

HISTORY, DEVELOPMENT AND REORGANISATION

HISTORY AND DEVELOPMENT OF OUR GROUP

We are a well-established general contracting construction group in Hunan Province with over 40 years of operating history. According to the F&S Report, we (i) were one of the top ten non-state owned construction enterprises in terms of construction revenue in 2021 among 3,438 non-state owned construction enterprises in Hunan Province with a market share of approximately 0.2% in 2021; and (ii) ranked the fifth among 302 non-state owned construction enterprise with first grade general contractor qualification in Hunan Province in terms of construction revenue in 2021, with a market share of approximately 0.2% in 2021. In 2021, Hunan Province accounts for approximately 4.5% of the market size of construction industry in the PRC.

Our principal operating subsidiary, Zhongtian Construction, was initially established as a collectively-owned enterprise (集體所有制企業) in 1979 by the Zhuzhou Revolutionary Committee* (株洲市革命委員會) (later known as the People’s Government of Zhuzhou (株洲市人民政府)). Since Zhongtian Construction was converted into a limited liability company in April 2004, a number of employees (including directors and senior management members) and ex-employees of Zhongtian Construction have become its ultimate shareholders. According to the F&S Report, it is common for companies converted from collectively-owned enterprises to limited liability companies to have a large number of employees (including directors and members of senior management) and ex-employees as their shareholders.

Throughout the years, our Group has expanded our business in the PRC market strategically and established 22 branch offices as at the Latest Practicable Date, which are located in Hunan, Hainan, Hubei, Guangdong and Fujian Provinces. To cope with our business expansion and to capture business opportunities, Kaida Apparatus was established in April 2004 to engage in installation of construction lifting facilities, renovation works and rental of construction machinery, pipe racks and fasteners, while Zhongtian Building was established in March 2006 to engage in subcontracting of construction projects. To tap the capital market, from May 2017 to January 2019, the shares of Zhongtian Construction had been quoted on the NEEQ.

Zhongtian Construction was first accredited as a High and New Technology Enterprise (高新技術企業) by the Hunan Provincial Science and Technology Department (湖南省科學技術廳), the Department of Finance of Hunan Province (湖南省財政廳) and the Hunan Provincial Tax Service of the State Taxation Administration (國家稅務局湖南省稅務局) in October 2018.

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

Year	Event
1979	• Zhongtian Construction (which was known as Zhuzhou Residential Construction Company* (株洲市住宅建築公司) as at its establishment) was established as a collectively-owned enterprise (集體所有制企業) in the PRC engaging in construction contracting business.
1996	• Zhongtian Construction obtained first-grade qualification in industrial and civil building construction enterprise (工業與民用建築工程施工壹級企業資質) issued by the Ministry of Construction of the PRC (中華人民共和國建設部).
2002	• Zhongtian Construction obtained first-grade qualification in housing building construction general contracting (房屋建築工程施工總承包壹級資質) issued by MOHURD.
2004	• Zhongtian Construction was converted into a limited liability company.
2005	• Diamond Industrial Park (鑽石工業園) located in Zhuzhou, a construction project undertaken by our Group, was awarded the 2005 National Quality Project Silver Award (2005年度國家優質工程銀質獎).
2011	• Zhongtian Construction obtained first-grade qualification in municipal and public construction general contracting (市政公用工程施工總承包壹級), first-grade qualification in steel structure construction specialised contracting (鋼結構工程專業承包壹級), first-grade qualification in foundation construction specialised contracting (地基與基礎工程專業承包壹級) and first-grade qualification in building renovation and decoration specialised contracting (建築裝修裝飾工程專業承包壹級) issued by MOHURD.

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- 2016 • Zhongtian Construction merged with Zhuzhou Hengji Asset Management Co., Ltd* (株洲恒基資產管理有限責任公司) (“**Hengji Asset Management**”).
- 2017 • The shares of Zhongtian Construction became quoted on the NEEQ.
 - Our Group began to cooperate with Hunan Design Institute and Hangxiao Technology to develop prefabricated steel structure building system for residential properties under the EPC model.
- 2018 • Zhuzhou Construction was first accredited as a High and New Technology Enterprise (高新技術企業) by the Hunan Provincial Science and Technology Department (湖南省科學技術廳), the Department of Finance of Hunan Province (湖南省財政廳) and the Hunan Provincial Tax Service of the State Taxation Administration (國家稅務局湖南省稅務局).
- 2019 • Our Group continued to devote our R&D on technology of building construction, municipal engineering and green buildings.
- 2021 • Zhongtian Construction completed, as the general contractor, the Langting Lanjiang Main Structure* (朗廷·覽江) project in FY2021, which was recognised by the Zhuzhou Association of Construction Industry (株洲市建築業協會) as the tallest construction-in-progress building in Zhuzhou in April 2020 and would become the tallest building in Zhuzhou upon completion.
 - Our Zhongtian Lutai* (中天·麓台) project was designated by the HHURD as the first batch of green construction pilot projects in Hunan Province
 - Our Zhongtian Hangxiao Steel Structure Prefabricated Building Base Phase I Construction and R&D Building* (中天杭蕭鋼構裝配式建築基地(一期)工程和科研樓) was awarded the Gold Award for Steel Structure in Hunan Province* (湖南省鋼結構金獎) by the Hunan Steel Structure Green Construction Industry Association* (湖南省鋼結構綠色建築行業協會)

OUR PRINCIPAL SUBSIDIARIES

Zhongtian Construction

On 1 March 1979, Zhongtian Construction was established in the PRC as collectively-owned enterprise (集體所有制企業) in the name of Zhuzhou Residential Construction Company* (株洲市住宅建築公司) to engage in construction contracting business. In April 2004, Zhongtian Construction was converted into a limited liability company and renamed as Hunan Zhongtian Construction Company Limited* (湖南中天建設有限公司), with a registered capital of RMB50.1 million. Upon completion of the conversion into a limited liability company, Zhongtian Construction was owned by the following equity holders as follows:

Name of equity holders	Capital contribution	Approximate percentage of equity interest
	<i>RMB</i>	
Employees Shareholding Group of Zhongtian Construction* (湖南中天建設有限公司職工持股會) (later known as Hunan Zhongtian Construction Group Employee’s Union Committee* (湖南中天建設集團有限公司工會委員會) (the “ Employee’s Union Committee ”)).	48,455,700	96.72%
Mr. Yang (chairman of our Board).	212,338	0.42%
Mr. Xu Zhongguang (許忠光) (director of Jicai Trading and Hangxiao Materials)	124,008	0.25%
Ten individuals who are Independent Third Parties including our employees and ex-employees.	1,307,954	2.61%
Total	50,100,000	100.00%

On 15 December 2010, Zhongtian Holdings acquired 60.00% in aggregate of the equity interest in Zhongtian Construction from the Employee’s Union Committee, Mr. Yang, Mr. Xu Zhongguang and 11 individuals who are Independent Third Parties including our employees and ex-employees, at a total consideration of approximately RMB30.1 million.

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Subsequent to a number of capital increases and equity transfers between March 2011 and December 2015, the registered capital of Zhongtian Construction was increased to RMB110.0 million. As at 3 December 2015, Zhongtian Construction was owned as to approximately 74.12% by Zhongtian Holdings, 11.00% by the Employee’s Union Committee, 6.79% in aggregate by nine individuals who are directors or senior management members of our Group or their associates and 8.09% in aggregate by 14 individuals who are Independent Third Parties including our employees and ex-employees.

On 29 November 2015, members of the Employee’s Union Committee resolved to establish Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying out of the capital contribution in Zhongtian Construction held by the Employee’s Union Committee. Such capital contribution was registered by Zhuzhou AIC on 29 December 2015. Upon completion of such capital increase, Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying owned approximately 3.98%, 3.93% and 3.10% of the equity interest in Zhongtian Construction, respectively.

Pursuant to a merger agreement dated 20 January 2016, Zhongtian Construction merged with Hengji Asset Management. Before the said merger, Hengji Asset Management was owned as to approximately 85.77% by Zhongtian Holdings, 2.80% by Ms. Gan Yinghua (甘映華) (spouse of Mr. Yang), 0.34% by Ms. Yang Zhonghua (楊中華) (spouse of Mr. Chen and sister of Mr. Yang) and 11.09% in aggregate by 15 Independent Third Parties. At the material times, Hengji Asset Management engaged in property leasing. After the said merger, the registered capital of Zhongtian Construction was increased to RMB118.7 million. Such capital increase and merger were registered by Zhuzhou AIC on 31 March 2016.

In June 2016, Zhongtian Construction was converted from a limited liability company into a company limited by shares with a registered capital of RMB118.7 million divided into 118,700,000 shares of RMB1 each. Such conversion was registered by Zhuzhou AIC on 29 June 2016. Subsequent to the conversion, Zhongtian Construction was owned by the following shareholders as follows:

Name of shareholders	Number of shares	Approximate percentage of shareholding
Zhongtian Holdings	88,992,326	74.97%
Zhongtian Weijing	4,375,714	3.69%
Zhongtian Weiyi	4,319,798	3.64%
Zhongtian Gongying	3,409,380	2.87%
Ten individuals who are directors or senior management members of our Group or their associates	8,330,639	7.02%
25 individuals who are Independent Third Parties including our employees and ex-employees.	9,272,143	7.81%
Total	118,700,000	100.00%

From 16 May 2017 to 20 January 2019, the shares of Zhongtian Construction had been quoted on the NEEQ (stock code: 871407). On 21 January 2019, the shares of Zhongtian Construction ceased to be quoted on the NEEQ. For further details, please refer to the paragraph headed “Prior Quotation and Withdrawal of Quotation on the NEEQ” in this section. There had been no trading of shares of Zhongtian Construction during the period when the shares of Zhongtian Construction were quoted on the NEEQ.

For details of reorganisation steps related to Zhongtian Construction pursuant to our Reorganisation, please refer to the paragraph headed “Reorganisation” in this section.

Kaida Apparatus

Kaida Apparatus, formerly known as Zhuzhou Kaida Equipment Leasing Co., Ltd.* (株洲凱大物資設備租賃有限公司), was established in the PRC on 28 April 2004 as a limited liability company, with a registered capital of RMB600,000. It engages in installation of construction lifting facilities, renovation works and rental of construction machinery, pipe racks and fasteners. At the time of its establishment, Kaida Apparatus was owned as to approximately 33.33% by Zhongtian Construction, Mr. Min as to approximately 1.13% and 27 individuals who are

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Independent Third Parties including our employees and ex-employees as to approximately 65.54% in aggregate. Notwithstanding Zhongtian Construction's interest in Kaida Apparatus was only approximately 33.33% at the time of its establishment, as the directors of Kaida Apparatus were employees of Zhongtian Construction such that Zhongtian Construction had the power to control the financial and operating policies of Kaida Apparatus and to direct its relevant activities and to obtain significant economic benefits from its activities, Zhongtian Construction has controlled the board of directors of Kaida Apparatus since its establishment.

Subsequent to a number of capital increases and equity transfers between April 2005 to June 2016, Kaida Apparatus was owned as to approximately 42.45% by Zhongtian Construction and as to approximately 57.55% by 19 individuals, including three individuals who are directors or senior management members of our Group or their associates as to 15.53% in aggregate and 16 individuals who are Independent Third Parties including our employees and ex-employees as to approximately 42.02% in aggregate. On 14 December 2017, the equity holders of Kaida Apparatus resolved to increase the registered capital of Kaida Apparatus from RMB3.0 million to RMB4.5 million and Zhongtian Construction, two individuals who are directors of Kaida Apparatus and eight individuals who are Independent Third Parties including our employees and ex-employees subscribed for the additional registered capital of RMB1.5 million. The capital increase was registered by Zhuzhou AIC on 1 February 2018. Subsequent to such capital increase, Kaida Apparatus became owned as to approximately 50.09% by Zhongtian Construction and 49.91% in aggregate by 21 individuals, including four individuals who are directors or senior management members of our Group or their associates as to approximately 13.58% in aggregate and 17 individuals who are Independent Third Parties including our employees and ex-employees as to approximately 36.33% in aggregate.

On 7 January 2019, the equity holders of Kaida Apparatus resolved to increase the registered capital of Kaida Apparatus to RMB5.0 million. Such capital increase was registered by Zhuzhou AIC on 15 March 2019. Upon completion of the capital increase and the subsequent equity transfers, Kaida Apparatus became owned as to approximately 50.09% by Zhongtian Construction and 49.91% in aggregate by 23 individuals, including five individuals who are directors or senior management members of our Group or their associates as to approximately 16.98% in aggregate and 18 individuals who are Independent Third Parties including our employees and ex-employee as to approximately 32.93% in aggregate.

On 23 March 2020, the equity holders of Kaida Apparatus resolved to increase its registered capital to RMB6.5 million. The capital increase was registered by Zhuzhou AMR on 21 April 2020. After such capital increase and the subsequent equity transfers among a director of Kaida Apparatus and three individual equity holders who are Independent Third Parties in June 2020, Kaida Apparatus became owned as to approximately 56.99% by Zhongtian Construction and 43.01% in aggregate by 23 individuals, including five individuals who are directors or senior management members of our Group or their associates as to approximately 16.40% in aggregate and 18 individuals who are Independent Third Parties including our employees and ex-employees as to approximately 26.61% in aggregate.

Zhongtian Building

Zhongtian Building, formerly known as Zhuzhou Yongan Labour Service Contract Construction Corporation (株洲永安建設勞務分包有限公司) and Zhuzhou Yongan Labour Construction Corporation* (株洲永安建設勞務有限公司), was established in the PRC on 13 March 2006 as a limited liability company, with a registered capital of RMB500,000. It engages in subcontracting of construction projects. At the time of its establishment, Zhongtian Building was owned as to 70.00% by Zhongtian Construction and 30.00% by the Employee's Trade Union of Zhongtian Construction* (湖南中天建設有限公司工會).

Immediately before the Track Record Period, Zhongtian Building had a registered capital of RMB1.0 million, and was owned as to 52.00% by Zhongtian Construction and as to 48.00% by three individuals, including two individuals who are directors or senior management members of our Group or their associates as to 38.00% in aggregate and an ex-employee of our Group as to 10.00%. On 17 May 2019, the equity holders of Zhongtian Building resolved to increase the registered capital of Zhongtian Building to RMB5.0 million. The capital increase was registered by Zhuzhou AMR on 6 June 2019. Upon completion of such capital increase, Zhongtian Building

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became owned as to 61.40% by Zhongtian Construction and 38.60% in aggregate by eight individuals, including five individuals who are directors or senior management members of our Group or their associates as to 33.40% in aggregate and three individuals who are Independent Third Parties including our employees and ex-employee as to 5.20% in aggregate.

Zhongtian Steel Structure Construction

Zhongtian Steel Structure Construction was established in the PRC on 22 October 2021 as a limited liability company, with a registered capital of RMB35,000,000, which remained unpaid up as at the Latest Practicable Date. It engages in steel structure construction business. Since its establishment, Zhongtian Steel Structure Construction was wholly owned by Zhongtian Construction.

DISPOSAL OF INTERESTS IN HANGXIAO TECHNOLOGY

Hangxiao Technology was established in the PRC on 19 September 2017 and it engages in the design and manufacture of steel structure. It had been held by Zhongtian Construction as to 63.00% from 19 September 2017 to 1 March 2019. On 1 March 2019, Zhongtian Construction entered into a share transfer agreement with Zhongtian Holdings, pursuant to which Zhongtian Construction transferred 75,600,000 shares in Hangxiao Technology to Zhongtian Holdings, representing 63.00% of the shares in Hangxiao Technology, at a consideration of RMB75.6 million. The consideration was determined with reference to the registered capital of Hangxiao Technology. Zhongtian Holdings settled the consideration on 5 March 2019 and the transfer was completed on 5 March 2019. Such transfer has been properly and legally completed and settled. Upon completion of the transfer, our Group ceased to hold any share in Hangxiao Technology.

Background on the establishment of Hangxiao Technology

Hangxiao Technology was established jointly by three founding shareholders, and upon its establishment, it was owned (i) as to 63.00% by Zhongtian Construction; (ii) as to 24.50% by Zhuzhou Jinke Construction Investment Management Holdings Limited* (株洲金科建設投資經營集團有限公司) (“**Zhuzhou Jinke**”), a state-owned enterprise primarily engaging in infrastructure and real estate projects; and (iii) as to 12.50% by Hangxiao Steel Structure, a company primarily engaging in the design, manufacture and installation of steel structure products with its shares listed on the Shanghai Stock Exchange. Our Directors confirm that Zhuzhou Jinke and Hangxiao Steel Structure are Independent Third Parties and, save for their investment in Hangxiao Technology, do not have any past or present relationship with the other shareholders of Hangxiao Technology, our Group, our Shareholders, our Directors or any of their respective associates.

Zhongtian Construction has over 40 years of operating history and at the time of the establishment of Hangxiao Technology, the shares of Zhongtian Construction was quoted on the NEEQ. It was considered that the renowned reputation of Zhongtian Construction in the construction industry in the Southern China and the quotation of the shares of Zhongtian Construction on the NEEQ would facilitate the negotiation with the two other founding shareholders, being a state-owned enterprise and a company listed on the Shanghai Stock Exchange, respectively. It was also considered that the co-operation among the then shareholders of Hangxiao Technology could help its development as each of them could contribute to the development of Hangxiao Technology in different aspects. In particular, (i) Zhongtian Construction could contribute its expertise in the construction industry and financial resources, and its long established presence in the construction industry could help Hangxiao Technology to attract co-operation opportunities; (ii) Zhuzhou Jinke was a state-owned enterprise that could help Hangxiao Technology in obtaining governmental support for its development; and (iii) Hangxiao Steel Structure was responsible for providing technical know-how and expertise for the business operation and development of Hangxiao Technology.

Pursuant to the founders’ agreement entered into among the three founding shareholders of Hangxiao Technology, Hangxiao Technology shall have seven directors and Zhongtian Construction, Zhuzhou Jinke and Hangxiao Steel Structure were entitled to appoint three, two and one director(s) on the board of directors of Hangxiao Technology, respectively, and one director shall be jointly appointed by Zhongtian Construction, Zhuzhou Jinke and Hangxiao Steel Structure, and hence although Zhongtian Construction held 63% of the shareholding in Hangxiao Technology,

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it did not have the majority control over the business, financial and operating policies of Hangxiao Technology. At the material times, none of the shareholders of Hangxiao Technology had the majority control over the board of directors and the management of the business operation of Hangxiao Technology.

Our Directors confirm that Hangxiao Technology was not subject to any material non-compliant incident, claim, litigation or legal proceeding (whether actual or threatened) during the Track Record Period and up to the Latest Practicable Date.

Management of Hangxiao Technology immediately prior to the disposal of our interests in Hangxiao Technology

Immediately prior to the disposal of our interests in Hangxiao Technology to Zhongtian Holdings, as Hangxiao Technology was still in the initial development stage, the management team of Hangxiao Technology comprised its directors and a general manager, details of whom are set out as follows:

- (i) (a) three directors were appointed by Zhongtian Construction, namely (1) Mr. Yang, the chairman of our Board and our executive Director; (2) Mr. Liu, our executive Director and our chief executive officer; and (3) Mr. Tan Xuewen (譚學文), a former director and deputy general manager of Zhongtian Construction who resigned from such positions in July 2019 and January 2019 respectively, an Independent Third Party at the time of the [REDACTED]. For details of their respective interests in our Shareholders and our subsidiaries, please refer to the section headed “History, Development and Reorganisation — Corporate structure — Corporate structure of our Group immediately after the Reorganisation and the Pre-[REDACTED] Investment but prior to the [REDACTED] and the [REDACTED]”. Each of Mr. Yang, Mr. Liu and Mr. Tan Xuewen confirmed that he did not have any past or present relationships (including business, employment, family, trust or financing relationships) with Zhuzhou Jinke, Hangxiao Steel Structure or any of their subsidiaries, shareholders, directors or senior management or any of their respective associates;
- (b) apart from being a director of Hangxiao Technology, Mr. Tan Xuewen, was also the general manager of Hangxiao Technology and was responsible for the overall management of the operations and financial matters of Hangxiao Technology. While Mr. Tan Xuewen was the director and general manager of Hangxiao Technology, he had to report to the board of directors and his decisions in relation to the business operations and development of Hangxiao Technology were subject to the approval of the board of directors. As discussed above, he confirmed that he did not have any past or present relationships (including business, employment, family, trust or financing relationships) with Zhuzhou Jinke, Hangxiao Steel Structure or any of their subsidiaries, shareholders, directors or senior management or any of their respective associates;
- (ii) two directors were appointed by Zhuzhou Jinke, namely (1) Mr. Yuan Hongwu (袁洪武), the chairman of Zhuzhou Jinke; and (2) Mr. Xu Bingrong (許兵榮), a deputy general manager of Zhuzhou Jinke. Each of Mr. Yuan Hongwu and Mr. Xu Bingrong confirmed that he did not have any past or present relationships (including business, employment, family, trust or financing relationships) with Zhongtian Construction, Hangxiao Steel Structure or any of their subsidiaries, shareholders, directors or senior management or any of their respective associates;
- (iii) one director was appointed by Hangxiao Steel Structure, namely Mr. Yao Jianfeng (姚劍峰), the chief engineer of a subsidiary of Hangxiao Steel Structure. Mr. Yao Jianfeng confirmed that he did not have any past or present relationships (including business, employment, family, trust or financing relationships) with Zhongtian Construction, Zhuzhou Jinke or any of their subsidiaries, shareholders, directors or senior management or any of their respective associates; and

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- (iv) one director was jointly appointed by Zhongtian Construction, Hangxiao Steel Structure and Zhuzhou Jinke, namely Ms. Wang Qing’e (王青娥), an associate professor at the school of civil engineering of the Central South University (中南大學) who has been engaging in research related to engineering project management. She was recruited by Hangxiao Technology through open recruitment and was jointly appointed by the then shareholders of Hangxiao Technology as an independent director of Hangxiao Technology. As an independent director, she was responsible for providing independent advice to the board of directors of Hangxiao Technology (including industry knowledge) and did not perform any executive role in Hangxiao Technology. Ms. Wang Qing’e confirmed that she did not have any past or present relationships (including business, employment, family, trust or financing relationships) with Zhongtian Construction, Zhuzhou Jinke and Hangxiao Steel Structure or any of their subsidiaries, shareholders, directors or senior management or any of their respective associates. In addition, there was no agreement or arrangement among the then shareholders of Hangxiao Technology on how Ms. Wang Qing’e (王青娥) shall cast her vote in board meetings of Hangxiao Technology.

After we disposed of our interests in Hangxiao Technology in March 2019 as preparation of our Reorganisation, Mr. Liu, our executive Director and our chief executive officer, ceased to be a director of Hangxiao Technology in February 2020 so that he could focus his attention at the business of our Group. In addition, after Zhongtian Holdings acquired our interests in Hangxiao Technology in March 2019 and a capital increase of Hangxiao Technology in July 2020, Hangxiao Technology was owned as to approximately 68.29% by Zhongtian Holdings, 21.00% by Zhuzhou Jinke and 10.71% by Hangxiao Steel Structure.

Financial information of Hangxiao Technology

The summarised financial information of Hangxiao Technology are as follows:

	As at 31 December	
	2017	2018
	RMB’000	RMB’000
Current assets	24,852	17,456
Non-current assets	35,075	102,324
Current liabilities	(3)	(593)
Non-current liabilities	—	—
Net assets	59,924	119,187
	Year ended 31 December	
	2017	2018
	RMB’000	RMB’000
Revenue	—	1,019
Loss for the year	(76)	(737)
Other comprehensive income	—	—
Total comprehensive income	(76)	(737)

Hangxiao Technology had nil, one, 12, 18, 26 and 22 customers (including Zhongtian Construction) for the year ended 31 December 2017, FY2018, FY2019, FY2020, FY2021 and 3Q2022, and sales to our Group accounted for approximately 51.6%, 22.1%, 39.0% and 45.6% of the total revenue of Hangxiao Technology for FY2019, FY2020, FY2021 and 3Q2022, respectively.

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Reasons for disposal of our interests in Hangxiao Technology

In early 2019 when we prepared for our Reorganisation, we reassessed our corporate structure and our investment in Hangxiao Technology. Taking into account certain factors, including the following, we decided to dispose of our interests in Hangxiao Technology:

- (i) *the business of our Group is clearly delineated from that of Hangxiao Technology, and our Group and Hangxiao Technology were at different stage of development* — our Group principally engages in the construction contracting business, while Hangxiao Technology principally engages in the production of construction raw materials, which is in the upstream segment in the value chain of the construction industry. Our Group and Hangxiao Technology engage in different principal businesses, and have different business models, strategies and risk profiles. We consider the target clientele and suppliers as well as industry designations of our Group and Hangxiao Technology are different. Moreover, we are a well-established general contracting construction group with over 40 years of operating history, while Hangxiao Technology was only established in September 2017 and was still in the initial development stage. Accordingly, the businesses of our Group and Hangxiao Technology would be suitable for different future investors with different risk appetite.
- (ii) *we intend to focus on our principal business of construction contracting* — our Group would like to devote our resources to the development and expansion of our principal business of construction contracting business in which we have a track record and to which our [REDACTED] from the [REDACTED] will be applied to. In addition, the exclusion of the interests in Hangxiao Technology from our Group also enables our Group and our management team to focus our resources and attention to develop and realise the full potential of our core business.
- (iii) *no majority control in Hangxiao Technology* — as disclosed under the paragraph headed “Management of Hangxiao Technology immediately prior to the disposal of our interests in Hangxiao Technology” above, our Group did not have a majority control over the board of directors and management of Hangxiao Technology.
- (iv) *Hangxiao Technology would not be our material investment or its business would not become our principal stream of revenue* — at the establishment of Hangxiao Technology, we expected that the business of Hangxiao Technology would not become our material investment or its business would not become our principal stream of revenue. As our revenue has been principally contributed by our construction contracting business and we intend to continue with our construction contracting business as our principal business after the [REDACTED].
- (v) *Hangxiao Technology is not the only supplier for prefabricated steel structure products to our Group* — Although Hangxiao Technology has been a prefabricated steel structure products supplier to our Group, Hangxiao Technology is not an exclusive supplier of prefabricated steel structure products other than the project operated under the EPC Tripartite Framework Agreement, the details of which are set out in the section headed “Business — Business Operations — Contracting Models” in this document. Our Directors confirmed that based on the quotations obtained from our list of approved suppliers and other suppliers during the Track Record Period, we have alternative suppliers for prefabricated steel structure products. The disposal of our interests in Hangxiao Technology would not bring any adverse impact to our operation. For details of our independence from Hangxiao Technology, please refer to the section headed “Relationship with our Controlling Shareholder — Independence from our Controlling Shareholder and Zhongtian Holdings” in this document.

We disposed of our interests in Hangxiao Technology to Zhongtian Holdings rather than an Independent Third Party mainly because:

- (i) Zhuzhou Jinke and Hangxiao Steel Structure did not agree with Zhongtian Construction disposing of our interests in Hangxiao Technology to an independent third party but agreed to the disposal of our interests in Hangxiao Technology to Zhongtian Holdings,

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because they are familiar with the shareholders and the management of Zhongtian Holdings and they believed the transfer of our interests in Hangxiao Technology to Zhongtian Holdings could reduce the impact of the change in shareholder to the operations of Hangxiao Technology; and

- (ii) it was also difficult to find any Independent Third Party with investment experience in the construction industry who was willing to acquire our interests in Hangxiao Technology at a consideration of not less than RMB75.6 million since Hangxiao Technology was only a private company at an initial stage of development.

PRIOR QUOTATION AND WITHDRAWAL OF QUOTATION ON THE NEEQ

On 16 May 2017, 118,700,000 shares of Zhongtian Construction, being all of the then issued shares of Zhongtian Construction, became quoted on the NEEQ (stock code: 871407). On 26 December 2018, the shareholders of Zhongtian Construction resolved at its general meeting by a majority vote to voluntarily withdraw the quotation of its shares on the NEEQ (the “**NEEQ Withdrawal**”). On 18 January 2019, National Equities Exchange and Quotations Company Limited* (全國中小企業股份轉讓系統有限責任公司) (the “**NEEQ Company**”) approved the NEEQ Withdrawal. On 21 January 2019, the shares of Zhongtian Construction ceased to be quoted on the NEEQ.

REASONS FOR THE NEEQ WITHDRAWAL

The NEEQ Withdrawal was a commercial and strategic decision made by Zhongtian Construction’s directors based on its industry outlook and its business development plans. Furthermore, our Directors believed that the NEEQ Withdrawal would be beneficial to us and our Shareholders as a whole for the following reasons:

- (1) The NEEQ is a market in the PRC open to qualified investors only. In addition, the NEEQ adopts a market maker, negotiated transfer or investor competing transfer trading mechanism rather than continuous auction mechanism, which significantly limits investor discovery and order execution. The nature of the NEEQ and its low trading volume could make it difficult to (a) identify and establish the fair value of Zhongtian Construction to reflect its competitive strengths which differentiate it from its competitors; (b) publicly raise funds, in equity or debt, to continuously support our business growth; and (c) execute substantial on-market disposals by our Shareholders to realise value;
- (2) there had been no new shareholder joining Zhongtian Construction and no trading of shares during the period when the shares of Zhongtian Construction were quoted on the NEEQ;
- (3) in contrast, the Stock Exchange, as a leading player of the international financial markets, could offer us a direct access to the international capital markets, enhance our fund-raising capabilities and channels and broaden our Shareholders base. Accordingly, the [REDACTED] would provide us a viable source of capital to support our business growth;
- (4) since the liquidity of shares [REDACTED] on the Stock Exchange is generally higher than that of NEEQ and would provide better chance of realising the interest in our Group, the [REDACTED] would also enable our Company to devise more appealing share incentive plans including the Share Option Scheme, which correlates directly to the performance in our Group’s business, which in turn would help us to attract and motivate the talents needed to support our rapid growth and enhance our operating efficiency on an on-going basis; and
- (5) the [REDACTED] will further raise our business profile and thus, enhance our ability to attract new customers, business partners and strategic investors as well as to recruit, motivate and retain key management personnel for our Group’s business.

HISTORY, DEVELOPMENT AND REORGANISATION

As advised by our PRC Legal Advisers based on searches conducted on the official websites of the NEEQ and CSRC and as confirmed by our Company, Zhongtian Construction complied with the relevant rules governing NEEQ in all material respects and Zhongtian Construction, its subsidiaries and all its then directors or senior management had not been subject to any investigation or disciplinary action by the relevant regulators during the period when its shares were quoted on the NEEQ and up to the NEEQ Withdrawal. As such, our Directors confirm that (i) there is no matter that might materially and adversely affect our Company’s suitability for the [REDACTED] in relation to the previous quotation of the shares of Zhongtian Construction on the NEEQ; and (ii) there has not been any matter that needs to be brought to the attention of the potential investors or the regulators in Hong Kong in respect of the previous quotation of shares of Zhongtian Construction on the NEEQ. Based on the views of our PRC Legal Advisers and the due diligence works conducted by the Sole Sponsor, the Sole Sponsor concurs with the above Directors’ views. For reasons for seeking the [REDACTED] on the Stock Exchange, please refer to the section headed “Future Plans and Use of [REDACTED] — Reasons for [REDACTED]” in this document.

REORGANISATION

In preparation for the [REDACTED], our Group carried out the following restructuring steps for the purpose of establishing our corporate structure:

The Demerger

On 8 May 2019, the shareholders of Zhongtian Construction resolved to undergo the Demerger, pursuant to which Zhongtian Construction was demerged into two companies, namely Zhongtian Construction and Puhui Commercial. On 10 May 2019, Zhongtian Construction published an announcement regarding the Demerger on the Zhuzhou Evening Post* (株洲晚報) according to the relevant PRC laws. As a result of the Demerger, Puhui Commercial was established on 28 June 2019 and the assets with a net carrying value of RMB57.10 million were allocated from Zhongtian Construction to Puhui Commercial.

Property leasing is not our principal business. Prior to the Demerger, Zhongtian Construction derived some rental income by leasing certain properties in different locations to different tenants. Such rental income amounted to approximately RMB1.3 million for FY2019, accounting for 0.1% of our total revenue and other income for the same year, which contributed an insignificant amount of our income and was not our mainstream source of income. In order to enable us to focus on construction contracting business as our principal business but not property leasing, our Directors decided to transfer 53 properties from our Group by conducting the Demerger. However, the Ningbo Properties, for which we were still in the course of applying for the relevant title documents were not transferred out of our Group pursuant to the Demerger. For details of the Ningbo Properties and reasons for keeping them in our Group after the Demerger, please refer to the section headed “Financial Information — Discussion on selected items of consolidated statements of financial position — Investment properties” in this document. For details of the breakdown of assets transferred as a result of the Demerger, please refer to the section headed “Financial Information — Basis of Presentation” in this document.

Prior to the Demerger, we also owned and used six properties as offices which we leased back such properties from Puhui Commercial after the Demerger. For details of such properties and the tenancy agreements, please refer to the section headed “Connected Transactions — Transactions entered into before the [REDACTED] which would otherwise constitute connected transactions” in this document. Our Directors consider that such six properties should be transferred out of our Group because leasing properties would allow us to have a greater flexibility for expansion of our offices as our business expands.

In light of the considerable amount of tax, including land appreciation tax and value added tax, that would be incurred for the transfer of the properties from Zhongtian Construction to other company, our Directors consider that it would be more commercially justifiable to conduct the Demerger, rather than incurring tax for the transfer of the properties from Zhongtian Construction to other company.

HISTORY, DEVELOPMENT AND REORGANISATION

The Demerger was registered by Zhuzhou AMR on 2 July 2019. Immediately after the Demerger, the registered capital of Zhongtian Construction reduced from RMB118.7 million to RMB61.6 million, and Zhongtian Construction was owned by the following shareholders as follows:

Name of shareholders	Number of shares	Approximate percentage of shareholding
Zhongtian Holdings	46,183,060	74.97%
Zhongtian Weijing	2,270,822	3.69%
Zhongtian Weiyi	2,241,809	3.64%
Zhongtian Gongying	1,769,337	2.87%
Ten individuals who are directors or senior management members of our Group or their associates	4,323,211	7.02%
25 individuals who are Independent Third Parties including our employees and ex-employees.	4,811,761	7.81%
Total.	61,600,000	100.00%

Immediately after the Demerger, Puhui Commercial had a registered capital of RMB57.1 million, with the same shareholders as Zhongtian Construction and their respective shareholdings proportional to those in Zhongtian Construction at the material times. For details of our independence from Puhui Commercial, please refer to the section headed “Relationship with our Controlling Shareholder — Independence from our Controlling Shareholder and Zhongtian Holdings” in this document.

Acquisition of the entire equity interest in Jicai Trading by all of the shareholders of Zhongtian Construction

Jicai Trading was established in the PRC as a limited liability company on 9 July 2018, with a registered capital of RMB100,000, which was fully paid up. As at the date of its establishment, it was owned as to 60.00% by Mr. Zeng Quan (曾權), a director of Zhongtian Building, and 40.00% by Mr. Hu Hongze (胡洪澤), an employee of our Group. It engages in investment holding.

Pursuant to the equity transfer agreements dated 17 July 2019, as part of the Reorganisation, all of the then shareholders of Zhongtian Construction acquired the entire equity interest in Jicai Trading at the total consideration of RMB100,000 with reference to the amount of the registered capital of Jicai Trading. Such transfers were registered by Zhuzhou AIC on 22 July 2019. Upon completion of the transfers, Jicai Trading was owned by the following equity holders as follows:

Name of equity holders	Capital contribution	Approximate percentage of equity interest
	<i>RMB</i>	
Zhongtian Holdings	74,973	74.97%
Zhongtian Weijing	3,686	3.69%
Zhongtian Weiyi	3,639	3.64%
Zhongtian Gongying	2,872	2.87%
Ten individuals who are directors or senior management members of our Group or their associates	7,019	7.02%
25 individuals who are Independent Third Parties including our employees and ex-employees.	7,811	7.81%
Total.	100,000	100.00%

Establishment of Hangxiao Materials

On 31 July 2019, Hangxiao Materials was established in the PRC as a limited liability company, with a registered capital of RMB1 million, which was fully paid up. As at the date of its establishment, it was wholly-owned by Jicai Trading. It engages in investment holding.

HISTORY, DEVELOPMENT AND REORGANISATION

Contribution to the registered capital of Zhongtian Construction by Hangxiao Materials

On 8 July 2019, the shareholders of Zhongtian Construction resolved to reduce the registered capital of Zhongtian Construction from RMB61.6 million to RMB5.0 million, with the reduced capital credited to the capital reserve of Zhongtian Construction. The capital reduction was registered by Zhuzhou AMR on 26 August 2019.

On 28 August 2019, the registered capital of Zhongtian Construction was increased to RMB61.6 million, with a fully paid-up capital of RMB5.0 million and the remainder of RMB56.6 million to be contributed by Hangxiao Materials. The capital contribution was registered by Zhuzhou AMR on 29 August 2019.

Upon completion of the capital increase, Zhongtian Construction became owned by the following shareholders as follows:

Name of shareholders	Number of shares	Approximate percentage of shareholding
Hangxiao Materials	56,600,000	91.88%
Zhongtian Holdings	3,748,625	6.09%
Zhongtian Weijing	184,320	0.30%
Zhongtian Weiyi	181,965	0.30%
Zhongtian Gongying	143,615	0.23%
Ten individuals who are directors or senior management members of our Group or their associates	350,910	0.57%
25 individuals who are Independent Third Parties including our employees and ex-employees	390,565	0.63%
Total	61,600,000	100.00%

Acquisition of approximately 7.62% of shareholding in Zhongtian Construction by Hangxiao Materials

Pursuant to the share transfer agreements dated 5 December 2019, the directors, supervisors and senior management of Zhongtian Construction, namely Mr. Yang, Ms. Mei Zuqian (梅祖倩), Mr. Liu, Ms. Zhang Weihui (張偉輝), Mr. Yang Haijun (楊海軍), Mr. Chen, Mr. Shen, Mr. Chen Peirun (陳培潤) and Mr. Min, transferred a total of 99,287 shares in Zhongtian Construction, representing approximately 0.16% shareholding in Zhongtian Construction and 25% of their then total shareholding in Zhongtian Construction, to Hangxiao Materials at a total consideration RMB124,108.75. According to the PRC Company Law, directors, supervisors and senior management members of a company limited by shares could not transfer more than 25% of their then shareholding in the company in each year. As such, directors, supervisor and senior management of Zhongtian Construction would continue to hold a total of approximately 0.50% of the shareholding in Zhongtian Construction after the Reorganisation and upon [REDACTED]. Pursuant to the share transfer agreements of the same date, all other shareholders of Zhongtian Construction transferred a total of 4,592,403 shares in Zhongtian Construction, representing approximately 7.46% shareholding in Zhongtian Construction and all the shares held by such shareholders of Zhongtian Construction, to Hangxiao Materials at a total consideration of RMB5,740,503.75. Such transfers were registered by Zhuzhou AMR on 18 December 2019. Upon completion of the share transfers, Zhongtian Construction became owned as to approximately 99.50% by Hangxiao Materials, 0.17% by Mr. Yang, 0.10% by Ms. Mei Zuqian, 0.06% by Mr. Liu, 0.05% by Ms. Zhang Weihui, 0.04% by Mr. Yang Haijun, 0.03% by Mr. Chen, 0.02% by Mr. Shen, 0.02% by Mr. Chen Peirun and 0.01% by Mr. Min.

Subscription for the registered capital of Jicai Trading by our Pre-[REDACTED] Investor

On 9 March 2020, our Pre-[REDACTED] Investor, Ms. Yang Shufen, executed a capital increase agreement with Jicai Trading and all the then equity holders of Jicai Trading, pursuant to which Jicai Trading increased its registered capital from RMB100,000 to RMB101,100 and Ms. Yang Shufen subscribed for the additional registered capital of RMB1,100 of Jicai Trading, representing approximately 1.09% of the equity interest in Jicai Trading, for a consideration of HKD equivalent of RMB2,385,014.50. The consideration was determined based on arm’s length

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negotiations among the parties, taking into account the valuation of the interests of the equity interest in Jicai Trading as at 31 October 2019 of RMB216,819,500, which was prepared by a valuer which is an Independent Third Party. Such subscription was registered by Zhuzhou AMR on 12 March 2020. Upon completion of the said capital increase and the subscription, Jicai Trading became owned as to approximately 74.16% by Zhongtian Holdings, 3.65% by Zhongtian Weijing, 3.60% by Zhongtian Weiyi, 2.84% by Zhongtian Gongying, 1.09% by Ms. Yang Shufen, 6.94% in aggregate by ten individuals who are directors or senior management members of our Group or their associates, and 7.72% in aggregate by 25 individuals who are Independent Third Parties including our employees and ex-employees. For details of the Pre-[REDACTED] Investment, please refer to the paragraph headed “Pre-[REDACTED] Investment” in this section. Immediately after such subscription by our Pre-[REDACTED] Investor, Jicai Trading has been converted from a domestic company into a foreign-invested enterprise.

Incorporation of 13 offshore holding companies

Zhongtian Holdings is a company limited by shares and Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying are three limited partnerships. As part of the Reorganisation, on 23 March 2020, ZT (A), ZT (B), ZT (C) and ZT (D) were incorporated in the BVI with limited liability by the original shareholders or partners of Zhongtian Holdings, Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying, respectively, as their investment vehicles with their shareholdings proportional to their original shareholdings or partnership interests (subject to rounding) in Zhongtian Holdings, Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying. On 23 March 2020, ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K) and ZT (L) were incorporated in the BVI with limited liability by the individual shareholders of Zhongtian Construction who were directors or senior management members of our Group or their associates as their investment vehicles. ZT (M) was also incorporated on 23 March 2020 in the BVI with limited liability as the investment vehicle for other individual shareholders who were Independent Third Parties including our employees and ex-employees. For the shareholding of the abovementioned 13 investment vehicles, please refer to the paragraph headed “The individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M)” in this section.

Incorporation of our Company

On 27 March 2020, 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 with a par value of HK\$0.01 each.

On the date of its incorporation, our Company allotted and issued one subscriber Share as fully paid to an initial subscriber, an Independent Third Party. On the same day, the nominee subscriber as transferor executed an instrument of transfer in favour of ZT (A) as transferee, pursuant to which the nominee subscriber transferred the one subscriber Share, representing the entire issued share capital of our Company, to ZT (A) for a consideration of HK\$0.01.

On the same date, our Company allotted and issued 74,972 Shares, 3,686 Shares, 3,639 Shares, 2,872 Shares, 3,697 Shares, 948 Shares, 748 Shares, 497 Shares, 369 Shares, 279 Shares, 228 Shares, 253 Shares, and 7,811 Shares as fully paid to ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M), respectively. After such allotment, our Company was owned as to approximately 74.97% by ZT (A), 3.69% by ZT (B), 3.64% by ZT (C), 2.87% by ZT (D), 3.70% by ZT (E), 0.95% by ZT (F), 0.75% by ZT (G), 0.50% by ZT (H), 0.37% by ZT (I), 0.28% by ZT (J), 0.23% by ZT (K), 0.25% by ZT (L) and 7.80% by ZT (M), respectively.

Incorporation of Head Sage and Zhongtian HK and establishment of Zhaolin Trading

On 23 December 2019, Head Sage was incorporated in the BVI with limited liability. It engages in investment holding. It is authorised to issue a maximum of 50,000 shares of a single class with a par value of US\$1 each. On 30 March 2020, Head Sage allotted and issued one share with a par value of US\$1 each credited as fully paid to our Company. All the issued shares of Head Sage then became wholly-owned by our Company.

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On 6 April 2020, Zhongtian HK was incorporated in Hong Kong with limited liability. It engages in investment holding. On the date of its incorporation, Zhongtian HK allotted and issued one founder member’s share credited as fully paid to Head Sage. The entire issued share capital of Zhongtian HK then became wholly-owned by Head Sage.

On 21 April 2020, Zhaolin Trading was established in the PRC as a wholly foreign-owned enterprise, with a registered capital of HK\$10.0 million. It engages in investment holding. Since its establishment, the entire equity interest of Zhaolin Trading has been wholly-owned by Zhongtian HK.

Acquisition of approximately 1.09% equity interest in Jicai Trading by Zhongtian HK

Pursuant to an equity transfer agreement entered into between Zhongtian HK and Ms. Yang Shufen dated 9 April 2020, Zhongtian HK acquired the equity interest in Jicai Trading held by Ms. Yang Shufen in consideration of a nominal amount of RMB25,201, which was settled by our Company allotting and issuing 1,100 Shares, credited as fully paid, to Bizoe (International). Bizoe (International) then held 1,100 Shares of our Company. The issue and allotment of 1,100 Shares to Bizoe (International) was properly and legally completed on 9 April 2020. Upon completion of the allotment, our Company became owned as to approximately 74.16% by ZT (A), 3.64% by ZT (B), 3.60% by ZT (C), 2.84% by ZT (D), 3.66% by ZT (E), 0.94% by ZT (F), 0.74% by ZT (G), 0.49% by ZT (H), 0.36% by ZT (I), 0.28% by ZT (J), 0.23% by ZT (K), 0.25% by ZT (L) and 7.72% by ZT (M) and 1.09% by Bizoe (International), respectively.

Acquisition of 1% of equity interest in Jicai Trading by Zhaolin Trading

On 24 April 2020, Zhaolin Trading executed a capital increase agreement with Jicai Trading and all the then equity holders of Jicai Trading, pursuant to which Zhaolin Trading agreed to contribute to the registered capital of Jicai Trading in the amount of RMB9,898,900, which remained unpaid up as at the Latest Practicable Date. Such capital increase was registered by Zhuzhou AMR on 27 April 2020. Upon completion of the capital increase, Jicai Trading was owned by the following equity holders as follows:

Name of equity holders	Capital contribution	Approximate percentage of equity interest
	<i>RMB</i>	
Zhaolin Trading	9,898,900	98.99%
Zhongtian Holdings	74,973	0.75%
Zhongtian Weijing	3,686	0.04%
Zhongtian Weiyi	3,639	0.03%
Zhongtian Gongying	2,872	0.03%
Ten individuals who are directors or senior management members of our Group or their associates	7,019	0.07%
25 individuals who are Independent Third Parties including our employees and ex-employees.	7,811	0.08%
Zhongtian HK	1,100	0.01%
Total	10,000,000	100%

Pursuant to equity transfer agreements dated 30 April 2020, all the domestic equity holders of Jicai Trading transferred a total of 1% of equity interest in Jicai Trading to Zhaolin Trading at the total consideration of RMB2,202,000. Such transfers were registered by Zhuzhou AMR on 8 May 2020. Upon completion of the above transfers, Jicai Trading became owned as to approximately 99.99% by Zhaolin Trading and 0.01% by Zhongtian HK.

HISTORY, DEVELOPMENT AND REORGANISATION

PRE-[REDACTED] INVESTMENT

For details of the Pre-[REDACTED] Investment, please refer to the paragraph headed “Reorganisation — Subscription for the registered capital of Jicai Trading by our Pre-[REDACTED] Investor” in this section.

Principal terms of the Pre-[REDACTED] Investment are set out in the table below:

Name of the Pre-[REDACTED] Investor	Ms. Yang Shufen
Date of the agreement	9 March 2020
Amount of consideration paid	HKD equivalent of RMB2,385,014.50 (i.e. HKD2,606,858.12)
Settlement date of the consideration	2 April 2020
Basis of determination of the consideration	The consideration was determined based on arm’s length negotiations among the parties, taking into account the valuation of the shareholders’ equity in Jicai Trading as at 31 October 2019 of RMB216,819,500, which was prepared by a valuer which is an Independent Third Party.
Number of Shares held by Bizoe (International) immediately upon completion of the [REDACTED] and the [REDACTED] (without taking into account any Share which may be allotted and issued upon the exercise of the [REDACTED] and any option which may be granted under the Share Option Scheme)	[REDACTED] Shares
Effective cost per Share paid	HKD[REDACTED]
Discount to the [REDACTED] (based on the [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the [REDACTED] range)	approximately [REDACTED]%
Use of [REDACTED]	The [REDACTED] received by our Group from the Pre-[REDACTED] Investment was used as general working capital of our Group and has been fully utilised as at the Latest Practicable Date.
Benefits brought to our Group	Considering Ms. Yang Shufen’s exposure and experience in the local securities market in Hong Kong, our Directors believe that she could contribute to our Company from an investor’s perspective and share her professional experience.
Shareholding in our Company immediately after the completion of Reorganisation and the Pre-[REDACTED] Investment but before the [REDACTED] and the [REDACTED]	approximately 1.09%

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Shareholding in our Company immediately upon completion of the [REDACTED] and the [REDACTED] (without taking into account any Share which may be allotted and issued upon the exercise of the [REDACTED] and any option which may be granted under the Share Option Scheme)	approximately [REDACTED]%
Lock-up period	Not applicable
Public float	The Shares held by Ms. Yang Shufen are considered as part of the public float for the purpose of Rule 8.24 of the Listing Rules as (i) Ms. Yang Shufen is not a director, chief executive or substantial shareholder of our Company or its subsidiaries or a close associate of any of them (the “ Non-Public Shareholders ”); (ii) the acquisition of the Shares by Ms. Yang Shufen was not financed by the Non-Public Shareholders; and (iii) Ms. Yang Shufen is not accustomed to taking instructions from a Non-Public Shareholder for the voting or dispositions in respect of the Shares held by Ms. Yang Shufen.
Special rights	No special right was granted to our Pre-[REDACTED] Investor.

Independence of the Pre-[REDACTED] Investor

Ms. Yang Shufen was introduced to our Group in the third quarter of 2019 through Ms. Zhang Weihui (張偉輝), a supervisor of Zhongtian Construction. Ms. Zhang Weihui and Ms. Yang Shufen have known each other for more than five years since they met on a business occasion in May 2015. Ms. Yang Shufen has over ten years of working experience as a licensed person for dealing securities (type 1 regulated activity) under the SFO. It is expected that Ms. Yang Shufen’s exposure and experience in the local securities market in Hong Kong could contribute to our Company from an investor’s perspective and share her professional experience. Considering the prospect of our business, Ms. Yang Shufen invested in our Group using her personal resources. To the best of our Directors’ knowledge, information and belief and having made all reasonable enquiries, Ms. Yang Shufen invested in our Group because she appreciates the prospects and potential growth of our Group. As advised by the PRC Legal Advisers, Ms. Yang invested in Jicai Trading, an investment holding company which indirectly held interest in our principal operating subsidiary, and converted Jicai Trading from a domestic company into a foreign-invested enterprise as part of the Reorganisation. Save for her investment in our Company, Ms. Yang Shufen did not have any past or present relationships (including, without limitation, family, trust, business, employment relationships) or any agreements, arrangements or understanding with our Company, our subsidiaries, Shareholders, Directors or senior management and any of their respective associates and is an Independent Third Party as at the Latest Practicable Date. As Ms. Yang Shufen is not a core connected person of our Company, the Shares held by Bizoe (International) will be counted towards the public float after the [REDACTED].

Sole Sponsor’s confirmation

After reviewing the terms of the Pre-[REDACTED] Investment, the Sole Sponsor has confirmed that the Pre-[REDACTED] Investment is in compliance with (i) the Guidance Letter HKEx-GL29-12 (Interim Guidance on Pre-[REDACTED] Investments) issued in January 2012 and updated in March 2017 by the Stock Exchange as the consideration for the Pre-[REDACTED] Investment was all settled more than 28 clear days before the date of the first submission of the [REDACTED] application to the Stock Exchange in relation to the [REDACTED]; and (ii) the Guidance Letter HKEx-GL43-12 (Guidance on Pre-[REDACTED] investments) issued in October 2012 and updated in July 2013 and March 2017 by the Stock Exchange as there are no special rights granted to the Pre-[REDACTED] Investor that will survive the [REDACTED] whereas the Guidance Letter HKEx-GL44-12 is not applicable to the Pre-[REDACTED] Investment.

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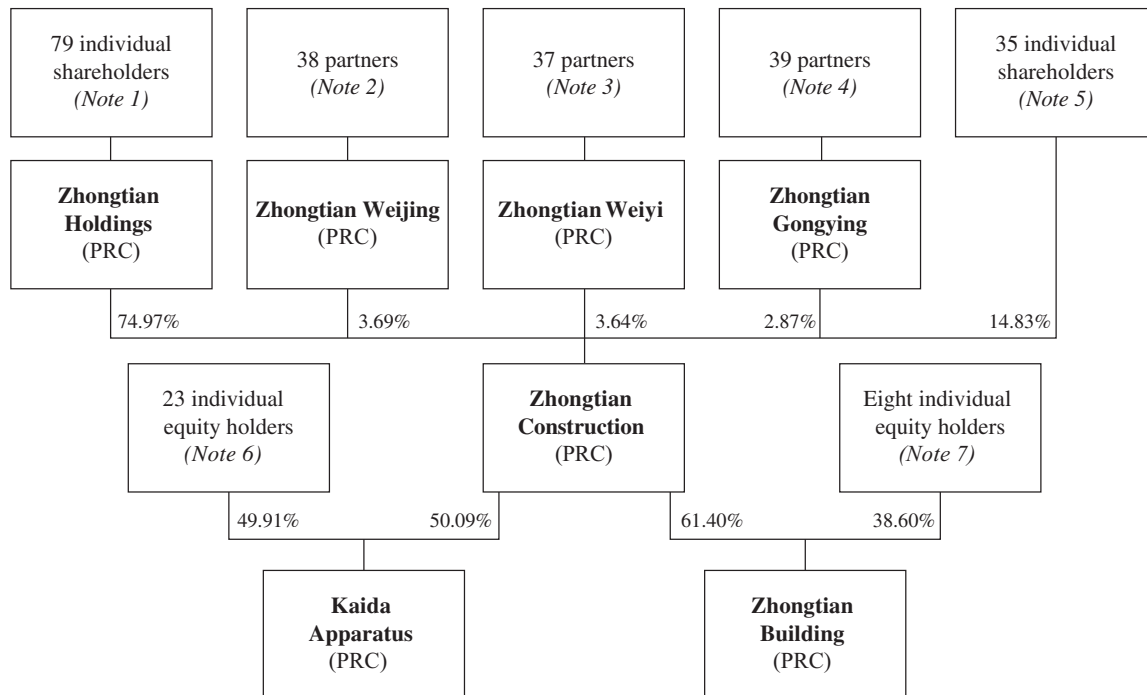
[REDACTED]

Conditional upon crediting our Company’s share premium account as a result of the issue of Shares pursuant to the [REDACTED], our Directors are authorised to capitalise an amount of HK\$[REDACTED] standing to the credit of the share premium account of our Company by applying such sums towards to pay up in full at par a total of [REDACTED] Shares for allotment and issue, immediately prior to the [REDACTED], to the Shareholders whose name appear on the register of members of our Company as of [•], on a pro rata basis (subject to rounding to avoid fractions and odd lots).

CORPORATE STRUCTURE

Corporate structure of our Group immediately prior to the Reorganisation

The following diagram sets out the corporate structure of our Group immediately prior to the Reorganisation:



Notes:

- Zhongtian Holdings was held by 79 individuals, being Mr. Yang (chairman of our Board) as to 25.24%, Mr. Liu (our executive Director) as to 6.16%, Mr. Xu Zhongguang (許忠光) (director of Jicai Trading and Hangxiao Materials) as to 4.90%, Ms. Gan Yinghua (甘映華) (spouse of Mr. Yang) as to 3.88%, Mr. Chen (our executive Director) as to 2.93%, Mr. Chen Peirun (陳培潤) (our senior management member) as to 1.72%, Mr. Shen (our executive Director) as to 1.31%, Mr. Min (our executive Director) as to 1.30%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 0.75%, Ms. Yang Bingquan (楊冰泉) (spouse of Mr. Min) as to 0.37%, Mr. Yang Yong (楊勇) (director of Kaida Apparatus) as to 0.33%, Mr. Zhou Ping (周平) (our senior management member) as to 0.15% and 67 individuals who are Independent Third Parties including our employees and ex-employees as to 50.96% in aggregate, out of which Ms. Mei Zuqian (梅祖倩) held approximately 9.87% and each of the remaining 66 Independent Third Parties held approximately 0.04% to 4.31%.
- Immediately before the Reorganisation, Zhongtian Weijing was held by 38 partners, with Mr. Liu as the general partner holding 13.71% of partnership interest, and 37 limited partners including Mr. Xu Qi (徐琦) (director of Zhongtian Building) as to 2.28%, Mr. Yang Yong (楊勇) (director of Kaida Apparatus) as to 1.44% and 35

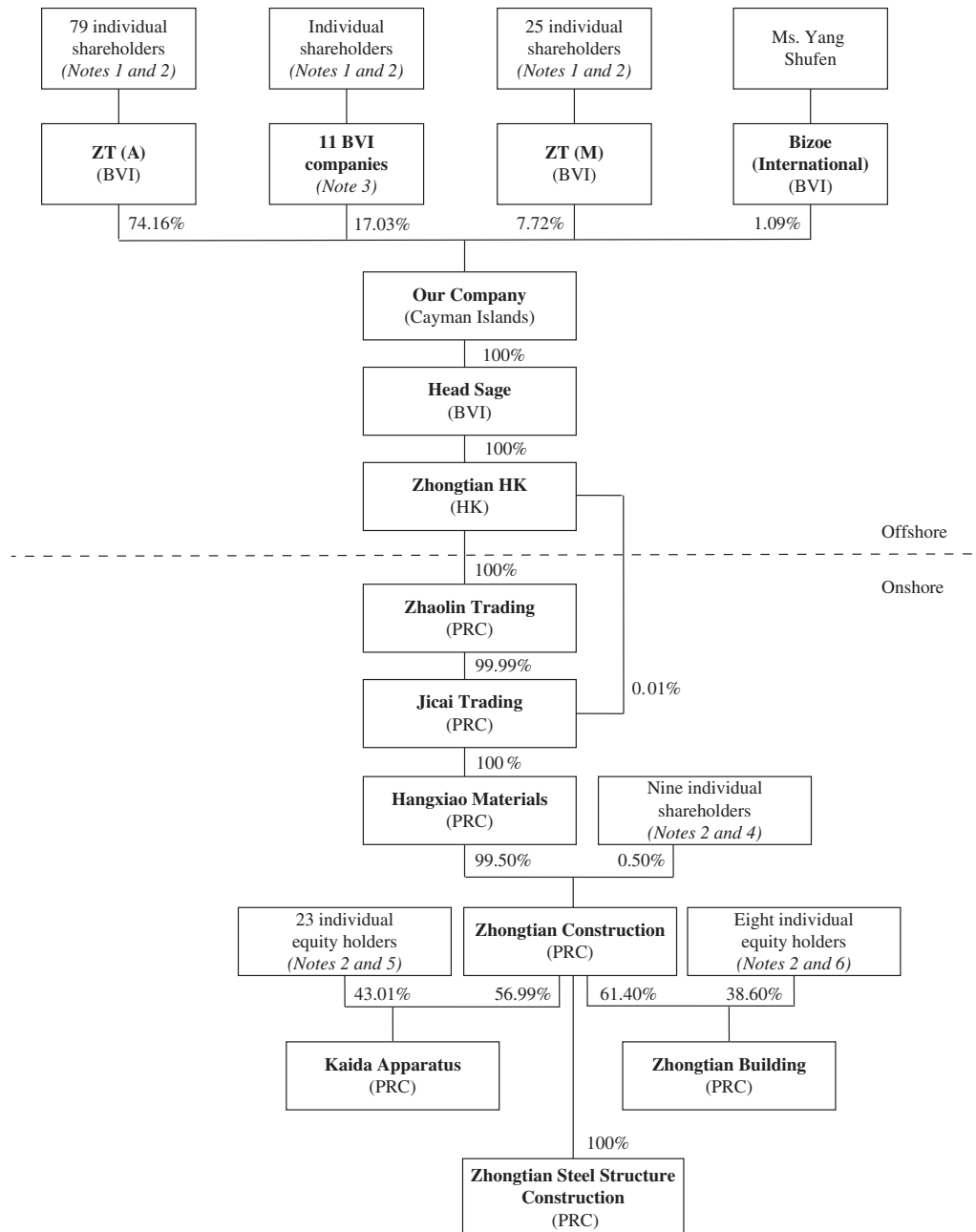
HISTORY, DEVELOPMENT AND REORGANISATION

- individuals who are Independent Third Parties including our employees and ex-employees as to 82.57% in aggregate, out of which Mr. Ding Yunxiang (丁雲祥) held approximately 6.86%, Mr. Wan Songtao (萬松濤) held approximately 6.86% and each of the remaining 33 Independent Third Parties held approximately 0.39% to 4.57%.
3. Immediately before the Reorganisation, Zhongtian Weiyi was held by 37 partners, with Mr. Tan Xuewen (譚學文), an Independent Third Party, as the general partner holding 9.84% of partnership interest, and 36 limited partners including Mr. Zhou Ping (周平) (our senior management member) as to 2.31%, Mr. Long Biwen (龍必文) (our senior management member) as to 4.63%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 0.60% and 33 individuals who are Independent Third Parties including our employees and ex-employees as to 82.62% in aggregate, out of which Mr. Pan Shuilin (潘水林) held approximately 9.26%, Mr. Zhao Wei (趙偉) held approximately 9.26% and each of the remaining 31 Independent Third Parties held approximately 0.45% to 4.63%.
 4. Immediately before the Reorganisation, Zhongtian Gongying was held by 39 partners, with Ms. Zhang Weihui (張偉輝), an Independent Third Party, as the general partner holding 11.03% of partnership interest, and 38 limited partners including Ms. Yang Bingquan (楊冰泉) (spouse of Mr. Min) as to 6.86%, Mr. Tan Hongjun (譚紅軍) (director of Zhongtian Building) as to 2.92% and 36 individuals who are Independent Third Parties including our employees and ex-employees as to 79.19% in aggregate, out of which Mr. Yin Jieming (殷階明) held approximately 7.47%, Mr. Liu Zanjun (劉讚軍) held approximately 5.87%, Mr. Yang Jian (楊劍) held approximately 5.87% and each of the remaining 33 Independent Third Parties held approximately 0.56% to 3.52%.
 5. The 35 individual shareholders were Mr. Yang (chairman of our Board) as to 2.88%, Mr. Liu (our executive Director) as to 0.95%, Ms. Gan Yinghua (甘映華) (spouse of Mr. Yang) as to 0.82%, Mr. Xu Zhongguang (許忠光) (director of Jicai Trading and Hangxiao Materials) as to 0.75%, Mr. Chen (our executive Director) as to 0.47%, Mr. Shen (our executive Director) as to 0.37%, Mr. Chen Peirun (陳培潤) (our senior management member) as to 0.28%, Mr. Wu Qian (吳謙) (director of Kaida Apparatus) as to 0.25%, Mr. Min (our executive Director) as to 0.23%, Ms. Yang Zhonghua (楊中華) (spouse of Mr. Chen and sister of Mr. Yang) as to 0.03% and 25 individuals who are Independent Third Parties including our employees and ex-employees as to 7.80% in aggregate with each of the Independent Third Parties holding not more than approximately 1.60%.
 6. The 23 individual equity holders were Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 6.00%, Mr. Wu Qian (吳謙) (director of Kaida Apparatus) as to 4.24%, Mr. Yang Yong (楊勇) (director of Kaida Apparatus) as to 3.00%, Mr. He Fuyuan (何福元) (director of Kaida Apparatus) as to 2.22%, Mr. Min (our executive Director) as to 1.52% and 18 individuals who are Independent Third Parties including our employees and ex-employee as to approximately 32.93% in aggregate with Mr. Liu Zhihong (劉志洪) as to 10.00%, Mr. Yi Yongge (易永革) as to 6.00% and each of the remaining 16 Independent Third Parties held approximately 0.32% to 4.00%, who are Ms. Li Hongqing (李紅清), Ms. Lin Li (林麗), Mr. Peng Dinghui (彭鼎暉), Mr. Shen Shixiong (沈詩雄), Mr. Tan Zilie (譚子烈), Mr. Wang Dingguo (王定國), Mr. Xie Chengming (謝誠明), Mr. Yang Yongwang (楊永旺), Ms. Zhao Shuming (趙淑明), Mr. Zhou Zhili (周志力), Mr. Yan Yunfang (晏運芳), Ms. Qu Xiaohong (瞿曉紅), Mr. Zhou Ming (周明), Mr. Wang Pengcheng (王朋成), Mr. Wu Zhiyang (吳志揚) and Mr. Yang Bo (陽波).
 7. The eight individual equity holders were Mr. Zeng Quan (曾權) (director of Zhongtian Building) as to 9.00%, Mr. Tan Hongjun (譚紅軍) (director of Zhongtian Building) as to 7.00%, Mr. Hu Yang (胡揚) (director of Zhongtian Building) as to 7.00%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 5.40%, Mr. Xu Qi (徐琦) (director of Zhongtian Building) as to 5.00% and three individuals who are Independent Third Parties including our employees and ex-employee as to 5.20% in aggregate with each of the Independent Third Parties holding 1.20% to 2.00%, who are Ms. Yi Mulan (易木蘭), Ms. Yan Tingyan (言庭艷) and Mr. Zhang Xueli (張學理).

HISTORY, DEVELOPMENT AND REORGANISATION

Corporate structure of our Group immediately after the Reorganisation and the Pre-[REDACTED] Investment but prior to the [REDACTED] and the [REDACTED]

The following diagram shows the corporate structure of our Group immediately after the Reorganisation and the Pre-[REDACTED] Investment but prior to the [REDACTED] and the [REDACTED]:



HISTORY, DEVELOPMENT AND REORGANISATION

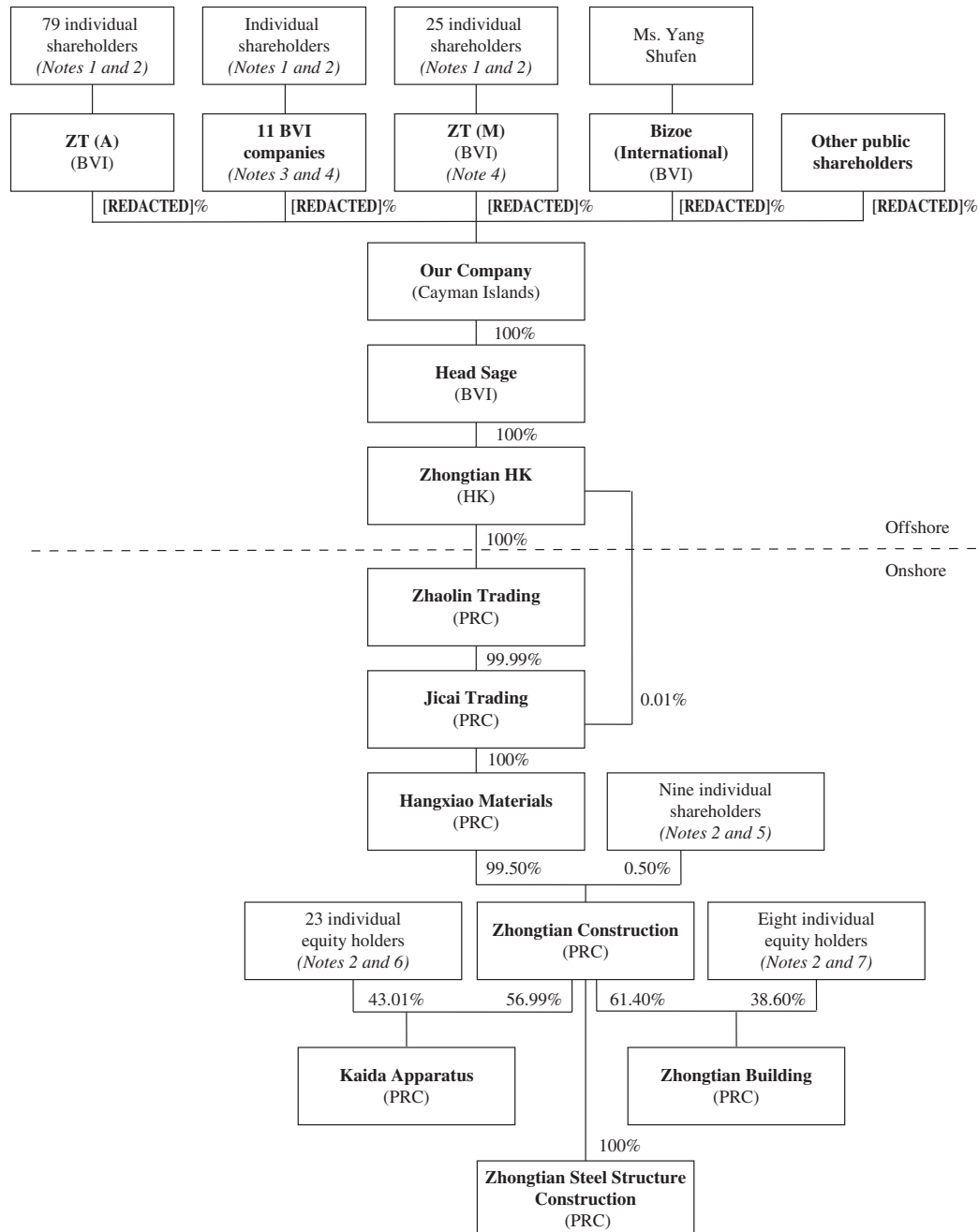
Notes:

1. Please refer to the paragraph headed “The individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M)” in this section for the identities and shareholding of the individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M).
2. There is no acting-in-concert arrangement among such individuals and none of such individuals holds their interests in such entities under trust arrangement on behalf of other persons.
3. Immediately after the Reorganisation and the Pre-[REDACTED] Investment but before the [REDACTED] and the [REDACTED], our Company was owned as to approximately 3.64% by ZT (B), 3.60% by ZT (C), 2.84% by ZT (D), 3.66% by ZT (E), 0.94% by ZT (F), 0.74% by ZT (G), 0.49% by ZT (H), 0.36% by ZT (I), 0.28% by ZT (J), 0.23% by ZT (K) and 0.25% by ZT (L), respectively.
4. The nine individual shareholders are the directors, supervisors and senior management members of Zhongtian Construction, namely Mr. Yang (chairman of our Board) as to 0.17%, Ms. Mei Zuqian (梅祖倩) (supervisor of Zhongtian Construction) as to 0.10%, Mr. Liu (our executive Director) as to 0.06%, Ms. Zhang Weihui (張偉輝) (supervisor of Zhongtian Construction) as to 0.05%, Mr. Yang Haijun (楊海軍) (supervisor of Zhongtian Construction) as to 0.04%, Mr. Chen (our executive Director) as to 0.03%, Mr. Shen (our executive Director) as to 0.02%, Mr. Chen Peirun (陳培潤) (our senior management member) as to 0.02% and Mr. Min (our executive Director) as to 0.01%.
5. The 23 individual equity holders, being Mr. Wu Qian (吳謙) (director of Kaida Apparatus) as to 5.39%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 4.62%, Mr. Yang Yong (楊勇) (director of Kaida Apparatus) as to 3.00%, Mr. He Fuyuan (何福元) (director of Kaida Apparatus) as to 2.22%, Mr. Min (our executive Director) as to 1.17% and 18 individuals who are Independent Third Parties including our employees and ex-employee as to 26.61% in aggregate with Mr. Liu Zhihong (劉志洪) as to approximately 7.69% and each of the remaining 17 Independent Third Parties held approximately 0.24% to 4.62%, who are Mr. Yi Yongge (易永革), Ms. Lin Li (林麗), Mr. Peng Dinghui (彭鼎暉), Mr. Shen Shixiong (沈詩雄), Mr. Tan Xilie (譚子烈), Mr. Wang Dingguo (王定國), Mr. Xie Chengming (謝誠明), Mr. Yang Yongwang (楊永旺), Ms. Zhao Shuming (趙淑明), Mr. Yan Yunfang (晏運芳), Mr. Zhou Ming (周明), Mr. Wang Pengcheng (王朋成), Mr. Wu Zhiyang (吳志揚), Mr. Yang Bo (陽波), Mr. Pan Guohui (潘國輝), Ms. Rong Hua (榮華) and Ms. Zhou Mengnan (周孟南).
6. The eight individual equity holders, being Mr. Zeng Quan (曾權) (director of Zhongtian Building) as to 9.00%, Mr. Tan Hongjun (譚紅軍) (director of Zhongtian Building) as to 7.00%, Mr. Hu Yang (胡揚) (director of Zhongtian Building) as to 7.00%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 5.40%, Mr. Xu Qi (徐琦) (director of Zhongtian Building) as to 5.00% and three individuals who are Independent Third Parties including our employees and ex-employee as to 5.20% in aggregate with each of the Independent Third Parties holding 1.20% to 2.00%, who are Ms. Yi Mulan (易木蘭), Ms. Yan Tingyan (言庭艷) and Mr. Zhang Xueli (張學理).

HISTORY, DEVELOPMENT AND REORGANISATION

Corporate structure of our Group immediately after the Reorganisation and upon [REDACTED]

The shareholding and corporate structure of our Group immediately upon completion of the [REDACTED] and the [REDACTED] (without taking into account any shares of our Company which may be issued upon exercise of the [REDACTED] or any option which may be granted under the Share Option Scheme) is set out in the below diagram:



HISTORY, DEVELOPMENT AND REORGANISATION

Notes:

1. Please refer to the paragraph headed “The individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M)” in this section for the identities and shareholding of the individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M).
2. There is no acting-in-concert arrangement among such individuals and none of such individuals holds their interests in such entities under trust arrangement on behalf of other persons.
3. Immediately upon completion of the [REDACTED] and the [REDACTED] (without taking into account any shares of our Company which may be issued upon exercise of the [REDACTED] or any option which may be granted under the Share Option Scheme), our Company would be owned as to approximately [REDACTED]% by ZT (B), [REDACTED]% by ZT (C), [REDACTED]% by ZT (D), [REDACTED]% by ZT (E), [REDACTED]% by ZT (F), [REDACTED]% by ZT (G), [REDACTED]% by ZT (H), [REDACTED]% by ZT (I), [REDACTED]% by ZT (J), [REDACTED]% by ZT (K) and [REDACTED]% by ZT (L), respectively.
4. There is no shareholders agreement among ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M) nor among their respective individual shareholders regarding the arrangement or restriction on the disposal of our Shares or shares in the respective BVI companies. Any decision to dispose any of our Shares by ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) or ZT (M) after [REDACTED] will be made according to the board of directors of each of the BVI companies.
5. The nine individual shareholders are our directors, supervisors and senior management members of Zhongtian Construction, namely Mr. Yang (chairman of our Board) as to 0.17%, Ms. Mei Zuqian (梅祖倩) (supervisor of Zhongtian Construction) as to 0.10%, Mr. Liu (our executive Director) as to 0.06%, Ms. Zhang Weihui (張偉輝) (supervisor of Zhongtian Construction) as to 0.05%, Mr. Yang Haijun (楊海軍) (supervisor of Zhongtian Construction) as to 0.04%, Mr. Chen (our executive Director) as to 0.03%, Mr. Shen (our executive Director) as to 0.02%, Mr. Chen Peirun (陳培潤) (our senior management member) as to 0.02% and Mr. Min (our executive Director) as to 0.01%.
6. The 23 individual equity holders, being Mr. Wu Qian (吳謙) (director of Kaida Apparatus) as to 5.39%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 4.62%, Mr. Yang Yong (楊勇) (director of Kaida Apparatus) as to 3.00%, Mr. He Fuyuan (何福元) (director of Kaida Apparatus) as to 2.22%, Mr. Min (our executive Director) as to 1.17% and 18 individuals who are Independent Third Parties including our employees and ex-employee as to 26.61% in aggregate with Mr. Liu Zhihong (劉志洪) as to approximately 7.69% and each of the remaining 17 Independent Third Parties held approximately 0.24% to 4.62%, who are Mr. Yi Yongge (易永革), Ms. Lin Li (林麗), Mr. Peng Dinghui (彭鼎暉), Mr. Shen Shixiong (沈詩雄), Mr. Tan Xilie (譚子烈), Mr. Wang Dingguo (王定國), Mr. Xie Chengming (謝誠明), Mr. Yang Yongwang (楊永旺), Ms. Zhao Shuming (趙淑明), Mr. Yan Yunfang (晏運芳), Mr. Zhou Ming (周明), Mr. Wang Pengcheng (王朋成), Mr. Wu Zhiyang (吳志揚), Mr. Yang Bo (陽波), Mr. Pan Guohui (潘國輝), Ms. Rong Hua (榮華) and Ms. Zhou Mengnan (周孟南).
7. The eight individual equity holders, being Mr. Zeng Quan (曾權) (director of Zhongtian Building) as to 9.00%, Mr. Tan Hongjun (譚紅軍) (director of Zhongtian Building) as to 7.00%, Mr. Hu Yang (胡揚) (director of Zhongtian Building) as to 7.00%, Mr. Zhou Xiangyang (周向陽) (director of Kaida Apparatus and Zhongtian Building) as to 5.40%, Mr. Xu Qi (徐琦) (director of Zhongtian Building) as to 5.00% and three individuals who are Independent Third Parties including our employees and ex-employee as to 5.20% in aggregate with each of the Independent Third Parties holding 1.20% to 2.00%, who are Ms. Yi Mulan (易木蘭), Ms. Yan Tingyan (言庭艷) and Mr. Zhang Xueli (張學理).

HISTORY, DEVELOPMENT AND REORGANISATION

THE INDIVIDUAL SHAREHOLDERS OF ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) AND ZT (M)

The following table sets out the identities and shareholding of the individual shareholders of ZT (A), ZT (B), ZT (C), ZT (D), ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M), as well as their relationship with our Group and among themselves:

Name	Relationship with our Group	Shareholding (%)												
		ZT (A)	ZT (B)	ZT (C)	ZT (D)	ZT (E)	ZT (F)	ZT (G)	ZT (H)	ZT (I)	ZT (J)	ZT (K)	ZT (L)	ZT (M)
Mr. Yang	Chairman of our Board	25.24	—	—	—	77.95	—	—	—	—	—	—	—	—
Ms. Gan Yinghua (甘映華)	—	3.88	—	—	—	22.07	—	—	—	—	—	—	—	—
Mr. Liu	Executive Director	6.16	13.65	—	—	—	100.00	—	—	—	—	—	—	—
Mr. Chen	Executive Director (Note a)	2.93	—	—	—	—	—	94.97	—	—	—	—	—	—
Ms. Yang Zhonghua (楊中華)	Employee of our Group (Note a)	—	—	—	—	—	—	—	5.03	—	—	—	—	—
Mr. Shen	Executive Director	1.31	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Min	Executive Director (Note a)	1.30	—	—	—	—	—	—	100.00	—	—	—	—	—
Ms. Yang Bingquan (楊冰泉)	Employee of our Group (Note a)	0.37	—	—	6.86	—	—	—	—	—	—	—	—	—
Mr. Chen Peiran (陳培鵬)	Senior management member (Note a)	1.72	—	—	—	—	—	—	—	—	100.00	—	—	—
Mr. Zhou Ping (周平)	Senior management member	0.15	—	2.31	—	—	—	—	—	—	—	—	—	—
Mr. Long Bowen (龍步文)	Senior management member (Note a)	—	—	4.64	—	—	—	—	—	—	—	—	—	—
Mr. Xu Zhonguang (許忠光)	Director of Jicai Trading and Hangyao Materials	4.89	—	—	—	—	—	—	—	—	100.00	—	—	—
Mr. Zhou Xiangyang (周祥陽)	Director of Kaifa Apparatus and Zhongtian Building	0.75	—	0.60	—	—	—	—	—	—	—	—	—	—
Mr. Yang Yong (楊勇)	Director of Kaifa Apparatus (Note a)	0.33	1.44	—	—	—	—	—	—	—	—	—	—	—
Mr. Xu Qi (徐琪)	Director of Zhongtian Building (Note a)	—	2.28	—	—	—	—	—	—	—	—	—	—	—
Mr. Tan Hongjun (譚紅軍)	Director of Zhongtian Building (Note a)	—	—	—	2.92	—	—	—	—	—	—	100.00	—	—
Mr. Wu Qian (吳謙)	Director of Kaifa Apparatus	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Mei Ziqian (梅祖倩)	Independent Third Party, employee of our Group (Note a)	9.87	—	—	—	—	—	—	—	—	—	—	—	20.42
Mr. Tang Qixiong (唐啟榮)	Independent Third Party, ex-employee of our Group	4.31	—	—	—	—	—	—	—	—	—	—	—	12.49
Mr. Yang Haijun (楊海軍)	Independent Third Party, ex-employee of our Group	4.16	—	—	—	—	—	—	—	—	—	—	—	8.64
Ms. Zhang Weihui (張偉輝)	Independent Third Party, ex-employee of our Group	3.59	—	—	11.07	—	—	—	—	—	—	—	—	9.92
Mr. Tan Xuewen (譚學文)	Independent Third Party, ex-employee of our Group	2.80	—	9.84	—	—	—	—	—	—	—	—	—	4.88
Ms. He Hongshui (賀紅帥)	Independent Third Party, employee of our Group	2.46	—	—	—	—	—	—	—	—	—	—	—	5.08
Mr. Ren Yonghong (任永宏)	Independent Third Party, employee of our Group	2.19	—	—	—	—	—	—	—	—	—	—	—	4.47
Ms. Yi Xiaoping (易曉萍)	Independent Third Party, ex-employee of our Group	2.03	—	—	—	—	—	—	—	—	—	—	—	4.22
Mr. Tang Mingze (唐明澤)	Independent Third Party, ex-employee of our Group	1.98	—	—	—	—	—	—	—	—	—	—	—	9.77
Mr. Huang Dafang (黃大風)	Independent Third Party, employee of our Group (Note a)	1.80	—	—	—	—	—	—	—	—	—	—	—	3.85
Ms. Yu Qiong (余瓊)	Independent Third Party, ex-employee of our Group (Note a)	1.01	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Yin Haming (殷黎明)	Independent Third Party, employee of our Group	1.01	—	—	7.45	—	—	—	—	—	—	—	—	—
Mr. Yi Yu (易宇)	Independent Third Party, employee of our Group (Note a)	0.99	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Yang Lei (楊磊)	Independent Third Party, employee of our Group (Note a)	0.78	4.07	—	—	—	—	—	—	—	—	—	—	—
Mr. Hu Hongze (胡洪澤)	Independent Third Party, employee of our Group	0.70	3.09	—	—	—	—	—	—	—	—	—	—	—
Ms. Yi Mulan (易木蘭)	Independent Third Party, ex-employee of our Group	0.68	—	—	—	—	—	—	—	—	—	—	—	1.41
Mr. Zhan Xiangrong (詹向榮)	Independent Third Party, ex-employee of our Group	0.63	—	—	3.52	—	—	—	—	—	—	—	—	—
Mr. Zhou Jianzhong (周健中)	Independent Third Party, employee of our Group (Note a)	0.62	—	2.78	—	—	—	—	—	—	—	—	—	—
Mr. Qian Chengliang (錢程亮)	Independent Third Party, employee of our Group (Note a)	0.60	—	—	—	—	—	—	—	—	—	—	—	—

HISTORY, DEVELOPMENT AND REORGANISATION

Name	Relationship with our Group	Shareholding (%)												
		ZT (A)	ZT (B)	ZT (C)	ZT (D)	ZT (E)	ZT (F)	ZT (G)	ZT (H)	ZT (I)	ZT (J)	ZT (K)	ZT (L)	ZT (M)
Ms. Zhu Ling (朱玲)	Independent Third Party; employee of our Group	0.59	—	—	3.31	—	—	—	—	—	—	—	—	—
Mr. Yan Huiquan (顏海泉)	Independent Third Party; employee of our Group (Note a)	0.49	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Mei Jinhua (梅金花)	Independent Third Party; ex-employee of our Group	0.49	2.17	—	—	—	—	—	—	—	—	—	—	—
Mr. Liu Zhiyuan (劉志遠)	Independent Third Party; ex-employee of our Group (Note a)	0.40	2.28	—	—	—	—	—	—	—	—	—	—	—
Mr. Zhao Pengzhou (趙鵬洲)	Independent Third Party; ex-employee of our Group (Note a)	0.40	—	4.64	—	—	—	—	—	—	—	—	—	—
Mr. Tan Wenjun (譚文軍)	Independent Third Party; employee of our Group	0.34	—	—	1.98	—	—	—	—	—	—	—	—	—
Mr. Zhou Jiaming (周建明)	Independent Third Party; ex-employee of our Group	0.30	—	2.20	—	—	—	—	—	—	—	—	—	—
Mr. Luo Youlan (駱友蘭)	Independent Third Party; employee of our Group (Note a)	0.26	0.49	—	—	—	—	—	—	—	—	—	—	—
Ms. Zeng Wen (曾文)	Independent Third Party; ex-employee of our Group	0.28	—	1.26	—	—	—	—	—	—	—	—	—	—
Mr. Ling Zhewen (凌正文)	Independent Third Party; ex-employee of our Group	0.25	1.08	—	—	—	—	—	—	—	—	—	—	—
Mr. Zhou Cun (周存)	Independent Third Party; ex-employee of our Group (Note a)	0.23	1.17	—	—	—	—	—	—	—	—	—	—	—
Ms. Luo Jiang (羅江)	Independent Third Party; employee of our Group	0.23	—	1.02	—	—	—	—	—	—	—	—	—	—
Mr. Cai Guoliang (蔡國良)	Independent Third Party; ex-employee of our Group	0.21	0.95	—	—	—	—	—	—	—	—	—	—	—
Mr. Liu Shang (劉尚)	Independent Third Party	0.20	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Huang Tahaia (黃太華)	Independent Third Party	0.20	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Zeng Hui (曾輝)	Independent Third Party; ex-employee of our Group (Note a)	0.19	—	—	1.25	—	—	—	—	—	—	—	—	—
Mr. Chen Houchun (陳厚春)	Independent Third Party; ex-employee of our Group	0.17	—	1.26	—	—	—	—	—	—	—	—	—	—
Mr. Yuan Xijuan (袁潔蓮)	Independent Third Party; ex-employee of our Group	0.17	—	0.91	—	—	—	—	—	—	—	—	—	—
Mr. Wang Bing (王兵)	Independent Third Party; employee of our Group	0.17	—	0.77	—	—	—	—	—	—	—	—	—	—
Ms. Yu Ying (余瑛)	Independent Third Party; employee of our Group (Note a)	0.17	1.00	—	—	—	—	—	—	—	—	—	—	—
Mr. Yi Jianguo (易建國)	Independent Third Party; employee of our Group	0.16	—	—	0.91	—	—	—	—	—	—	—	—	—
Mr. Yang Shuguang (楊曙光)	Independent Third Party; employee of our Group (Note a)	0.16	—	0.69	—	—	—	—	—	—	—	—	—	—
Ms. Huang Yonghua (黃永華)	Independent Third Party; employee of our Group	0.16	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Zhao Liping (趙麗萍)	Independent Third Party; employee of our Group	0.15	0.68	—	—	—	—	—	—	—	—	—	—	—
Mr. Wu Ronghua (伍榮華)	Independent Third Party; ex-employee of our Group (Note a)	0.15	—	—	1.46	—	—	—	—	—	—	—	—	—
Mr. Xu Suxiong (徐穗雄)	Independent Third Party; employee of our Group	0.14	—	—	1.60	—	—	—	—	—	—	—	—	—
Ms. Peng Zhiqiang (彭志強)	Independent Third Party; employee of our Group	0.14	—	—	0.80	—	—	—	—	—	—	—	—	—
Mr. Tan Ailin (譚愛霖)	Independent Third Party; ex-employee of our Group	0.14	—	—	0.77	—	—	—	—	—	—	—	—	—
Ms. Zhou Danli (周丹黎)	Independent Third Party; employee of our Group	0.14	0.60	—	—	—	—	—	—	—	—	—	—	—
Mr. He Jichun (賀吉春)	Independent Third Party; ex-employee of our Group	0.13	0.57	—	—	—	—	—	—	—	—	—	—	—
Ms. Chu Cuxia (婁翠霞)	Independent Third Party; ex-employee of our Group	0.13	—	—	0.70	—	—	—	—	—	—	—	—	—
Mr. Chen Jianxin (陳建新)	Independent Third Party; ex-employee of our Group (Note a)	0.13	—	—	1.53	—	—	—	—	—	—	—	—	—
Mr. Tan Ziqi (譚祖佳)	Independent Third Party; ex-employee of our Group	0.12	0.62	—	—	—	—	—	—	—	—	—	—	—
Mr. Liu Jianxin (劉建新)	Independent Third Party; ex-employee of our Group	0.12	—	—	0.66	—	—	—	—	—	—	—	—	—
Mr. Yin Jiagao (殷覺高)	Independent Third Party; ex-employee of our Group	0.12	—	—	0.66	—	—	—	—	—	—	—	—	—
Mr. Shen Zhiqiang (沈志強)	Independent Third Party; employee of our Group (Note a)	0.10	0.52	—	—	—	—	—	—	—	—	—	—	—
Ms. Wang Shuping (王水平)	Independent Third Party; ex-employee of our Group	0.10	—	0.63	—	—	—	—	—	—	—	—	—	—
Mr. Yuan Hongqi (袁紅旗)	Independent Third Party; employee of our Group	0.09	—	0.49	—	—	—	—	—	—	—	—	—	—
Mr. Cao Siqiang (曹四強)	Independent Third Party; ex-employee of our Group	0.09	—	—	0.87	—	—	—	—	—	—	—	—	—
Ms. Wang Jia (王健)	Independent Third Party; ex-employee of our Group	0.08	0.71	—	—	—	—	—	—	—	—	—	—	—
Mr. Pan Yanning (潘雁平)	Independent Third Party; employee of our Group (Note a)	0.07	—	—	0.70	—	—	—	—	—	—	—	—	—
Mr. Tang Yong (唐勇)	Independent Third Party; employee of our Group	0.06	—	—	0.73	—	—	—	—	—	—	—	—	—
Ms. Yuan Hongjin (袁紅巾)	Independent Third Party; ex-employee of our Group	0.06	—	0.55	—	—	—	—	—	—	—	—	—	—
Mr. Luo Chenggang (羅成剛)	Independent Third Party; ex-employee of our Group	0.06	—	—	0.70	—	—	—	—	—	—	—	—	—
Mr. Jin Xin (金鑫)	Independent Third Party; employee of our Group (Note a)	0.06	—	0.44	—	—	—	—	—	—	—	—	—	—
Mr. Liu Chuanli (劉傳錫)	Independent Third Party; ex-employee of our Group	0.06	—	—	0.63	—	—	—	—	—	—	—	—	—
Ms. Liu Lingling (劉玲瓏)	Independent Third Party; ex-employee of our Group	0.05	—	—	0.56	—	—	—	—	—	—	—	—	—
Mr. Yuan Yuan (袁源)	Independent Third Party; ex-employee of our Group	0.04	0.41	—	—	—	—	—	—	—	—	—	—	—
Mr. Ding Yunwang (丁雲祥)	Independent Third Party; ex-employee of our Group (Note a)	—	6.86	—	—	—	—	—	—	—	—	—	—	—

2.46

HISTORY, DEVELOPMENT AND REORGANISATION

Name	Relationship with our Group	Shareholding (%)															
		ZT (A)	ZT (B)	ZT (C)	ZT (D)	ZT (E)	ZT (F)	ZT (G)	ZT (H)	ZT (I)	ZT (J)	ZT (K)	ZT (L)	ZT (M)			
Mr. Wan Sengtao (萬松濤)	Independent Third Party; employee of our Group (Note a)	—	6.86	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Chen Zichao (陳子超)	Independent Third Party; employee of our Group (Note a)	—	4.58	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Tan Liangbin (潘良斌)	Independent Third Party; employee of our Group (Note a)	—	4.58	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Zhang Linyi (張麗儀)	Independent Third Party; ex-employee of our Group	—	4.58	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Zhou Junqi (周運祺)	Independent Third Party; employee of our Group (Note a)	—	4.58	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. He Xiong (黃喜雄)	Independent Third Party; employee of our Group	—	2.82	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Bin Zhuoqiang (賓卓強)	Independent Third Party; employee of our Group (Note a)	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Fu Ge (傅格)	Independent Third Party; employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Li Ming (李明)	Independent Third Party; employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Liu Qi (劉琪)	Independent Third Party	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Lu Zhijun (盧志君)	Independent Third Party; ex-employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Mei Xiaohui (梅小麗)	Independent Third Party	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Mei Xiaohui (梅小麗)	Independent Third Party	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Peng Jianci (彭建飛)	Independent Third Party; employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Shen Lihu (沈麗華)	Independent Third Party; employee of our Group (Note a)	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Tian Feng (田峰)	Independent Third Party; employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Wei Yiqiao (魏一喬)	Independent Third Party; employee of our Group	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Wu Daoxin (伍葆新)	Independent Third Party; employee of our Group (Note a)	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Zeng Binquan (曾斌泉)	Independent Third Party; employee of our Group (Note a)	—	2.28	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Pan Shulin (潘水林)	Independent Third Party; employee of our Group and a shareholder of one of our subcontractors during the Track Record Period (Note a)	—	—	9.26	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Zhao Wei (趙偉)	Independent Third Party; employee of our Group (Note a)	—	—	9.26	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Peng Mingfei (彭明飛)	Independent Third Party; employee of our Group	—	—	4.64	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Tan Xiaolin (譚小琳)	Independent Third Party; employee of our Group (Note a)	—	—	4.64	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Hu Xiping (胡喜平)	Independent Third Party; employee of our Group	—	—	3.68	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Chen Yong (陳勇)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Qiu Hong (仇虹)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Duan Bing (段兵)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Liao Jun (廖俊)	Independent Third Party; ex-employee of our Group (Note a)	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Liu Yang (劉洋)	Independent Third Party	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Lu Saiping (魯賽萍)	Independent Third Party; ex-employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Ouyang Hai (歐陽海)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Tian Tingting (田婷婷)	Independent Third Party; employee of our Group (Note a)	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Wan Zenghui (萬增輝)	Independent Third Party; employee of our Group (Note a)	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Wu Minghui (吳名輝)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Xiang Houliang (項厚良)	Independent Third Party; employee of our Group (Note a)	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Xu Lijuan (許利娟)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Yi Zhenglong (易正龍)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Zeng Jia (曾嘉)	Independent Third Party; employee of our Group	—	—	2.31	—	—	—	—	—	—	—	—	—	—	—	—	—
Ms. Guo Luo (郭蘿)	Independent Third Party	—	—	1.15	—	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Liu Zanjin (劉澤君)	Independent Third Party; employee of our Group (Note a)	—	—	—	5.88	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Yang Jian (楊劍)	Independent Third Party; employee of our Group (Note a)	—	—	—	5.88	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Chen Gang (陳剛)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Cui Xu (崔旭)	Independent Third Party; employee of our Group	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Fu Yamin (付彥民)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Guo Xilin (郭堅林)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Lan Yongqing (蘭泳青)	Independent Third Party; employee of our Group	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Long Fanyi (龍方毅)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.93	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Ma Zan (馬贊)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.92	—	—	—	—	—	—	—	—	—	—	—	—
Mr. Qiu Feng (邱峰)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.92	—	—	—	—	—	—	—	—	—	—	—	—

HISTORY, DEVELOPMENT AND REORGANISATION

Name	Relationship with our Group	Shareholding (%)												
		ZT (A)	ZT (B)	ZT (C)	ZT (D)	ZT (E)	ZT (F)	ZT (G)	ZT (H)	ZT (I)	ZT (J)	ZT (K)	ZT (L)	ZT (M)
Mr. Wang Hongwei (王紅衛)	Independent Third Party; employee of our Group	—	—	—	2.92	—	—	—	—	—	—	—	—	—
Mr. Xiao Mihua (肖美華)	Independent Third Party; employee of our Group (Note a)	—	—	—	2.92	—	—	—	—	—	—	—	—	—
Mr. Yu Guangwu (俞光武)	Independent Third Party; employee of our Group	—	—	—	2.92	—	—	—	—	—	—	—	—	—
Mr. Tan Yongming (譚永明)	Independent Third Party; ex-employee of our Group	—	—	—	1.50	—	—	—	—	—	—	—	—	—
Ms. Liu Fang (劉芳)	Independent Third Party	—	—	—	1.46	—	—	—	—	—	—	—	—	—
Mr. Zhuang Xin (莊欣)	Independent Third Party; employee of our Group (Note a)	—	—	—	1.46	—	—	—	—	—	—	—	—	—
Mr. Ouyang Du (歐陽燾)	Independent Third Party; ex-employee of our Group (Note a)	—	—	—	—	—	—	—	—	—	—	—	—	7.94
Mr. Wang Xing (王星)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	3.15
Mr. Liang Xuewen (梁學文)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.18
Mr. Yuan Hongchang (袁紅成)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.17
Ms. Huang Yiping (黃亞平)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.15
Ms. Wen Suxiang (文穗湘)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.15
Ms. Long Jiyu (龍吉樂)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.14
Ms. Liu Yan (劉燕)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.12
Mr. Liu Wenjun (劉文俊)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.12
Mr. Chen Long (陳龍)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.10
Ms. Zhang Xiaoping (張小平)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.08
Ms. He Xuequn (何學群)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.05
Ms. Ye Lianghui (葉亮輝)	Independent Third Party; ex-employee of our Group	—	—	—	—	—	—	—	—	—	—	—	—	0.04
Total:		100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Notes:

- (a) Such individuals had amount due from/to our Group during the Track Record Period which are unsecured, interest free and repayable on demand, the details of which are set out in note 22 of the Accountants' Report as set out in Appendix I to this document and the section headed “Financial Information — Discussion on selected items of consolidated statements of financial position — Balances with related companies, shareholders and directors” in this document.
- (b) Mr. Yang is the spouse of Ms. Gan Yinghua. Under the SFO, Mr. Yang and Ms. Gan Yinghua are deemed to be interested in the shares in which each other is interested. As such, Mr. Yang and Ms. Gan Yinghua are both deemed to be interested in 29.12% of the shareholding of ZT (A) and 100.00% of the shareholding of ZT (E).
- (c) Mr. Chen is the spouse of Ms. Yang Zhonghua. Under the SFO, Mr. Chen and Ms. Yang Zhonghua are deemed to be interested in the shares in which each other is interested. As such, Mr. Chen and Ms. Yang Zhonghua are both deemed to be interested in 2.93% of the shareholding of ZT (A) and 100.00% of the shareholding of ZT (H).
- (d) Mr. Min is the spouse of Ms. Yang Bingquan. Under the SFO, Mr. Min and Ms. Yang Bingquan are deemed to be interested in the shares in which each other is interested. As such, Mr. Min and Ms. Yang Bingquan are both deemed to be interested in 1.67% of the shareholding of ZT (A), 6.86% of the shareholding of ZT (D) and 100.00% of the shareholding of ZT (K).

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In respect of the individual shareholders who are Independent Third Parties, save for the relationships set out in the table above and their respective shareholding interests in our Group, they did not have any past or present relationships (including business, employment, family, trust or financing relationships) with our Company or any of its subsidiaries, Shareholders, Directors or senior management or any of their respective associates. None of the individual shareholders of ZT(A) and ZT(E) has any interest apart from the business of our Group which competes or is likely to compete, directly or indirectly, with the business of our Group.

Due to the major historical development of our Group set forth below, the individual shareholders of our Group and Ms. Yang Shufen hold their interests through 14 investment vehicles, and various individual shareholders of our Group are holding their interests in our Company through multiple investment vehicles. Our Directors confirm that such arrangement was merely developed based on our historical shareholding structure and was not for dividing the interests of an individual shareholder for circumvention of the requirements regarding controlling shareholders under the Listing Rules:

In respect of ZT (A), ZT (B), ZT (C) and ZT (D)

- Zhongtian Construction was initially established as a collectively-owned enterprise (集體所有制企業) in 1979 and was converted into a limited liability company in April 2004. At the time of the conversion, a number of employees (including directors and senior management members) and ex-employees of Zhongtian Construction became its ultimate shareholders. According to the F&S Report, it is common for companies converted from collectively-owned enterprises to limited liability companies to have a large number of employees (including directors and members of senior management) and ex-employees as their shareholders, and it is common for such shareholders to hold their interests together through investment vehicle(s).

In 2010, Zhongtian Holdings was set up as the holding company of Zhongtian Construction. Immediately before the Reorganisation, Zhongtian Holdings was owned by 79 individual shareholders and the directors of Zhongtian Holdings were Mr. Yang, four shareholders of Zhongtian Holdings, namely Mr. Tang Qixiong (唐起雄), Ms. Zhang Weihui (張偉輝), Mr. Tan Xuewen (譚學文) and Ms. Huang Yonghua (黃永華), and two Independent Third Parties, namely Mr. Xiong Lixiang (熊立祥) and Mr. Tang Jie (湯捷).

According to the Partnership Enterprise Law of the PRC and our PRC Legal Advisers, a limited partnership enterprise shall be established by not less than 2 but not more than 50 partners, unless it is otherwise provided by law, and shall have at least one general partner. Since the Employee's Union Committee had more than 100 members in November 2015, the members of Employee's Union Committee resolved to establish three limited partnerships, namely Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying, out of the capital contribution in Zhongtian Construction held by the Employee's Union Committee in November 2015 in preparation of the application for the quotation of the shares of Zhongtian Construction on the NEEQ.

Against such background and subsequent to a number of capital increases and equity transfers since 2004, most of the individual shareholders held interests in our Group indirectly through Zhongtian Holdings, Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying before the Reorganisation.

- As part of the Reorganisation, ZT (A) was incorporated by the original shareholders of Zhongtian Holdings as their investment vehicles. Immediately upon completion of the Reorganisation, the shareholders and composition of the board of directors of ZT (A) are the same as those of Zhongtian Holdings, and the shareholders' respective shareholdings in ZT (A) are proportional to those in Zhongtian Holdings.

As part of the Reorganisation, ZT (B), ZT (C) and ZT (D) were incorporated by the original partners of Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying as their investment vehicles. Immediately upon completion of the Reorganisation, the shareholders' respective

HISTORY, DEVELOPMENT AND REORGANISATION

shareholdings in ZT (B), ZT (C) and ZT (D) are proportional to their respective partnership interest (subject to rounding) in Zhongtian Weijing, Zhongtian Weiyi and Zhongtian Gongying immediately before the Reorganisation.

In respect of ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M)

- In April 2004 when Zhongtian Construction was converted into a limited liability company, according to the then articles of association of the Employee’s Union Committee, equity holders who contributed less than RMB100,000 to the capital of Zhongtian Construction could become a member of the Employee’s Union Committee. Thus, equity holders who contributed more than RMB100,000 to capital of Zhongtian Construction hold their interests in Zhongtian Construction directly.

In January 2016, Zhongtian Construction merged with Hengji Asset Management and the original equity holders of Hengji Asset Management became direct individual equity holders of Zhongtian Construction after the merger. For details, please refer to the paragraph headed “Our principal subsidiaries — Zhongtian Construction” in this section.

Against such background and subsequent to a number of capital increases and equity transfers since 2004, some individual shareholders held interests in Zhongtian Construction directly before the Reorganisation.

- As part of the Reorganisation, ZT (E), ZT (F), ZT (G), ZT (H), ZT (I), ZT (J), ZT (K), ZT (L) and ZT (M) were incorporated by the individual shareholders of Zhongtian Construction who held shares of Zhongtian Construction directly before the Reorganisation, as their investment vehicles. The shareholding of our Company held by such BVI companies was proportional to that of their respective shareholders before the Reorganisation. For ease of administration, such individual shareholders who are spouses hold their Shares together in an investment vehicle and all of such individual shareholders who are Independent Third Parties including our employees and ex-employees hold their Shares together through ZT (M).

In respect of Bizoe (International)

- Furthermore, Bizoe (International) was incorporated by our Pre-[REDACTED] Investor, Ms. Yang Shufen, as her investment vehicle.

While various individual shareholders of our Group are holding their interests in our Company through more than one investment vehicle, as at the Latest Practicable Date, none of the individual shareholders together with his/her close associates controls 30% or more of the aggregate interest of our Company.

PRC REGULATORY ISSUES RELATING TO THE REORGANISATION

Compliance with M&A Rules

Under the M&A Rules, a foreign investor is required to obtain approvals from competent authorities when a foreign investor (i) acquires equity in a domestic non-foreign invested enterprise thereby converting it into a foreign-invested enterprise, or subscribes for new equity in a domestic enterprise via an increase of registered capital thereby converting it into a foreign-invested enterprise; or (ii) subscribes the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; or (iii) establishes a foreign-invested enterprise which purchases and operates the assets of a domestic enterprise, or (iv) purchases the assets of a domestic enterprise and injects those assets to establish a foreign invested enterprise. According to the M&A Rules, where a domestic company or enterprise, or a domestic natural person, through an overseas company established or controlled by it/him/her, acquires a domestic company which is related to or connected with it/him/her, approval from MOFCOM is required.

HISTORY, DEVELOPMENT AND REORGANISATION

As advised by our PRC Legal Advisers, (1) given that Ms. Yang Shufen is a natural person of foreign nationality and was not connected with our Group before her subscription of approximately 1.09% of the equity interest in Jicai Trading, no approval from MOFCOM is required in respect of her subscription of the equity interest in Jicai Trading as the subscription was not subject to the relevant articles of the M&A Rules and Jicai Trading has been converted from a domestic company into a foreign-invested enterprise immediately after such subscription by Ms. Yang Shufen; and (2) the acquisitions of the equity interest in Jicai Trading by Zhongtian HK and Zhaolin Trading were not subject to the M&A Rules because Jicai Trading was a foreign-invested enterprise at the time of the acquisitions of the equity interest by Zhongtian HK and Zhaolin Trading. Accordingly, the said acquisitions were not subject to any prior approval from CSRC under the M&A Rules.

Compliance with the SAFE Circular No. 37 and SAFE Circular No. 13

As advised by our PRC Legal Advisers, all indirect individual shareholders of our Company who are PRC residents have completed their registration under SAFE Circular No. 37 and SAFE Circular No. 13 on 1 April 2020.

Our PRC Legal Advisers further confirmed that all necessary approvals, permits and licences required under the PRC laws and regulations in connection with the Reorganisation and equity interest transfer in respect of the PRC subsidiaries in our Group as set out in this section have been obtained, and the Reorganisation has complied with all applicable PRC laws and regulations in all material respects.