs. Choi transferred one quota (share) with a nominal value of MOP15,000 (representing 50% equity interest) to Ying Hai Entertainment at the direction of Mr. Choi. C U Macau then became owned as to 50% and 50% by Mr. Choi and Ying Hai Entertainment, respectively.

On 28 September 2018, the share capital of C U Macau was increased to MOP1,500,000, with Mr. Choi and Ying Hai Entertainment each paying up MOP735,000 for each quota (share) in C U Macau. Following the increase of share capital, Mr. Choi and Ying Hai Entertainment held one quota (share) with a nominal value of MOP750,000 and one quota (share) with a nominal value of MOP750,000, representing 50% and 50% of the registered capital of C U Macau, respectively.

On 20 February 2019, as part of the Reorganisation, Ample Coral and Brilliant Town acquired one quota (share) with a nominal value of MOP750,000 and one quota (share) with a nominal value of MOP750,000 in C U Macau from Mr. Choi and Ying Hai Entertainment, respectively. Such transactions were properly and legally completed and settled on 21 February 2019. C U Macau then became owned as to 50% and 50% by Ample Coral and Brilliant Town, respectively.

Ying Hai Tourism (HK)

Ying Hai Tourism (HK) was incorporated in Hong Kong with limited liability on 20 May 2016. It serves as the back office of our Group in Hong Kong.

On the date of its incorporation, Ying Hai Tourism (HK) allotted and issued 999 shares and one share as fully paid to Mr. Choi and Mr. Leong, respectively, and the issued share capital of Ying Hai Tourism (HK) became owned as to 99.9% and 0.1% by Mr. Choi and Mr. Leong, respectively.

On 8 March 2019, as part of the Reorganisation, Max Rank acquired 999 shares and one share from Mr. Choi and Mr. Leong, respectively. Such transactions were properly and legally completed and settled on 8 March 2019. Ying Hai Tourism (HK) then became a wholly-owned subsidiary of Max Rank.

REORGANISATION

Our Group underwent the Reorganisation in preparation for the Listing, which involved the following steps:

Incorporation of Silver Esteem

On 6 July 2018, Silver Esteem was incorporated in BVI with limited liability. It is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1.0 per share.

On 3 December 2018, Silver Esteem allotted and issued one share with a par value of US\$1.0 as fully paid to Mr. Choi and the issued share capital of Silver Esteem became wholly-owned by Mr. Choi.

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Incorporation of our Company

On 18 December 2018, 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 Shares with a par value of HK\$0.01 per share.

On the date of its incorporation, our Company allotted and issued one subscriber Share as fully paid to a nominee subscriber. On the same date, the nominee subscriber as transferor executed an instrument of transfer in favour of Silver Esteem, pursuant to which the nominee subscriber transferred the one subscriber Share, representing the entire issued share capital of our Company, to Silver Esteem. Upon completion of the above transfer, the issued share capital of our Company became wholly-owned by Silver Esteem.

Incorporation of Endless Luck

On 9 October 2018, Endless Luck was incorporated in BVI with limited liability. It is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1.0 each.

On 18 December 2018, Endless Luck allotted and issued one share with a par value of US\$1.0 as fully paid to our Company, and the issued share capital of Endless Luck became wholly-owned by our Company.

Incorporation of Ample Coral, Brilliant Town and Max Rank

On 15 October 2018, 10 October 2018 and 28 September 2018, Ample Coral, Brilliant Town and Max Rank were incorporated in BVI with limited liability, respectively. Each of Ample Coral and Max Rank is authorised to issue a maximum of 50,000 no par value shares of a single class. Brilliant Town is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1.0 each.

On 18 December 2018, each of Ample Coral, Brilliant Town and Max Rank allotted and issued one share of US\$1.0 as fully paid to Endless Luck, and the respective issued share capital of Ample Coral, Brilliant Town and Max Rank became wholly-owned by Endless Luck.

Cancellation of the trust arrangement in C U Macau and acquisition of 50% of the registered capital in C U Macau by Ying Hai Entertainment

Immediately before the Reorganisation, Mr. Choi and Mrs. Choi held one quota (share) with a nominal value of MOP15,000 and one quota (share) with a nominal value of MOP15,000 in C U Macau, respectively, representing 50% and 50% of the registered capital of C U Macau, respectively. The equity interest of Mrs. Choi in C U Macau were held on trust in favour of Mr. Choi.

On 27 September 2018, Mr. Choi and Mrs. Choi cancelled the aforementioned trust arrangement and Mrs. Choi transferred one quota (share) in C U Macau, representing 50% of its equity interest, to Ying Hai Entertainment, being a wholly-owned company of Mr. Choi, at Mr. Choi's direction. On 28 September 2018, Mr. Choi and Ying Hai Entertainment resolved to increase the share capital of C U Macau to MOP1,500,000 and each paid up MOP735,000 for each quota (share) in C U Macau.

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Upon completion of the above, Mr. Choi and Ying Hai Entertainment legally and beneficially owned one quota (share) with a nominal value of MOP750,000 and one quota (share) with a nominal value of MOP750,000 in C U Macau, respectively, representing 50% and 50% of the registered capital of C U Macau, respectively.

Acquisition of Ying Hai Tourism (Macau), Ying Hai Rent-A-Car (Macau) and C U Macau by Ample Coral and Brilliant Town

Immediately before the Reorganisation:

- (i) Mr. Choi and Ying Hai Entertainment legally and beneficially owned one quota (share) with a nominal value of MOP1,000,000 and one quota (share) with a nominal value of MOP500,000 in Ying Hai Tourism (Macau), respectively, representing 66.67% and 33.33% of the registered capital of Ying Hai Tourism (Macau), respectively.
- (ii) Mr. Choi legally and beneficially owned one quota (share) with a nominal value of MOP51,000 and one quota (share) with a nominal value of MOP49,000 in Ying Hai Rent-A-Car (Macau), representing 51% and 49% of the registered capital of Ying Hai Rent-A-Car (Macau), respectively.
- (iii) Mr. Choi and Ying Hai Entertainment legally and beneficially owned one quota (share) with a nominal value of MOP750,000 and one quota (share) with a nominal value of MOP750,000 in C U Macau, respectively, representing 50% and 50% of the registered capital of C U Macau, respectively.

On 20 February 2019, Mr. Choi, Ying Hai Entertainment, Endless Luck, Ample Coral, Brilliant Town and our Company entered into a reorganisation agreement, pursuant to which:

- (i) Mr. Choi split one quota (share) with a nominal value of MOP1,000,000 in Ying Hai Tourism (Macau) into one quota (share) with a nominal value of MOP750,000 and one quota (share) with a nominal value of MOP250,000;
- (ii) Mr. Choi split one quota (share) with a nominal value of MOP51,000 in Ying Hai Rent-A-Car (Macau) into one quota (share) with a nominal value of MOP50,000 and one quota (share) with a nominal value of MOP1,000;
- (iii) Ample Coral acquired (a) one quota (share) with a nominal value of MOP750,000 in Ying Hai Tourism (Macau); (b) one quota (share) with a nominal value of MOP50,000 in Ying Hai Rent-A-Car (Macau); and (c) one quota (share) with a nominal value of MOP750,000 in C U Macau, from Mr. Choi, respectively, in consideration of Endless Luck allotting and issuing 150 shares in total, credited as fully paid, to our Company, at the direction of Mr. Choi; and

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- (iv) Brilliant Town acquired (a) one quota (share) with a nominal value of MOP250,000 from Mr. Choi and one quota (share) with a nominal value of MOP500,000 from Ying Hai Entertainment in Ying Hai Tourism (Macau), and combined them into one quota (share) with nominal value of MOP750,000; (b) one quota (share) with a nominal value of MOP750,000 in C U Macau from Ying Hai Entertainment; and (c) one quota (share) with a nominal value of MOP1,000 and one quota (share) with a nominal value of MOP49,000 in Ying Hai Rent-A-Car (Macau) and combined them into one quota (share) with a nominal value of MOP50,000, from Mr. Choi, respectively, in consideration of Endless Luck allotting and issuing 150 shares in total, credited as fully paid, to our Company, at the directions of Mr. Choi and Ying Hai Entertainment.

Upon completion of the above transactions, Ying Hai Tourism (Macau), Ying Hai Rent-A-Car (Macau) and C U Macau were owned as to 50% and 50% by Ample Coral and Brilliant Town, respectively.

Acquisition of Ying Hai Tourism (HK) by Max Rank

Immediately before the Reorganisation, Mr. Choi and Mr. Leong legally and beneficially owned 999 shares and one share in Ying Hai Tourism (HK), respectively, representing 99.9% and 0.1% of the issued share capital of Ying Hai Tourism (HK), respectively.

On 8 March 2019, Mr. Choi and Mr. Leong as transferors executed an instrument of transfer and bought and sold notes in favour of Max Rank, pursuant to which Max Rank acquired 999 shares and one share in Ying Hai Tourism (HK) from Mr. Choi and Mr. Leong, respectively, for a nominal consideration of HK\$999.0 and HK\$1.0, respectively. Upon completion of the above acquisitions, Ying Hai Tourism (HK) became a wholly-owned subsidiary of Max Rank.

Incorporation of Ying Hai Interurban

On 22 October 2018, Ying Hai Interurban was incorporated in Macau with limited liability. On the date of its incorporation, Ying Hai Interurban has a registered capital of MOP5,000,000 divided into 5,000 quotas (shares) with a nominal value of MOP1,000 per share.

On the same date, Ying Hai Rent-A-Car (Macau), Ying Hai Tourism (Macau) and C U Macau held 4,750 quotas (shares) with a nominal value of MOP4,750,000, 125 quotas (shares) with a nominal value of MOP125,000 and 125 quotas (shares) with a nominal value of MOP125,000 in Ying Hai Interurban, representing 95%, 2.5% and 2.5% of the registered capital of Ying Hai Interurban, respectively.

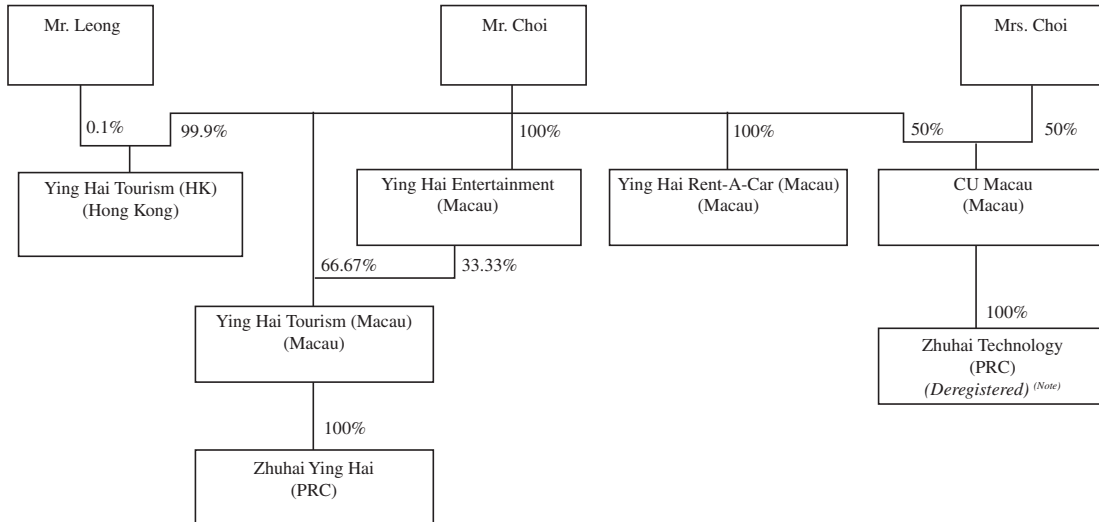
Incorporation of Ying Hai Rent-A-Car (HK)

On 29 November 2018, Ying Hai Rent-A-Car (HK) was incorporated in Hong Kong with limited liability. On the date of its incorporation, Ying Hai Rent-A-Car (HK) allotted and issued 100 shares as fully paid to Ying Hai Rent-A-Car (Macau) and the issued share capital of Ying Hai Rent-A-Car (HK) became wholly-owned by Ying Hai Rent-A-Car (Macau).

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CORPORATE STRUCTURE

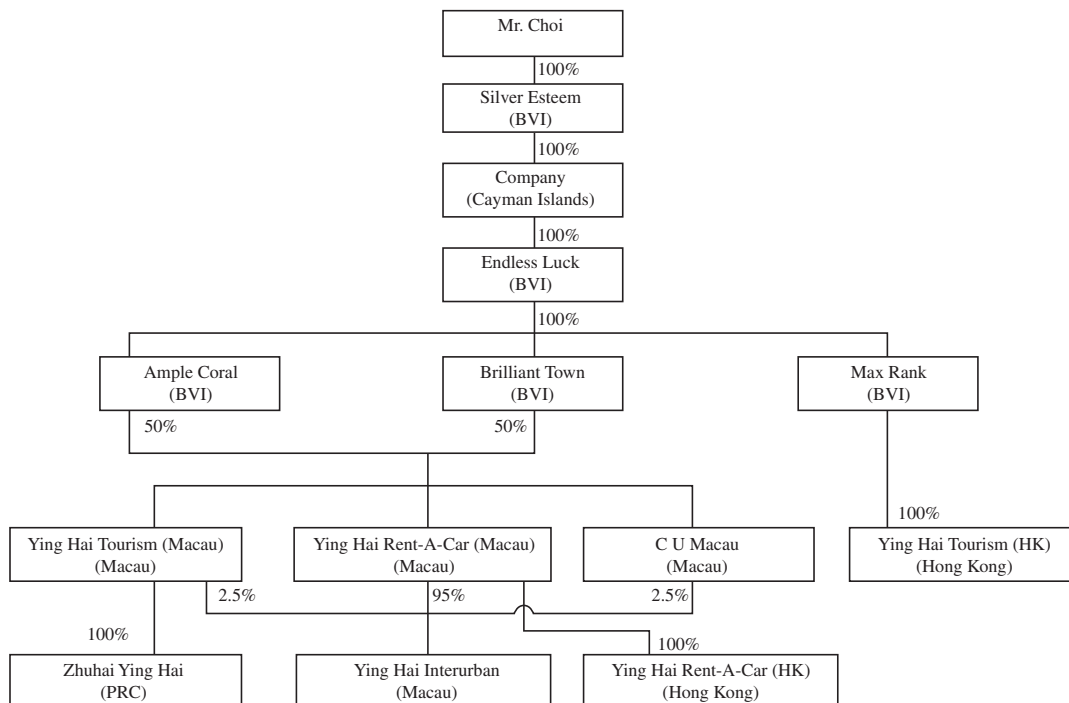
The following chart sets forth the shareholding and corporate structure of our Group immediately before the Reorganisation:



Note: Zhuhai Technology was established in the PRC with limited liability on 9 April 2018 as a wholly foreign-owned enterprise with a registered capital of RMB10,000. Prior to deregistration, its business scope was information technology development and technical consulting services. On 21 December 2018, Zhuhai Technology was deregistered according to the applicable PRC laws and regulations and was accordingly dissolved on deregistration. As advised by our Directors, the reason for the deregistration of Zhuhai Technology is that Zhuhai Technology had been inactive since its establishment. Zhuhai Technology was solvent at the time of its deregistration. Our Directors confirm that Zhuhai Technology had not been involved in any claim, complaint, sanction or litigation.

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The following chart sets forth the shareholding and corporate structure of our Group immediately following the completion of the Reorganisation but before the Capitalisation Issue and the Share Offer:

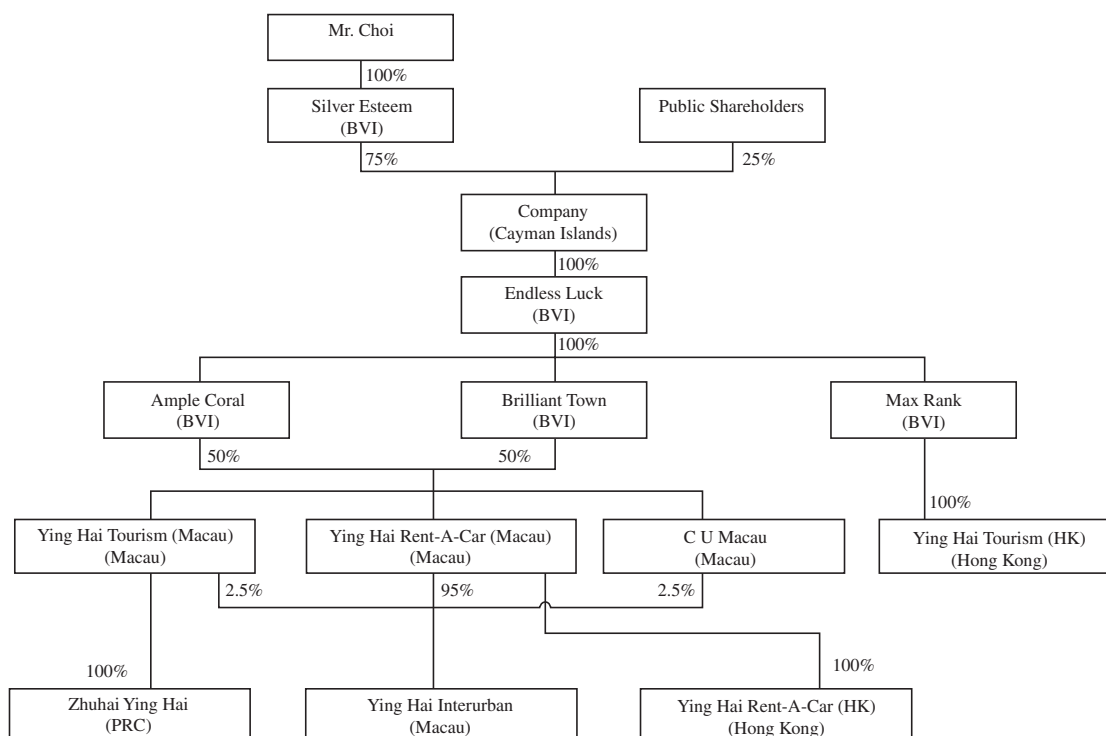


Capitalisation Issue

Conditional upon the crediting of our Company's share premium account as a result of the issue of the Offer Shares pursuant to the Listing, our Directors are authorised to capitalise an amount of HK\$8,999,999.99 standing to the credit of the share premium account of our Company by applying such sum towards to pay up in full at par a total of 899,999,999 Shares for allotment and issue, immediately prior to the Share Offer, to Silver Esteem so that the number of Shares so allotted and issued, when aggregated with the number of Shares already owned by them, will constitute 75% of the issued share capital of our Company upon completion of the Capitalisation Issue and the Share Offer.

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The following chart sets forth the shareholding and corporate structure of our Group immediately after completion of the Capitalisation Issue and the Share Offer (without taking into account any Shares that may be allotted and issued upon the exercise of the options that may be granted under the Share Option Scheme):



PRC REGULATORY ISSUES RELATING TO THE REORGANISATION AND THE LISTING

As advised by the PRC Legal Advisers, since our PRC subsidiary was established as a wholly foreign-owned enterprise, and the Reorganisation did not involve any acquisition of domestic enterprises, the Provisions on Merger and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) are not applicable to the Reorganisation, and the Listing is not subject to the approval from any PRC securities regulatory bodies.

In addition, as advised by the PRC Legal Advisers, since Mr. Choi, the ultimate shareholder and beneficial owner of our Company, is not a PRC domestic person who holds PRC identity documents nor an individual who resides in the PRC habitually for the purpose of economic benefit, Mr. Choi is not subject to the registration requirements under the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) promulgated by the State Administration of Foreign Exchange of the PRC on 4 July 2014.

The PRC Legal Advisers further confirmed that all necessary approvals, permits and licences required under the PRC laws and regulations in connection with the Reorganisation have been obtained.