

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

MAJOR MILESTONES

The following illustrates our major business development milestones and achievements of our Group:

Timeline	Milestones
June 2001	Easy Smart Engineering was incorporated in Hong Kong on 6 June 2001
March 2004	Easy Smart Engineering was first approved to be included in the List of Registered Subcontractors through PCICB Registration Limited under the trades of shutters/doors fabrication and installation as well as painting on 17 March 2004
November 2004	The trades specialities of fire protection plaster, fire protection paint, fire protection board and fire installations were first added to the trades in the List of Registered Subcontractors of Easy Smart Engineering
June 2009	Easy Smart Maintenance was incorporated in Hong Kong on 4 June 2009
September 2010	Easy Smart Engineering entered into a contract in relation to the government office at Tamar
June 2012	Easy Smart Engineering entered into a contract in relation to a cruise terminal at Kai Tak
June 2014	Easy Smart Engineering was first awarded the ISO 9001:2015 Certificate by the Hong Kong Assurance Agency in June 2014
August 2015	Easy Smart Engineering entered into the first contract in relation to the high speed rail link at West Kowloon
September 2018	Easy Smart Engineering entered into the first contract in relation to the terminal at an airport in Hong Kong
October 2019	Easy Smart Engineering was awarded a project in relation to the sports park at Kai Tak
June 2020	E-Build Technology was incorporated in Hong Kong on 19 June 2020
September 2021	Our Company was incorporated in the Cayman Islands on 7 September 2021

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OUR CORPORATE HISTORY

Overview

We operate our business through our three operating subsidiaries, namely, Easy Smart Engineering, Easy Smart Maintenance and E-Build Technology.

The history of our Group begins in around June 2001 when Easy Smart Engineering was incorporated to undertake passive fire protection works in Hong Kong. Easy Smart Engineering was co-founded by Mr. Dave Ng (the chairman of our Board, the chief executive officer and one of our Controlling Shareholders) with his mother, Ms. Lim, when Ms. Lim owned 99% interests in Easy Smart Engineering and Mr. Dave Ng owned 1%. Although Ms. Lim by her majority in interests provided most funds in the initial establishment of the business, Mr. Dave Ng by his academic qualification and working experience has been in-charge-of the business operation of Easy Smart Engineering. Mr. Dave Ng has been a director of Easy Smart Engineering since the incorporation of Easy Smart Engineering. For details of background and relevant experience of Mr. Dave Ng, please refer to the section headed "Directors and senior management" in this document. Under the leadership of Mr. Dave Ng, our Group has undergone the business development milestones and achievements as detailed in the paragraph above in this section. For details of our business and operations during the Track Record Period and up to the Latest Practicable Date, please refer to the section headed "Business" in this document.

Our operating subsidiaries

Our Group consists of three operating subsidiaries, namely, Easy Smart Engineering, Easy Smart Maintenance and E-Build Technology. Easy Smart Engineering accounted for most of our operations during the Track Record Period. It is our longest established subsidiary and over 90% of our revenue and profit during the Track Record Period was generated from it. Easy Smart Engineering and Easy Smart Maintenance are our principal operating subsidiaries, and they are both engaged in the provision of passive fire protection works. Generally, Easy Smart Engineering focuses on medium to large scale projects whereas Easy Smart Maintenance focuses on smaller projects. E-Build Technology accounted for the smallest part of our operations being incorporated in 2020. It is engaged in the provision of passive fire protection information services, which generated less than 0.5% of our revenue during the Track Record Period.

Set out below is the corporate history of our operating subsidiaries.

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Easy Smart Engineering

Easy Smart Engineering was incorporated on 6 June 2001 in Hong Kong with limited liability and has been principally engaged in provision of passive fire protection works in Hong Kong. Upon incorporation, Easy Smart Engineering was owned as to 99 ordinary shares (representing 99% of the then entire issued share capital) by Ms. Lim and one ordinary share (representing 1% of the then entire issued share capital) by Mr. Dave Ng respectively.

On 29 September 2014, 9,899 ordinary shares and one ordinary share were allotted to Mr. Dave Ng and Ms. Lim, respectively. As a result of the allotment, the entire issued shares of Easy Smart Engineering were 10,000 ordinary shares of HK\$1.00 each, which was owned as to 9,900 ordinary shares (representing 99% of the then entire issued share capital) by Mr. Dave Ng and 100 ordinary shares (representing 1% of the then entire issued share capital) by Ms. Lim.

As part of the Reorganisation, the 100 ordinary shares of Easy Smart Engineering owned by Ms. Lim were transferred to Mr. Dave Ng on 15 September 2021 at a consideration of HK\$659,975 which was determined after taking into account the unaudited net asset value of Easy Smart Engineering as of 31 July 2021.

Easy Smart Maintenance

Easy Smart Maintenance was incorporated on 4 June 2009 in Hong Kong with limited liability and has been principally engaged in provision of passive fire protection works in Hong Kong. Upon incorporation, 45 ordinary shares (representing 45% of the then entire issued share capital) of Easy Smart Maintenance were owned by Easy Smart Engineering, 45 ordinary shares (representing 45% of the then entire issued share capital) by an independent third party company, and the remaining 10 ordinary shares (representing 10% of the then entire issued share capital) by two independent third parties. Easy Smart Engineering has been a corporate director of Easy Smart Maintenance since its incorporation while Mr. Dave Ng has been its director since 27 May 2011.

On 22 March 2011, the following transfers took place with nominal cash consideration:

- (a) 25 ordinary shares of the aforesaid 45 ordinary shares (representing 25% of the then issued share capital) of Easy Smart Maintenance were transferred by the independent third party company to Easy Smart Engineering;
- (b) 20 ordinary shares of the aforesaid 45 ordinary shares (representing 20% of the then entire share capital) of Easy Smart Maintenance were transferred by the independent third party company to Mr. Dave Ng; and
- (c) 10 ordinary shares (representing 10% of the then entire share capital) of Easy Smart Maintenance were transferred by the two independent third parties to Mr. Dave Ng.

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The above transfers were made after arms-length negotiations between Mr. Dave Ng and the relevant parties after taking into account that Easy Smart Maintenance did not have any business for the year of 2011 and that a negative net asset value of approximately HK\$9,000 was recorded for Easy Smart Maintenance for the financial year ended August 2010. As a result of the transfers on 22 March 2011, the shareholdings of Easy Smart Maintenance were owned as to 70 ordinary shares (representing 70% of the entire issued share capital) by Easy Smart Engineering and 30 ordinary shares (representing 30% of the entire issued share capital) by Mr. Dave Ng.

As part of the Reorganisation, the 30 ordinary shares of Easy Smart Maintenance owned by Mr. Dave Ng were transferred to Easy Smart Engineering on 15 September 2021 at a consideration of HK\$1,987,622 which was determined after taking into account the unaudited net asset value of Easy Smart Maintenance as of 31 July 2021.

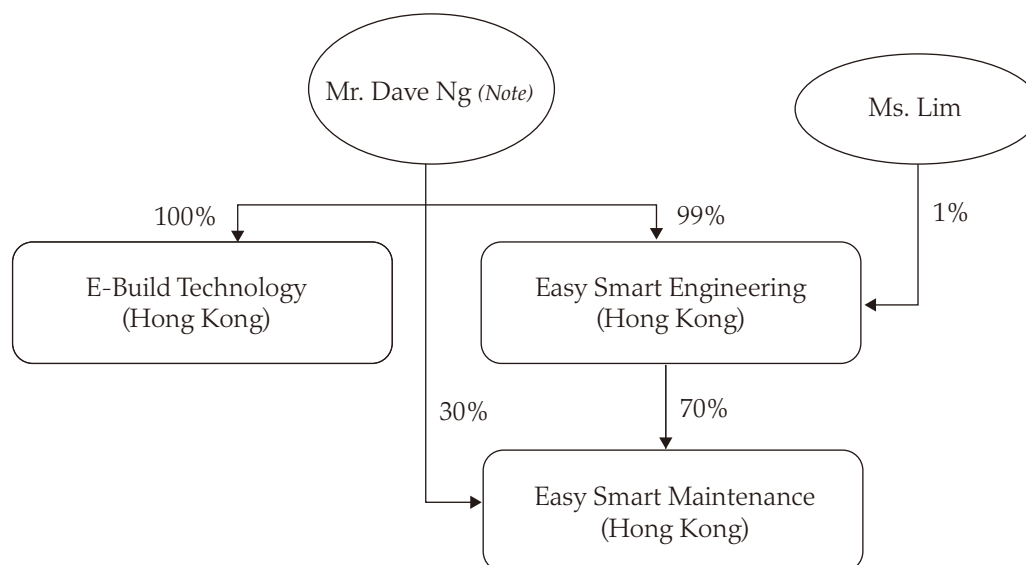
E-Build Technology

E-Build Technology was incorporated on 19 June 2020 in Hong Kong with limited liability and has been principally engaged in provision of passive fire protection information services of our Group. The 100 ordinary shares (representing the entire issued share capital) of E-Build Technology was wholly-owned by Mr. Dave Ng upon incorporation.

As part of the Reorganisation, the entire issued share capital of E-Build Technology were transferred to On Thrive Holdings as directed by Lofty Profit. For details, please refer to the paragraph headed "Reorganisation – (3) Acquisition of our operating subsidiaries" below in this section.

CORPORATE STRUCTURE

The following chart set forth the beneficial shareholding and corporate structure of our Group immediately prior to the Reorganisation:



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Note:

During the Track Record Period and prior to the Reorganisation, Mr. Dave Ng disposed his interests of the following companies:

- (a) on 29 June 2020, Mr. Dave Ng transferred 70 ordinary shares, representing 70% of the entire issued share capital, of and in Golden Phoenix to Lai Yui Fai Ben, the other shareholder of Golden Phoenix and an Independent Third Party, at a consideration of HK\$1,093,000 which was determined after arms-length negotiation and with reference to the net asset value of Golden Phoenix as at 30 April 2020 based on its unaudited management account for the ten months ended 30 April 2020. Golden Phoenix was incorporated on 4 March 2005 and was engaged in the provision of electrical and mechanical engineering works for the financial years ended 30 June 2019 and 2020. Mr. Dave Ng transferred his interests in Golden Phoenix as Mr. Dave Ng intended to focus and devote more of his time and attention to develop the business of passive fire protection works. After the transfer, this company's name was changed from Easy Smart (E & M) Engineering Company Limited to Golden Phoenix Engineering Limited on 6 July 2020;
- (b) on 21 December 2020, Mr. Dave Ng transferred 2,500 ordinary shares, representing 25% of the entire issued share capital, of and in Hope Way Metal to Kwok Chu Kay, one other existing founding shareholder of Hope Way Metal and has been our employee since October 2017 (i.e. after the incorporation of Hope Way Metal), at a consideration of HK\$2,500 which was determined after arms-length negotiation and taking into account Hope Way Metal was inactive after 2019 and net liabilities position recorded in the audited financial statements of Hope Way Metal for the year ended 31 March 2020. Hope Way Metal was incorporated by Mr. Dave Ng, Kwok Chu Kay and three other shareholders on 23 May 2017 when Kwok Chu Kay was not our employee. Kwok Chu Kay was an acquaintance of Mr. Dave Ng for over 10 years. Kwok Chu Kay subsequently joined us as a project manager in October 2017 as he has experience of overseeing construction projects. Mr. Dave Ng transferred his interests in Hope Way Metal as Hope Way Metal was inactive and he intended to focus and devote more of his time and attention to develop the business of passive fire protection works. Although Kwok Chu Kay was an employee of our Group at the time of the transfer, Mr. Dave Ng considered that the principal business of Hope Way Metal was for provision of water pipes related metal works prior to its inactivity, which was different from that of our Group. Besides, our Group has put in place internal control measures to safeguard against potential conflict of interest between our employees and our Group. For details of the internal control measures that we have implemented, please refer to the section headed "Business — Employees — Safeguards against potential conflict of interest situations involving our employees" in this document.

REORGANISATION

In preparation for the [REDACTED], the companies comprising our Group underwent the Reorganisation pursuant to which our Company became the holding company and [REDACTED] vehicle of our Group. The Reorganisation involves the following major steps:

(1) Incorporation of Lofty Profit, our Company, Rise Nation, Total Wisdom and On Thrive Holdings

Lofty Profit

Lofty Profit was incorporated on 2 July 2021 in the BVI with limited liability. On incorporation, Lofty Profit was authorised to issue a maximum of 50,000 shares of a single class each with a par value US\$1.00. On 25 August 2021, one fully paid share, representing all of its issued share, of Lofty Profit was issued and allotted at par to Mr. Dave Ng. After the allotment and issue, Lofty Profit was wholly-owned by Mr. Dave Ng.

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Our Company

Our Company was incorporated on 7 September 2021 with limited liability in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 ordinary shares with a par value of HK\$0.01 each. One nil-paid Share was allotted and issued to the initial subscriber to the memorandum and articles of association of our Company, which was then transferred to Lofty Profit on the same date. After the aforesaid share transfer, the then issued share capital of our Company was wholly-owned by Lofty Profit.

Rise Nation

Rise Nation was incorporated on 2 July 2021 in the BVI with limited liability. On incorporation, Rise Nation was authorised to issue a maximum of 50,000 shares of a single class each with a par value US\$1.00. On 20 September 2021, one fully paid share, representing all of its issued share, of Rise Nation was issued and allotted at par to our Company. After the allotment and issue, Rise Nation was wholly-owned by our Company.

Total Wisdom

Total Wisdom was incorporated on 12 July 2021 in the BVI with limited liability. On incorporation, Total Wisdom was authorised to issue a maximum of 50,000 shares of a single class each with a par value US\$1.00. On 10 September 2021, one fully paid share, representing all of its issued share, of Total Wisdom was issued and allotted at par to Lofty Profit. After the allotment and issue, Total Wisdom was wholly-owned by Lofty Profit.

On Thrive Holdings

On Thrive Holdings was incorporated in the BVI on 2 July 2021 which was authorised to issue a maximum of 50,000 shares of a single class each with a par value US\$1.00. On 10 September 2021, one fully paid share of On Thrive Holdings, representing all of its issued share, was issued and allotted at par to Lofty Profit. After the allotment and issue, On Thrive Holdings was wholly-owned by Lofty Profit.

(2) Reorganisation of our operating subsidiaries

The following transfers took place:

- (a) the 30 ordinary shares (representing 30% of the entire issued share capital) of Easy Smart Maintenance owned by Mr. Dave Ng were transferred to Easy Smart Engineering on 15 September 2021 at a consideration of HK\$1,987,622 which was determined after taking into account the unaudited net asset value of Easy Smart Maintenance as of 31 July 2021; and

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- (b) the 100 ordinary shares (representing 1% of the entire issued share capital) of Easy Smart Engineering owned by Ms. Lim were transferred to Mr. Dave Ng on 15 September 2021 at a consideration of HK\$659,975 which was determined after taking into account the unaudited net asset value of Easy Smart Engineering as of 31 July 2021.

As a result of the above transfers,

- (a) the entire issued share capital of Easy Smart Maintenance was held by Easy Smart Engineering since 15 September 2021; and
- (b) the entire issued share capital of Easy Smart Engineering was held by Mr. Dave Ng since 15 September 2021.

(3) Acquisition of our operating subsidiaries

Acquisition of Easy Smart Engineering

On 19 October 2021, Mr. Dave Ng (as vendor) and Lofty Profit (as purchaser) entered into a sale and purchase agreement, pursuant to which Mr. Dave Ng (as transferor) transferred his 10,000 shares of and in Easy Smart Engineering (representing the entire issued share capital) to Total Wisdom (as transferee) as directed by Lofty Profit; and in consideration of which Lofty Profit allotting and issuing 79 shares of a par value US\$1.00 each in Lofty Profit, credited as fully paid to Mr. Dave Ng.

Acquisition of E-Build Technology

On 19 October 2021, Mr. Dave Ng (as vendor) and Lofty Profit (as purchaser) entered into a sale and purchase agreement, pursuant to which Mr. Dave Ng (as transferor) transferred his 100 shares of and in E-Build Technology (representing the entire issued share capital) to On Thrive Holdings (as transferee) as directed by Lofty Profit and in consideration of which Lofty Profit allotting and issuing 20 shares of a par value US\$1.00 each in Lofty Profit, credited as fully paid to Mr. Dave Ng.

After the aforesaid two acquisitions,

- (a) Easy Smart Engineering became a wholly-owned subsidiary of Total Wisdom;
- (b) E-Build Technology became a wholly-owned subsidiary of On Thrive Holdings;
- (c) each of Easy Smart Engineering, Easy Smart Maintenance and E-Build Technology became an indirect wholly-owned subsidiary of Lofty Profit; and

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- (d) the total number of issued shares of Lofty Profit was 100 shares of a par value of US\$1.00 each which was wholly owned by Mr. Dave Ng.

(4) Acquisition of On Thrive Holdings and Total Wisdom by Rise Nation as directed by our Company

Our Company (as purchaser) entered into a sale and purchase agreement with Lofty Profit (as the vendor) and Mr. Dave Ng (as the vendor's warrantor) on 23 December 2021, pursuant to which our Company directed Rise Nation as transferee to acquire one share in On Thrive Holdings and one share in Total Wisdom from Lofty Profit and in consideration for the acquisitions, the one nil-paid subscriber Share and registered in the name of Lofty Profit was credited as fully paid together with a further 9,999 Shares was allotted and issued to Lofty Profit as all credited as fully paid.

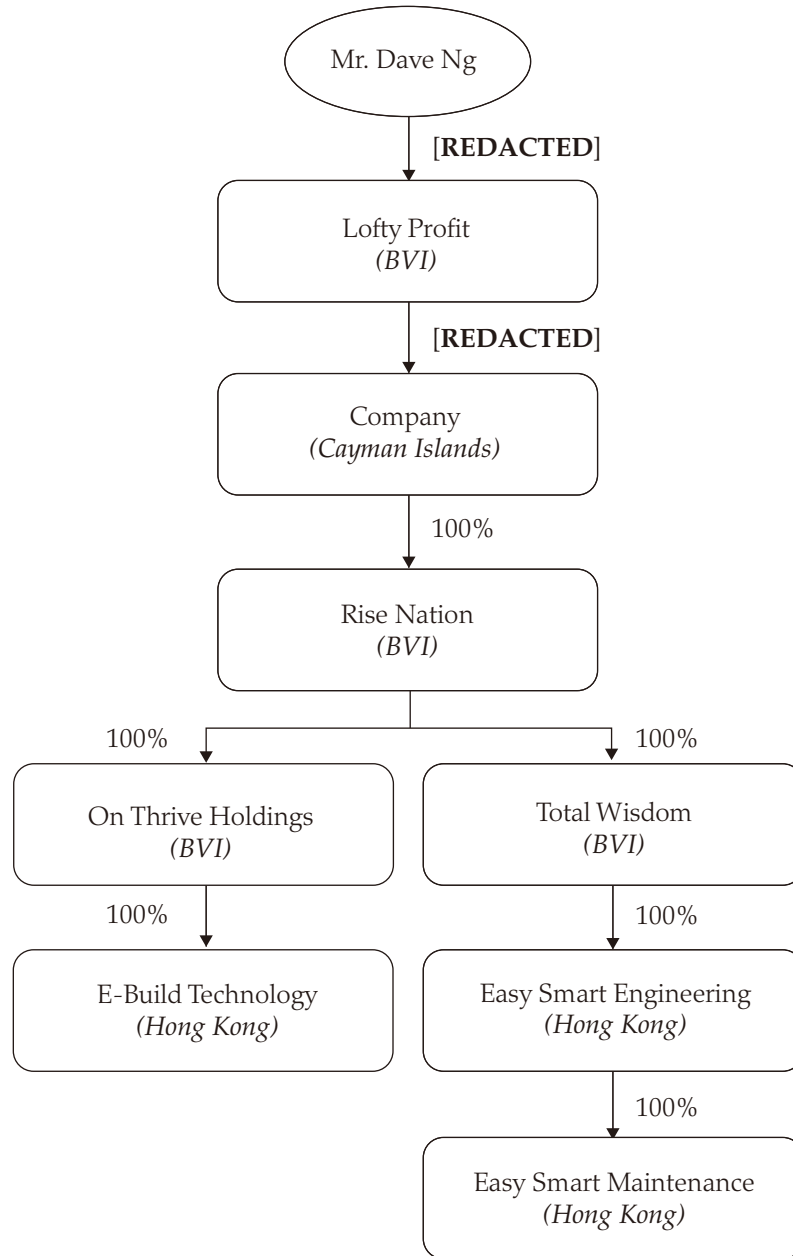
After the aforesaid share transfers,

- (a) each of On Thrive Holdings and Total Wisdom became a wholly-owned subsidiary of Rise Nation;
- (b) each of Easy Smart Engineering, Easy Smart Maintenance and E-Build Technology became an indirect wholly-owned subsidiary of our Company;
- (c) Lofty Profit holds 10,000 fully paid shares in our Company, being the entire issued share capital of our Company.

After completion of the aforesaid share transfers, our Company held one share of Rise Nation (representing all of its issued share), and our Company became the holding company of other members of our Group.

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The following chart set forth the corporate structure of our Group immediately after completion of the Reorganisation but before the [REDACTED] and the [REDACTED]:



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The following chart sets forth our shareholding and corporate structure immediately after completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be issued upon the exercise of the [REDACTED] and any options which may be granted under the Share Option Scheme).

