

OUR HISTORY AND DEVELOPMENT

Our origins trace back to 1995, when Mr. Wong Choihing, our chairman, executive Director and chief executive officer, together with his siblings and their families (collectively, the “**Wang Family Group**”), first commenced the development of trade center projects in the PRC. Such projects were developed under the business name “Howard” (“豪德”) and held by various project companies established under PRC laws. Since 1995 and until 2010, the Wang Family Group has developed 19 trade center projects (the “**Howard Projects**”) in seven provinces in China. Our chairman, Mr. Wong, has therefore accumulated approximately 18 years of extensive experience in the trade center development industry.

Family Allocation

In the first half of 2010, given the management experience gained through the development of the Howard Projects, Mr. Wong, our chairman, perceived the potential to further expand the business by pursuing an overseas listing, which would provide opportunities to expand the shareholder base and gain access to capital markets for financing needs. Discussions commenced within the Wang Family Group regarding the listing plan and eventually in October 2010, Mr. Wang Dewen, Mr. Wang Quanguang, Mr. Wang Jianli, Mr. Wang Desheng, Mr. Wang Dekai, Mr. Huang Dehong and Mr. Wong Sheungtak decided to pursue the listing plan together with Mr. Wong, our chairman; while Mr. Wong’s other siblings, namely Mr. Wang Zhongsheng, Mr. Wang Changxing, Mr. Wong Cheunglee, Mr. Wang Qunli, Ms. Wang Guizhu, and their relevant family members (the “**Other Wang Family Members**”) chose to continue their existing businesses on their own without participating in the listing plan. Mr. Wong Choihing, Mr. Wang Dewen, Mr. Wang Quanguang, Mr. Wang Jianli, Mr. Wang Desheng, Mr. Wang Dekai, Mr. Huang Dehong and Mr. Wong Sheungtak became our Ultimate Controlling Shareholders. For details of the family relationships among our Ultimate Controlling Shareholders, please refer to the section headed “Relationship with Our Controlling Shareholders – Overview – Our Controlling Shareholders” in this prospectus.

To better define the ownership and management structures of the Howard Projects for the purpose of preparing for the listing, our Ultimate Controlling Shareholders further negotiated with the Other Wang Family Members and reached an agreement in October 2010 in respect of the allocation of interests in the Howard Projects (the “**Family Allocation**”). The Family Allocation was a complex, delicate process involving the allocation of assets or interests in the existing businesses among a group of closely connected family members, who decided to split up into two independent groups with diverging goals going forward. Under the special circumstances, no written agreements were entered into in respect of the Family Allocation and no valuation appraised by independent valuers was undertaken when negotiating the Family Allocation. Instead, the Wang Family Group placed their focus on more subjective, personal factors, such as (i) participation by each relevant member of the Wang Family Group in the management of the Howard Projects; (ii) historical overall allocation of work and contributions made by each relevant member of the Wang Family Group to the Howard Projects since their early development stages; and (iii) the desire for a more balanced distribution and/or level of wealth among the Wang Family Group. There was no monetary consideration involved in the allocation of the Howard Projects among the Wang Family Group pursuant to the Family Allocation.

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Under the Family Allocation, two trade center projects, namely the Ningxiang Trade Center and the Jining Trade Center, were allocated to our Ultimate Controlling Shareholders, which subsequently formed part of our Group. Allocation of the Ningxiang Trade Center and the Jining Trade Center into our Group was determined mainly taking into account that: (i) they were the only two projects for which all the directors and key senior management positions were taken up by our Ultimate Controlling Shareholders since the respective establishment date of their project companies and up to immediately prior to the Family Allocation, and (ii) at the time of the Family Allocation, both of the two projects were relatively new projects in the early development stage for Phase I whereas all the other Howard Projects were either completed or had at least completed Phase I of their development.

The entire interests in 14 other Howard Projects (the “**Excluded Howard Projects**”) were allocated to the Other Wang Family Members, and our Ultimate Controlling Shareholders agreed not to hold any interest or any management position in any of the Excluded Howard Projects. To the best knowledge of the Company, immediately prior to the Family Allocation, the Excluded Howard Projects were either completed or had at least completed Phase I of their development. The paid up capital of the project companies holding the Excluded Howard Projects was in the range of approximately RMB8.53 million and RMB100 million. The Excluded Howard Projects were located in 14 cities in the PRC with an aggregate completed GFA of approximately 3,650,000 sq.m. To the best knowledge of the Company, at the time of the Family Allocation, our Ultimate Controlling Shareholders were also not aware that (i) there was any past or ongoing litigation or third party dispute in connection with the Excluded Howard Projects, or (ii) any of the Excluded Howard Projects was loss making.

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The following table sets forth certain information regarding the Group's trade center projects, the Excluded Howard Projects and the Other Projects at July 31, 2013:

No.	Company Name	Trade Center	Location	Latest Development Status (as at July 31, 2013)	Functional/principal constituents	Approximate distance (km) from the Group's closest trade center in the province	Actual/estimate total saleable GFA (sq.m.) (as at July 31, 2013)	Saleable GFA (sq.m.) undelivered (as at July 31, 2013) ⁽¹⁾
THE GROUP'S TRADE CENTER PROJECTS								
1	Ningxiang Hydoo Guangcai Trade Center Development Company Limited	Ningxiang Trade Center	Ningxiang, Hunan Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Freight-forwarding market, Commercial and exhibition center, Warehouse, Bus terminal and information center, Serviced apartments, Hotel	N/A ⁽²⁾	417,937	153,690
2	Jining Hydoo Logistics Center Development Company Limited	Jining Trade Center	Jining, Shandong Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Shopping mall, Commercial center, Hotel, Warehouses, Serviced apartments, Office buildings, Residential area	N/A ⁽²⁾	1,196,374	969,559
3	Guangxi Yulin Modern Trade Center Development Company Limited	Yulin Trade Center	Yulin, Guangxi Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Shopping mall, Hotel, Serviced apartments, Office buildings	N/A ⁽²⁾	545,575	465,229
4	Ganzhou Logistics Park	Ganzhou Trade Center	Ganzhou, Jiangxi Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Shopping mall, Commercial and exhibition center, Food Street, Hotel, Warehouses, Bus terminal and shipping depot, Office buildings, Residential area	N/A ⁽²⁾	2,912,295	2,912,295
5	Mianyang West Modern Trade Center Development Company Limited	Mianyang Trade Center	Mianyang, Sichuan Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Commercial pedestrian street, Supporting buildings and facilities	N/A ⁽²⁾	312,481	312,481
6	Heze Hydoo Commercial and Trade Center Company Limited	Heze Trade Center	Heze, Shandong Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Shopping mall, Residential area, Office buildings, Supporting buildings and facilities	N/A ⁽²⁾	556,932	556,932
7	Xingning Hydoo Commercial and Trade Center Company Limited	Xingning Trade Center	Xingning, Guangdong Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Office buildings, Supporting buildings and facilities	N/A ⁽²⁾	194,804	194,804

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No.	Company Name	Trade Center	Location	Latest Development Status (as at July 31, 2013)	Functional/principal constituents	Approximate distance (km) from the Group's closest trade center in the province	Actual/estimate total saleable GFA (sq.m.) (as at July 31, 2013)	Saleable GFA (sq.m.) undelivered (as at July 31, 2013) ⁽¹⁾
8	Wuzhou Hydoo Commercial and Trade Center Development Company Limited	Wuzhou Trade Center	Wuzhou, Guangxi Province	Please refer to "Business – Our Trade Center Projects"	Wholesale trading markets, Commercial and exhibition center, Shopping mall, Residential area, Office buildings, Hotel, Supporting buildings and facilities	N/A ⁽²⁾	899,122	899,122
9	Yantai Hydoo	Yantai Trade Center	Yantai, Shandong Province	Properties to be developed	N/A ⁽³⁾	N/A ⁽²⁾	240,000	240,000
10	Lanzhou Hydoo Commercial and Trade Center Company Limited	Lanzhou Trade Center	Lanzhou, Gansu Province	Properties to be developed	N/A ⁽³⁾	N/A ⁽²⁾	600,000	600,000
EXCLUDED HOWARD PROJECTS⁽⁵⁾								
1	Ji'an Commercial and Trade Center Development Company Limited	Ji'an Trade Center	Ji'an, Jiangxi Province	Completed	Wholesale trading market, residential complex and storage	189 km	356,964.66	–
2	Yichun Commercial and Trade Center Development Company Limited	Yichun Trade Center	Yichun, Jiangxi Province	Completed	Wholesale trading market and commercial and residential building	318 km	138,405.82	–
3	Fuzhou Howard Commercial and Trade Center Development Company Limited	Fuzhou Trade Center	Fuzhou, Jiangxi Province	Completed	Wholesale trading market and commercial building	394 km	150,985.83	–
4	Kaifeng Howard Commercial and Trade Center Development Company Limited	Kaifeng Trade Center	Kaifeng, Henan Province	Completed	Wholesale trading market, bus station and commercial and residential complex	N/A ⁽⁴⁾	179,224.10	–
5	Jingdezhen Howard Commercial and Trade Center Development Company Limited	Jingdezhen Trade Center	Jingdezhen, Jiangxi Province	Completed	Wholesale trading market and bus station	576 km	184,981.25	–
6	Baotou Howard Commercial and Trade Center Development Company Limited	Baotou Trade Center	Baotou, Inner Mongolia Province	Completed	Wholesale trading market and residential complex	N/A ⁽⁴⁾	236,665	–
7	Weifang Howard Commercial and Trade Center Development Company Limited	Weifang Trade Center	Weifang, Shandong Province	Phase 1 and Phase 2 completed	Wholesale trading market, bus station, storage and freightforwarding market	252 km	471,869.96	–
8	Yuncheng Howard Commercial and Trade Center Development Company Limited	Yuncheng Trade Center	Yuncheng, Shanxi Province	Phase 1 completed	Wholesale trading market and commercial building	N/A ⁽⁴⁾	441,918.76	–
9	Chaoyang Howard Commercial and Trade Center Development Company Limited	Chaoyang Trade Center	Chaoyang, Liaoning Province	Completed	Wholesale trading market, shopping mall, service apartment and storage	N/A ⁽⁴⁾	245,293.63	–
10	Shuozhou Howard Commercial and Trade Center Development Company Limited	Shuozhou Trade Center	Shuozhou, Shanxi Province	Completed	Wholesale trading market, bus station, commercial and residential building and shopping mall	N/A ⁽⁴⁾	409,338	–
11	Linyi Howard Guangcai Commercial and Trade Center Development Company Limited	Linyi Trade Center	Linyi, Shandong Province	Phase 1 completed	Wholesale trading market	228 km	269,520.40	–
12	Jincheng Howard Guangcai Commercial and Trade Center Development Company Limited	Jincheng Trade Center	Jincheng, Shanxi Province	Phase 1 completed	Wholesale trading market and storage	N/A ⁽⁴⁾	204,109.35	–

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No.	Company Name	Trade Center	Location	Latest Development Status (as at July 31, 2013)	Functional/principal constituents	Approximate distance (km) from the Group's closest trade center in the province	Actual/estimate total saleable GFA (sq.m.) (as at July 31, 2013)	Saleable GFA (sq.m.) undelivered (as at July 31, 2013) ⁽¹⁾
13	Binzhou Howard Commercial and Trade Center Development Company Limited	Binzhou Trade Center	Binzhou, Shandong Province	Phase I completed	Wholesale trading market	362 km	233,815.02	–
14	Laiwu Howard Modern Commercial and Trade Development Company Limited	Laiwu Trade Center	Laiwu, Shandong Province	Phase I completed	Wholesale trading market	205 km	128,047.38	–
OTHER PROJECTS (Projects currently undertaken by the Other Wang Family Members and developed after the Family Allocation)⁽⁵⁾								
1	Pingdu Howard Caifu Commercial and Trade Center Development Company Limited	Pingdu Trade Center	Pingdu, Shandong Province	Phase I in progress	Commodity conferences, storage logistics, leisure, entertainment, office	180 km	1,400,000	–
2	Quxian Changde Commercial and Trade Center Development Company Limited	Quxian Trade Center	Quxian, Sichuan Province	Phase I in progress	Home building materials, exhibition centers, shopping centers, car exhibition center, appliance stores, agricultural commodity trading, hotels	304 km	–	–
3	Huichun Changde International Commercial and Trade Center Development Company Limited	Huichun Trade Center	Huichun, Jilin Province	Phase I in progress	Specialized market development, commercial trading (includes foreign trading), logistics, product exhibition, e-commerce, entertainment, tourism and shopping, residential	N/A ⁽⁴⁾	520,000	–
4	Zhangpu Changde Commercial and Trade Center Development Company Limited	Zhangpu Trade Center	Zhangpu, Fujian Province	Phase I in progress	Commodity trading, warehousing, distribution, information services, financial services, quality inspection, billing summary, commercial offices, residential	N/A ⁽⁴⁾	350,000	–

Notes:

- (1) Information on the saleable GFA undelivered for the Excluded Howard Projects and the Other Projects is not provided as the Company is not privy to such information, and such information is not publicly available.
- (2) Not applicable for the Group's projects.
- (3) Information is not available at this stage as the property is yet to be developed.
- (4) The Group does not have any trade center projects in this province.
- (5) The information on the Excluded Howard Projects after the Family Allocation and the information on the Other Projects are based upon publicly available information to the best knowledge of the Company.

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Apart from the above information, our Company considers it reasonable and appropriate not to include the financial results of the Excluded Howard Projects for the period after the Family Allocation in this prospectus for the reasons that (i) the Excluded Howard Projects have been controlled, managed and operated by the Other Wang Family Members since the Family Allocation; (ii) the Other Wang Family Members do not have any obligation to provide the financial information to our Group, or to allow those information to be disclosed in any public document to be issued by our Group; and (iii) the information, even if provided by the Other Wang Family Members, has not been and could not be independently verified by our Company and it could be incomplete or selective, the disclosure of which would be misleading to the investors.

Other than the Ningxiang Trade Center and the Jining Trade Center and the Excluded Howard Projects, there remains three Howard Projects (the “**Remaining Howard Projects**”). As the project companies holding the Remaining Howard Projects were already deregistered, these projects were neither allocated to our Ultimate Controlling Shareholders, nor to the Other Wang Family Members, under the Family Allocation. These project companies were de-registered because after completion of Phase I of the projects and sale of all the units under the projects, the senior management teams of those projects assessed and concluded that they had no further plan of developing the Remaining Howard Projects. The de-registration was conducted on a voluntary basis and not as a result of any liquidation or winding up procedures initiated by creditors or other stakeholders.

In addition, as part of the Family Allocation, the Other Wang Family Members agreed and confirmed that (i) they did not and will not have any disagreements or disputes as to the equity interests held by our Ultimate Controlling Shareholders in our Company and any members of our Group; (ii) they did not and will not hold any interests in any existing or future projects held by our Group; and (iii) they did not and will not have any claims in any assets, interests and business operations of our Group (the “**Other Wang Family Members’ Confirmation**”). Other than the Family Allocation, there were no other agreements entered into between our Ultimate Controlling Shareholders and the Other Wang Family Members in respect of the development and operations of trade center projects.

The Company’s PRC legal adviser, Global Law Office, advised that (a) the titles to the Ningxiang Trade Center and the Jining Trade Center were duly transferred to the Company’s wholly-owned subsidiary, Hydoo Estate (Ganzhou), in compliance with the applicable PRC laws and regulations, and registered with the relevant competent authorities; (b) upon January 29, 2013, the titles of all of the Excluded Howard Projects were duly transferred to the Other Wang Family Members and/or their designated persons and registered with the relevant competent authorities; (c) the Other Wang Family Members’ Confirmation is legal and enforceable under the PRC laws and regulations; and (d) for those Excluded Howard Projects which were still at the development stage prior to the decision to conduct the Family Allocation, i.e. prior to October 2010, none of them had been involved in any material regulatory non-compliance prior to the Family Allocation.

Independence from the Other Wang Family Members upon Family Allocation

Prior to the Family Allocation, our Ultimate Controlling Shareholders and the Other Wang Family Members developed the Howard Projects together. During the period from 1995 to 2010, each of the Howard Projects was developed by a designated project company established

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under PRC laws. Such project companies were normally established by different combinations of the relevant members in the Wang Family Group (including our Ultimate Controlling Shareholders and the Other Wang Family Members), and each project was initially funded by the paid-up share capital of its designated project company provided by the relevant members in the Wang Family Group. In addition, each of the Howard Projects was managed by a team of directors and senior management members which consisted of different members from the Wang Family Group, including our Ultimate Controlling Shareholders. To maintain efficient management and operation of the Howard Projects, certain personnel (such as project design and sales and marketing department managers) were shared among the Howard Projects, to the extent possible, prior to the Family Allocation. However, the involvement of such personnel in the Excluded Howard Projects and the projects allocated to the Group (the “**Allocated Projects**”) was not simultaneous, as the Excluded Howard Projects and the Allocated Projects had different construction periods. For the avoidance of doubt, such sharing did not extend to sharing of any financial or operational resources (including offices, office equipment, loans, financial systems etc.) among the Howard Projects.

However, immediately upon the Family Allocation, the Excluded Howard Projects have been and will continue to be operated independently from our Group in terms of finance, operation and management. Apart from the Excluded Howard Projects, neither our Group, nor our Ultimate Controlling Shareholders have ever participated in the development of any other trade center projects in the PRC currently undertaken by the Other Wang Family Members (the “**Other Projects**”). Based on the publicly available information, to the best knowledge of the Company, there are four Other Projects which were developed after the Family Allocation and up to the Latest Practicable Date. Since the Family Allocation, any sharing of management resources between our Ultimate Controlling Shareholders and the Other Wang Family Members for the development of the Howard Projects ceased, and there was no transaction between our Group and the Other Wang Family Members in respect of the Excluded Howard Projects, the Other Projects and/or the projects held by our Group. In light of these, our Group and the Other Wang Family Members are and will continue to be two independent groups in the business of trade center development in the PRC.

Furthermore, our Directors decided that, to further enhance the core business of our Group and differentiate the business of our Group from that of Other Wang Family Members, we should develop and operate our trade center projects under the brand name “Hydoo” (毅德). As a result, we have developed all of our new trade center projects under our brand name “Hydoo” (毅德).

In light of (i) the confirmations and undertakings under the Other Wang Family Members’ Confirmation; and (ii) that, since the Family Allocation, our Ultimate Controlling Shareholders and the Other Wang Family Members have been and will continue to develop the trade center business in the PRC independently from each other, our Directors are of the view that any competition from the Other Wang Family Members posed to our Group in connection with the trade center development business in the PRC is in essence not different from the potential competition from any independent third party developers in the same industry.

Further to the above, the Company does not consider any competition existing between the projects held by the Group and the Excluded Howard Projects as well as the Other Projects held by the Other Wang Family Members in terms of their geographical locations, target

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customers or development status because: (1) Although both our Group and the Other Wang Family Members have trade center projects in Jiangxi and Shandong provinces, our Group's projects and the Other Wang Family Members' projects are located in different cities in the same province with substantial physical distance from each other. In addition, the Excluded Howard Projects in Jiangxi and Shandong provinces were either completed or had at least completed Phase I prior to the Family Allocation while our projects in those two provinces are in the process of developing Phase I or still at the preliminary development stage. (2) Furthermore, based on the publicly available information, to the best knowledge of the Company, two of the four Other Projects are located in Shandong and Sichuan provinces, respectively, which are geographically distant from our current projects in those provinces, and the remaining two Other Projects are not located in the same provinces as any of our current projects. (3) In addition, the target customers of the Group's wholesale trading market units are small and medium-sized enterprises with a confined scale of business and focus on the operation of their local business. Given the trade center projects held by our Group and the Other Wang Family Members are either located in different provinces or geographically distant from each other even within the same provinces, the customers for the trade center projects held by our Group and the Other Wang Family Members are in fact different groups of customers with different geographical focuses.

In addition to the above, there are adequate corporate governance measures already in place to manage any potential conflict of interest situations as well as to safeguard our Group's interest against the Controlling Shareholders pursuant to the terms of the Deed of Non-Competition. Please refer to the section headed "Relationship with Our Controlling Shareholders – Independence from Our Controlling Shareholders – Management Independence" for the arrangements applicable to an interested Director in case of a potential conflict of interest, and the section headed "Relationship with Our Controlling Shareholders – Corporate Governance Measures" for the detailed measures to manage any potential conflicting transactions. As such, our Directors take the view that no further corporate governance measures are necessary to manage existing and potential competition and conflict of interest between our Ultimate Controlling Shareholders and the Other Wang Family Members.

Establishment of corporate platform for Listing

Following the Family Allocation, our Company was incorporated on October 19, 2010 as an exempted company with limited liability under the laws of the Cayman Islands. At the time of the establishment, our Company was wholly-owned by Most Trend, which was then 80% held by Mr. Wong Choihing and 20% held by Mr. Wang Quanguang. On July 5, 2011, Hony Capital invested in our Company, through its wholly-owned subsidiary, Top Amuse. Further details regarding the investment is set out in the paragraph headed "Our Corporate Developments – 1. Investment by Hony Capital in our Company" in this section below.

In preparation for the listing, our Ultimate Controlling Shareholders also took other steps to set up an appropriate corporate platform. Having considered that the Wang Family Group's origin and their property development business started in Ganzhou, and that Hydoo Estate (Ganzhou) is a wholly foreign owned enterprise ("WFOE") established by Hydoo HK in 2002

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(which is therefore not subject to the restrictions under the Decision of MOFCOM on the Merger or Acquisition of Domestic Enterprises by Foreign Investors (關於外國投資者併購境內企業的規定)), it was considered suitable to use Hydoo Estate (Ganzhou), instead of establishing a new WFOE, as part of the listing platform as well as the key onshore holding company of the other PRC subsidiaries in the proposed listing group.

As a result, on December 7, 2010, our Company acquired the entire equity interest in Hydoo HK from Hong Kong Howard Group Company Limited, Mr. Wong Choihing and Mr. Wang Quanguang for an aggregate consideration of HK\$100,000, which was determined with reference to the then registered share capital of Hydoo HK, and as such, Hydoo HK became our immediate holding company. Following this, Hydoo Estate (Ganzhou), which is wholly-owned by Hydoo HK, also became a wholly-owned subsidiary of our Company.

Prior to this acquisition, Hydoo Estate (Ganzhou) is the project company which developed (i) Shui'an Xintian, a residential complex located in the Zhanggong district of Ganzhou, in 2005, and (ii) Haode Yinzuo, a high-end residential, commercial and office building project in the Zhanggong district of Ganzhou, in 2008. Following the acquisition of Hydoo Estate (Ganzhou) by our Company, the interest in Shui'an Xintian and Haode Yinzuo, which were the only two residential projects held by Hydoo Estate (Ganzhou), were also injected into our Group. The development of these two projects has been managed by the then general manager of Hydoo Estate (Ganzhou), Mr. Wang Quanguang, one of our Ultimate Controlling Shareholders. Although Shui'an Xintian and Haode Yinzuo were residential and/or commercial property developments, our Directors confirmed that our Group has been focusing on development of trade center projects in the PRC since the commencement of the Track Record Period, which is clearly demonstrated by the commencement of construction of the Ningxiang Trade Center and the Jining Trade Center in 2010 and the development of various new trade center projects, including the Yulin Trade Center, the Mianyang Trade Center, the Ganzhou Trade Center and the Wuzhou Trade Center, and that there were no other non-trade center projects.

Jining Hydoo Modern Industrial Company Limited and Ningxiang Hydoo Guangcai Trade Center Development Company Limited were acquired by Hydoo Estate (Ganzhou) on March 29, 2011 for RMB30 million and on May 18, 2011 for RMB60 million, respectively. Upon completion of these two acquisitions, all our PRC subsidiaries (except for those who were subsequently established) were injected into our Group. Further details of our subsidiaries in our Group are set out in the paragraph headed "Our Group Companies" below in this section.

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OUR MILESTONES

The key business milestones and material developments of our Group are:

Year	Events
1995	Mr. Wong Choihing, our chairman, commenced the development of the first trade center project in Ganzhou
2009	We entered into master investment agreements with respect to the Ningxiang Trade Center and the Jining Trade Center
2010	Our Company was established in 2010 We first acquired land-use rights with respect to the Ningxiang Trade Center and the Jining Trade Center We entered into master investment agreements with respect to the Yulin Trade Center and the Mianyang Trade Center We commenced the construction work at the Ningxiang Trade Center and the Jining Trade Center
2011	We entered into master investment agreements with respect to the Ganzhou Trade Center Hony Capital invested a total of US\$80 million in our Company and is one of our Pre-IPO Investors
2012	We entered into master investment agreements with respect to the Wuzhou Trade Center, the Heze Trade Center and the Xingning Trade Center Ping An Hawking Fund, Creat and Zhenshuo became our 2012 Pre-IPO Investors We acquired land-use rights with respect to the Yulin Trade Center, the Mianyang Trade Center and the Ganzhou Trade Center
2013	We acquired land-use rights with respect to the Wuzhou Trade Center, the Heze Trade Center and the Xingning Trade Center We entered into master investment agreements with respect to the Lanzhou Trade Center and the Yantai Trade Center

OUR CORPORATE DEVELOPMENTS

1. Investment by Hony Capital in our Company

On June 18, 2011, our Company, Most Trend and Mr. Wong Choihing, among others, entered into a share purchase agreement with Top Amuse, a wholly-owned subsidiary of Hony Capital (the “**Hony Share Purchase Agreement**”), pursuant to which our Company issued 12,500 preferred shares of US\$1.00 each, representing 20% of the then enlarged issued capital of our Company (on an as-converted basis), to Top Amuse, for a consideration of US\$80

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million (the “**Hony Capital Subscription Price**”), which was settled on July 11, 2011. Such consideration was determined on an arm’s length basis with regard to the then fair value of the project companies, the development stage of the project companies, as well as their development potentials and prospects. Upon completion of this investment (the “**Hony Investment**”), Hony Capital, through Top Amuse, became a shareholder of our Company on July 5, 2011.

Further details regarding the Hony Investment are set out in the paragraph headed “Pre-IPO Investments” below in this section.

2. Changes in the shareholding of Most Trend

On August 8, 2011 and September 21, 2011, Mr. Wang Quanguang, Mr. Wang Jianli, Mr. Wang Dwen, Mr. Wang Desheng, Mr. Wang Dekai, Mr. Huang Dehong and Mr. Wong Sheungtak acquired shares in Most Trend for a nominal consideration. As at September 21, 2011, these shareholders and their respective shareholdings in Most Trend were as follows:

Name of shareholder	Number of shares in Most Trend	Percentage of shareholding in Most Trend
Wong Choihing	5,920	59.2%
Wang Quanguang.	300	3.0%
Wang Jianli	818	8.2%
Wang Dwen	1,120	11.2%
Wang Desheng.	526	5.3%
Wang Dekai.	640	6.4%
Huang Dehong.	526	5.3%
Wong Sheungtak	150	1.5%
	<u>10,000</u>	<u>100.0%</u>

3. Transfer of our shares to Eminent Ascend and Perfect Partner

On June 28, 2012, pursuant to a board resolution dated June 25, 2012, Most Trend transferred 6,250 shares of US\$1.00 each to Eminent Ascend which is a company wholly-owned by Mr. Wong Kim, a son of Mr. Wong Choihing, for a nominal consideration. The share interest held by Mr. Wong Kim, through Eminent Ascend, will not be counted as part of the public float upon Listing and Mr. Wong Kim will be deemed as one of the Controlling Shareholders.

Our chairman, Mr. Wong Choihing and Mr. Wu Bo have known each other since 2007. Around 2010, after learning from Mr. Wong about the plan to eventually list the trade center development business, Mr. Wu became interested in making a direct investment into our Group. On July 15, 2010, Mr. Wong and Mr. Wu entered into an agreement pursuant to which Mr. Wu agreed to purchase shares equal to approximately 1.25% of the vehicle to be set up for the listing purpose for a total consideration of RMB2.5 million. Such consideration was reached

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on an arm's length basis and was settled in full by Mr. Wu in July 2010. As Mr. Wu was contemplating to change his PRC resident status at that time, it was mutually agreed that a total of 625 shares of US\$1.00 each were to be held by Mr. Wong (through Most Trend) on trust for Mr. Wu until after completion of the change. Subsequently, Mr. Wu decided not to change his resident status and he instructed Mr. Wong to transfer the 625 shares of US\$1.00 each from Most Trend to Perfect Partner, an entity wholly-owned by Mr. Wu, on June 25, 2012. The acquisition of the 625 shares of US\$1.00 each by Mr. Wu is an equity investment in our Company prior to his joining as our chief financial officer. As Mr. Wu, being one of our chief executives, is a connected person, the Shares held by him will not be counted as part of our Company's public float so long as Mr. Wu remains a connected person.

As at June 28, 2012, prior to our Reorganization, the shareholding structure of our Company was as follows:

Beneficial owner	Legal owner	Number of shares/preferred shares of par value US\$1.00 each	Percentage of shareholding in our Company on a fully-diluted basis ⁽¹⁾
Our Ultimate Controlling			
Shareholders	Most Trend	43,125	69%
Hony Capital	Top Amuse	12,500	20%
Mr. Wong Kim.	Eminent Ascend	6,250	10%
Mr. Wu Bo	Perfect Partner	625	1%
		62,500	100%

Note:

(1) Assuming the ratio for conversion of the preferred shares into shares is 1:1.

4. Acquisition of 79% interest in Ganzhou Logistics Park

In around December, 2011, our Company was invited by the Ganzhou municipal government to participate in its proposed project to develop a trade and logistic center in the Ganzhou area. Through the Ganzhou municipal government, we were first introduced to China Metro-Rural Holdings Limited ("**China Metro-Rural**"), which is a company incorporated in the BVI with shares listed on the NYSE and principally engaged in the development and operation of integrated agricultural logistics platforms in the PRC, and an Independent Third Party. Upon the completion of our preliminary due diligence, we recognized the potential of this proposed project and decided to pursue the investment together with China Metro-Rural. At that time, it was agreed that China Metro-Rural would take a controlling stake and a lead management role in this project through its wholly-owned subsidiary, Shenzhen Northeast Commercial and Trade Company Limited ("**Shenzhen Northeast**"), and our Group would participate as a minority shareholder, through Hydoo HK. Therefore, on February 6, 2012, an application was lodged to the Bureau of Commence of Ganzhou Development Zone to establish Ganzhou Logistics Park for which Shenzhen Northeast and Hydoo HK agreed to hold 99% and 1% equity interest therein, respectively. After approximately one month (the "**Application Period**"), Ganzhou Logistics Park was formally established on March 5, 2012.

HISTORY AND CORPORATE STRUCTURE

During the Application Period, China Metro-Rural informed our Company of its decision to take on a minority role in the project instead due to a change in its investment plans. At the same time, we also completed comprehensive due diligence of the project and concluded that it would be in the interest of our Company to take on the role of majority shareholder in Ganzhou Logistics Park. Under this circumstance, we further negotiated with China Metro-Rural which eventually led to the mutual agreement of China Metro-Rural transferring its 79% interest in Ganzhou Logistics Park to Hydoo Estate (Ganzhou). An equity transfer agreement was signed on March 14, 2012, between Hydoo Estate (Ganzhou) and Shenzhen Northeast, pursuant to which Hydoo Estate (Ganzhou) acquired 79% of the equity interest in Ganzhou Logistics Park from Shenzhen Northeast for a consideration of RMB632 million. Such consideration was determined on an arm's length basis, with reference to the registered capital of Ganzhou Logistics Park, which was agreed by both parties as its fair value at that time. We obtained approval for this transfer from the Bureau of Commerce of Ganzhou Development Zone on March 20, 2012. Upon completion of this transfer, Hydoo Estate (Ganzhou), Shenzhen Northeast and Hydoo HK, held 79%, 20% and 1% of the equity interests, respectively, in Ganzhou Logistics Park. The articles of association of Ganzhou Logistics Park, which was signed during the Application Period, provided that China Metro-Rural was entitled to appoint one out of four directors and the Group has the right to appoint the remaining three board seats of Ganzhou Logistics Park. As such, Ganzhou Logistics Park has been accounted for as the Company's subsidiary since its establishment on March 5, 2012.

As China Metro-Rural is independent from our Group, our Group neither had any direct knowledge, nor was offered any detailed reasons by China Metro-Rural, as to why China Metro-Rural had changed its investment plan. To the best knowledge of the Company, such change was an internal decision made by China Metro-Rural and was not due to any adverse issues identified in respect of the project itself.

5. Transfer of 60% equity interest in Ganxian Howard Highway Construction

Pursuant to a joint venture agreement dated April 6, 2002 between Hydoo HK and Ganxian Meilin Bridge Development Company Limited ("**Ganxian Meilin**"), an Independent Third Party, Ganxian Howard Highway Construction Company Limited ("**Ganxian Howard Highway Construction**") was established on May 15, 2002 and was 60% held by Hydoo HK and 40% held by Ganxian Meilin. Ganzhou Howard Highway Construction is principally engaged in the business of bridge development and toll collection for the Ganzhou Meilin bridge. As the business of Ganxian Howard Highway Construction did not align with our business, Hydoo HK transferred its entire equity interest in Ganxian Howard Highway Construction to Ever Tech Investments Limited ("**Ever Tech**") on September 30, 2011. The consideration of US\$4.65 million was determined on an arm's length basis with regard to the then fair value of Ganxian Howard Highway Construction. Upon completion of the transfer on June 28, 2012, Hydoo HK no longer holds any equity interest in Ganxian Howard Highway Construction. At the time of the transfer, Ever Tech was a related party of our Group as Ever Tech was wholly-owned by two of our Ultimate Controlling Shareholders, Mr. Wong Choihing and Mr. Wang Quanguang, and both of them were the only directors of Ever Tech. In order to divest any interest in companies not within our Group in preparation for Listing, Mr. Wong and Mr. Wang transferred the entire equity interest in Ever Tech to an Independent Third Party and resigned as directors in October 2012, and since then, Ever Tech ceased to be a related party of our Group.

HISTORY AND CORPORATE STRUCTURE

OUR GROUP COMPANIES

Prior to our Reorganization, our Company had one direct wholly-owned subsidiary, 13 indirect wholly-owned subsidiaries and one indirect non-wholly-owned subsidiary.

Hydoo HK

Hydoo HK was established by Mr. Wong Choihing and Mr. Wang Quanguang, two of our Ultimate Controlling Shareholders, on January 18, 2002, as an investment vehicle. At the time of establishment, Hydoo HK was held as to 52% by Mr. Wong Choihing and 48% by Mr. Wang Quanguang. Subsequent to several equity transfers, since June 23, 2008, Hydoo HK was held by Mr. Wong Choihing as to 45%, Mr. Wang Quanguang as to 45% and Hong Kong Howard Group Company Limited as to 10% until it was transferred to our Company.

Hong Kong Howard Group Company Limited was established in Hong Kong on August 26, 1993 as an investment vehicle. At the time of establishment, Mr. Wong Cheunglee, one of the Other Wang Family Members, and Chan Lik, an independent third party, each held 50% of the equity interest in Hong Kong Howard Group Company Limited. After several equity transfers, it was 30% held by Mr. Wong Cheunglee, 20% held by Mr. Wang Quanguang and 50% held by Mr. Wong Choihing at the time of acquisition of Hydoo HK by our Company.

Hydoo HK has an authorized share capital of HK\$10,000,000, divided into 10,000,000 shares of HK\$1.00 each and prior to our Reorganization, was the direct wholly-owned subsidiary of our Company and the holding company of Hydoo Estate (Ganzhou) and Jining Hydoo Modern Logistics.

Hydoo Estate (Ganzhou)

Hydoo Estate (Ganzhou) was a wholly foreign owned enterprise established by Hydoo HK in the PRC on July 16, 2002. The initial amount of registered capital upon incorporation was US\$6,050,000 which was fully paid up. Prior to our Reorganization, Hydoo Estate (Ganzhou) was the holding company of all of our PRC subsidiaries other than Jining Hydoo Modern Logistics. Please refer to the sub-section headed “Our History and Development – Establishment of Corporate Platform for Listing” for further details regarding the two projects held by Hydoo Estate (Ganzhou) immediately prior to its acquisition by our Company.

Jining Hydoo Modern Logistics

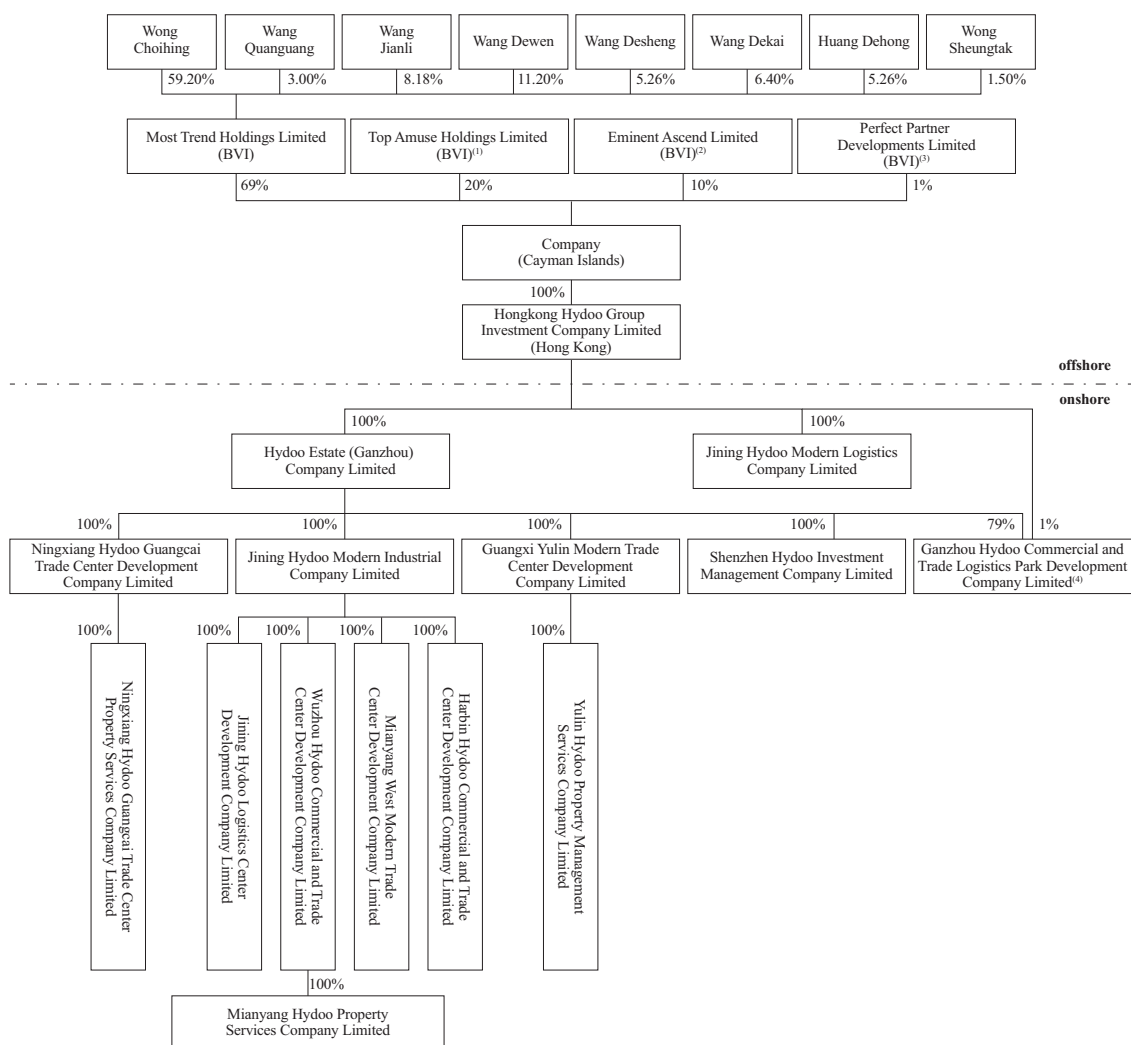
Jining Hydoo Modern Logistics was incorporated in the PRC on September 2, 2011 as a limited liability company. The initial amount of registered capital upon incorporation was US\$30,000,000 which was fully paid up.

Details of our other PRC subsidiaries are set out in the section headed “Statutory and General Information – A. Further Information about our Group – 2. Subsidiaries” in this prospectus.

HISTORY AND CORPORATE STRUCTURE

REORGANIZATION

Beginning in September 2012, we underwent the Reorganization in preparation for the Listing. The following chart shows the shareholding structure and corporate structure of our Group immediately prior to our Reorganization (assuming all the preferred shares with a par value of US\$1.00 each held by Top Amuse have been converted into shares with a par value of US\$1.00 each on a one for one basis):



Notes:

- (1) Top Amuse (BVI) is wholly-owned by Hony Capital.
- (2) Eminent Ascend (BVI) is wholly-owned by Mr. Wong Kim.
- (3) Perfect Partner (BVI) is wholly-owned by Mr. Wu Bo.
- (4) Ganzhou Logistics Park is owned as to 20% by Shenzhen Northeast, which is wholly-owned by China Metro-Rural Limited, an Independent Third Party.

HISTORY AND CORPORATE STRUCTURE

Our Reorganization comprised the following steps:

(1) 2012 Pre-IPO Investments and increase in the authorized share capital of our Company

For the purpose of issuing and allotting Shares to the 2012 Pre-IPO Investors pursuant to the 2012 Pre-IPO Investment Agreements, our Company's shareholders passed two written resolutions on November 22, 2012 and December 21, 2012 to increase the authorized share capital of our Company from US\$62,500 divided into 50,000 shares with a par value of US\$1.00 per share and 12,500 preferred shares with a par value of US\$1.00 per preferred share to US\$67,703 divided into 55,203 shares with a par value of US\$1.00 per share and 12,500 preferred shares with a par value of US\$1.00 per preferred share, by the creation of an additional of 5,203 shares with a par value of US\$1.00 per share.

Our Company, Most Trend, our Ultimate Controlling Shareholders and Eminent Ascend (as pledgor) entered into an investment agreement with Ping An Hawking Fund on November 8, 2012 (the "**Ping An Hawking Fund Investment Agreement**"), and a supplemental investment agreement with Ping An Hawking Fund on December 5, 2012 (the "**Supplemental Ping An Hawking Fund Investment Agreement**"), pursuant to which Ping An Hawking Fund subscribed for an aggregate of 2,031 shares with a par value of US\$1.00 each for a total consideration of HK\$178 million (the "**Ping An Hawking Fund Subscription Price**"). All such 2,031 shares were fully paid up.

On December 10, 2012, our Company, Most Trend and our Ultimate Controlling Shareholders entered into (i) an investment agreement with Creat (the "**Creat Investment Agreement**"), pursuant to which Creat subscribed for 2,156 shares with a par value of US\$1.00 each for a consideration of HK\$188.976 million and (ii) an investment agreement with Zhenshuo (the "**Zhenshuo Investment Agreement**"), pursuant to which Zhenshuo subscribed for 1,016 shares with a par value of US\$1.00 each for a consideration of HK\$89 million. All of the shares subscribed by Creat and Zhenshuo were fully paid up.

Immediately following the completion of the 2012 Pre-IPO Investments, each of Ping An Hawking Funds, Creat and Zhenshuo held 3.000%, 3.185% and 1.501% of the then issued share capital of the Company (assuming all the preferred shares with a par value of US\$1.00 each held by Top Amuse have been converted into shares with a par value of US\$1.00 each on a one-for-one basis).

Further details on the 2012 Pre-IPO Investments are set out in the paragraph headed "Pre-IPO Investments" in this section below.

(2) Transfer of 100% equity interest in Harbin Trade Center Company

In October 2011, our Group and China South City Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1668)) ("**CSC**") were invited by the Harbin municipal government to develop a trade center in Harbin. Based on the due diligence and assessment of the business potential, our Group decided to pursue this investment

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opportunity and entered into a memorandum of understanding with CSC and the Harbin municipal government to develop a trade center in Harbin. Harbin Trade Center Company, a direct, wholly-owned subsidiary of Jining Modern Industrial, was established in December 2011 for this development.

As part of our business strategy, we continuously assess and monitor the deployment and allocation of our financial and management resources among the various projects of our Group, including opportunities of new projects that become available from time to time. Based on these assessments, in November 2012, our Directors were of the view that the Group could re-allocate our resources to certain other development opportunities in other cities in the PRC with potentially higher returns for our Group. As a result, to ensure an efficient use of our time and resources, our Directors strategically decided to dispose our interest in the Harbin Trade Center.

At that time, we considered that it was commercially reasonable to sell Harbin Trade Center Company to Harbin China South City Company Limited (“**Harbin CSC**”) (a wholly-owned subsidiary of CSC, being the existing developer in Harbin, rather than seeking a third party purchaser which would be a new entrant to the area. On November 30, 2012, Jining Modern Industrial entered into an equity transfer agreement with Harbin CSC, pursuant to which Jining Modern Industrial transferred its entire equity interest in Harbin Trade Center Company for a consideration of RMB500 million. Such consideration was determined on an arm’s length basis with regard to the then fair value of the Harbin Trade Center and its development prospects and was settled on January 17, 2013. Upon the completion of the transfer, Jining Modern Industrial no longer holds any equity interest in Harbin Trade Center Company.

Immediately before the transfer, Harbin Trade Center Company had land use rights for a total site area of approximately 33,480 sq.m. and entered into the land grant contracts with the land bureau for a total site area of approximately 236,870 sq.m., which could be developed into logistic and trade center with an aggregate estimated GFA of approximately 911,000 sq.m. At that time, Harbin Trade Center Company had commenced preparatory foundation works at the site. Our Directors believe that the transfer realized a reasonable profit and would not have any material adverse effect on the business development and operations of our Group.

As part of the transfer, two of our Ultimate Controlling Shareholders, Mr. Wong Choihing and Mr. Wang Dewen, entered into a non-competition undertaking (the “**Harbin NCU**”) of indefinite duration on November 30, 2012 in favor of Harbin CSC, pursuant to which each of them has unconditionally and irrevocably undertaken to Harbin CSC, that, with effect from the date of the Harbin NCU, unless with prior consent of Harbin CSC, each of them would not, and would procure their associates not to, directly or indirectly engage in the investment, control, management or operation of any commercial wholesale/trade centers, logistics and warehousing businesses in Harbin. In the event of breaching the Harbin NCU, Mr. Wong Choihing and/or Mr. Wang Dewen may be required to cease the breach and be liable to indemnify Harbin CSC for all related losses and damages.

Mr. Wong Choihing and Mr. Wang Dewen considered that it was commercially sensible to enter into the Harbin NCU taking into account that (i) with the investment of substantial resources in developing the trade center project in Harbin, it is not unreasonable for CSC to

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minimize the competition they would face in Harbin, and (ii) the likelihood of either of them re-entering into Harbin by developing another new trade center would be relatively low in the foreseeable future given the more advanced position that CSC has already enjoyed in the Harbin market.

As the Company is not a party to the Harbin NCU, the Group is not bound by the Harbin NCU. In any event, all of our Directors are required to take actions which are consistent with their fiduciary duties under applicable laws and the Listing Rules. As such, we have established a strategic review committee (the “**Committee**”), as an additional corporate governance measure, to evaluate any potential investment opportunities in Harbin presented to our Group. The Committee consists of three independent non-executive Directors and one non-executive Director. The Committee is aware of the restrictions under the Harbin NCU on Mr. Wong Choihing and Mr. Wang Dewen, and their responsibilities include reviewing and assessing any investment opportunities in Harbin that are presented to the Company, at least once every six months, and identifying the steps to be taken in respect of such opportunities. For the avoidance of doubt, neither Mr. Wong Choihing or Mr. Wang Dewen will participate in any review, assessment or decisions made by the Committee. The review results and findings of the Committee (if any) will be disclosed in the Company’s annual and interim reports after the Listing.

Our Ultimate Controlling Shareholders, Mr. Wong Choihing and Mr. Wang Dewen served as directors of China South City Xi’an Company Limited (“**CSC Xi’an**”), a company incorporated in the PRC on November 12, 2009 principally engaging in the development and management of integrated logistic trade centers, and a non-wholly owned subsidiary of CSC, from November 8, 2009 until they both resigned on November 19, 2012. Our senior management, Mr. Huang Wenbin and Mr. Zhao Yande, previously served as the senior management of CSC Xi’an, and Mr. Ma Yi previously served as the senior management of China South International Industrial Materials City (Shenzhen) Co. Ltd., a wholly-owned subsidiary of CSC. See “Directors and Senior Management – Senior Management.” Since their respective resignation dates, none of Mr. Wong, Mr. Wang, Mr. Huang, Mr. Zhao or Mr. Ma had any role or position, or any equity interest, in CSC or any of its associates and hence, would not pose any conflicts of interest or otherwise to our Group.

Other than the above, none of our Ultimate Controlling Shareholders, Directors or senior management had any role or position, or any equity interest, in CSC or any of its associates during the Track Record Period and up to the Latest Practicable Date. In addition, other than the transfer of 100% equity interest in Harbin Trade Center Company to Harbin CSC, no transactions were entered into between our Group and CSC during the Track Record Period and up to the Latest Practicable Date, and our Company currently does not have plans to enter into any transactions with CSC in the future.

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(3) Acquisition of 20% equity interest in Ganzhou Logistics Park

In late 2012, to further implement the change in its investment plans, China Metro-Rural agreed to transfer its remaining 20% equity interest in Ganzhou Logistics Park to our Company. Pursuant to an equity transfer agreement dated December 25, 2012, entered into between Hydoo Estate (Ganzhou) and Shenzhen Northeast, Shenzhen Northeast transferred its remaining 20% equity interest in Ganzhou Logistics Park to Hydoo Estate (Ganzhou) for a consideration of RMB150 million, which was settled on January 17, 2013. At the time of the negotiation, Ganzhou Logistics Park has already obtained the land-use rights for the Ganzhou Trade Center comprising a total site area of 1,475,298, sq.m. and certain construction permits, and has also commenced construction of certain components for Phase I of the Ganzhou Trade Center. As a result of these project developments, both parties agreed that the then estimated value of the Ganzhou Trade Center had increased. Taking into account of various factors including the increased estimate value for the Ganzhou Trade Center as well as the remaining interest held by Shenzhen Northeast only being a minority stake, the consideration was finally determined at RMB150 million by both parties based on the arm's length negotiation. We obtained approval for this transfer from the Bureau of Commerce of Ganzhou Development Zone, and the approval certificate was issued on January 12, 2013. Upon completion of this transfer, Hydoo Estate (Ganzhou) and Hydoo HK holds 99% and 1% of the equity interest in Ganzhou Logistics Park, respectively.

(4) Acquisition of 1% equity interest in Ganzhou Logistics Park

To further streamline our corporate structure, we decided to transfer Hydoo HK's 1% equity interest in Ganzhou Logistic Park to Hydoo Estate (Ganzhou). Pursuant to an equity transfer agreement dated March 1, 2013 entered into between Hydoo Estate (Ganzhou) and Hydoo HK, Hydoo HK transferred its entire equity interest in Ganzhou Logistics Park to Hydoo Estate (Ganzhou) at nil consideration. We obtained approval for this transfer from the Bureau of Commerce of Ganzhou Development Zone on March 6, 2013. Upon completion of this transfer, Ganzhou Logistics Park became the direct, wholly-owned subsidiary of Hydoo Estate (Ganzhou).

(5) Establishment of new subsidiaries

During the period from September 19, 2012 to the Latest Practicable Date, our Company established the following new subsidiaries to advance the business development of our Group:

- (a) Heze Hydoo Commercial and Trade Center Company Limited was established on September 28, 2012, as a direct, wholly-owned subsidiary of Jining Modern Industrial;
- (b) Jining Hydoo Commercial Operation and Management Company Limited was established on November 12, 2012, as a direct, wholly-owned subsidiary of Jining Modern Industrial;

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- (c) Xingning Hydoo was established on December 27, 2012, and is directly controlled by Jining Modern Industrial. Jining Modern Industrial holds 80% of the equity interest of Xingning Hydoo and each of Shenzhen Jiade Estate Company Limited and Shenzhen Yihua Investment Management Company Limited, both of which are Independent Third Parties, holds 15% and 5% of the equity interest of Xingning Hydoo, respectively;
 - (d) Yantai Hydoo Modern Logistics was established on December 28, 2012, as a direct, wholly-owned subsidiary of Hydoo HK. As the approved business scope of Yantai Hydoo Modern Logistics did not cover property development and thus was no longer sufficient for the Group's development, Hydoo HK decided to voluntarily liquidate Yantai Hydoo Modern Logistics pursuant to the shareholder's resolution dated March 15, 2013. Such deregistration was completed on August 14, 2013;
 - (e) Ganzhou Hydoo Property Services Company Limited was established on March 6, 2013, as a direct, wholly-owned subsidiary of Ganzhou Logistics Park;
 - (f) Hongkong Hydoo Holding Limited was established on March 25, 2013, as a direct, wholly-owned subsidiary of our Company;
 - (g) To facilitate and further develop our property development business in Yantai, Yantai Hydoo was established on March 26, 2013, as a direct, wholly-owned subsidiary of Hydoo HK;
 - (h) Lanzhou Hydoo Commercial and Trade Center Company Limited was established on May 20, 2013, as a direct, wholly-owned subsidiary of Jining Modern Industrial; and
 - (i) Ganzhou Hydoo Commercial and Operation Management Company Limited was established on May 30, 2013, as a direct, wholly-owned subsidiary of Hydoo HK.
- (6) Further increase in the authorized share capital of our Company by way of (i) issue of Shares and Preferred Shares; (ii) repurchase of all the then issued existing shares with a par value of US\$1.00 each and all the then issued existing preferred shares with a par value of US\$1.00 each and (iii) cancellation of the then authorized but unissued existing shares with a par value of US\$1.00 each and the then authorized but unissued existing preferred shares with a par value of US\$1.00 each**

Pursuant to the resolutions of our Company's shareholders on April 29, 2013, our shareholders approved (i) the increase in the authorized share capital of our Company to an aggregate of US\$67,703 divided into 55,203 existing shares with a par value of US\$1.00 each and 12,500 existing preferred shares with a par value of US\$1.00 each and HK\$80,000,000 divided into 6,522,960,000 Shares and 1,477,040,000 Preferred Shares, by the creation of an additional 6,522,960,000 Shares and 1,477,040,000 Preferred Shares; (ii) the issue of 775 Shares to the holders of the then existing shares with a par value of US\$1.00 each for every then existing share with a par value of US\$1.00 each held; (iii) the issue of 775 Preferred Shares to the holder of the then existing preferred shares with a par value of US\$1.00 each for

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every then existing preferred share with a par value of US\$1.00 each held; (iv) the repurchase of all the then issued existing shares with a par value of US\$1.00 each and existing preferred shares with a par value of US\$1.00 each in exchange for the issue of Shares and Preferred Shares; as mentioned in (ii) and (iii) above, respectively and (v) the cancellation of the then authorized but unissued existing shares with a par value of US\$1.00 each and the then authorized but unissued preferred shares with a par value of US\$1.00 each immediately after the repurchase.

Upon completion of the above steps (and assuming all the Preferred Shares held by Top Amuse have been converted into Shares on a one for one basis), the shareholding structure of our Company is as follows:

Name of Shareholder	Number of Shares	Approximate percentage of shareholdings in our Company on a fully-diluted basis
Most Trend.	33,421,875	63.697%
Top Amuse.	9,687,500	18.463%
Eminent Ascend	4,843,750	9.231%
Ping An Hawking Fund	1,574,025	3.000%
Creat	1,670,900	3.185%
Zhenshuo	787,400	1.501%
Perfect Partner	484,375	0.923%
	52,469,825	100%

(7) Acquisition of 51% equity interest in Ganzhou Jiuzhi

To further develop the property management business, our subsidiary, Hydoo Estate (Ganzhou), decided to acquire from Ms. Fang Li, an Independent Third Party, 51% equity interest in Ganzhou Jiuzhi, which is principally engaged in the business of property management services. Pursuant to an equity transfer agreement dated June 10, 2013 entered into between Hydoo Estate (Ganzhou) and Ms. Fang, Ms. Fang agreed to transfer her 51% equity interest in Ganzhou Jiuzhi to Hydoo Estate (Ganzhou) at consideration of RMB2,652,000, which was settled on June 28, 2013. Upon completion of this transfer on June 30, 2013, Ganzhou Jiuzhi is owned as to 51% by Hydoo Estate (Ganzhou), as to 45.2% by Ms. Fang and as to 3.8% by Mr. Zhong Cheng, an Independent Third Party. The relevant change of registration in the Bureau of Administration for Industry and Commerce of Ganzhou City was completed on July 4, 2013.

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PRE-IPO INVESTMENTS

The table below sets forth key terms and particulars of our Pre-IPO Investments

Name of the Pre-IPO Investor	Date of Investment (DD/MM/YYYY)	Consideration Paid	Settlement date of Consideration (DD/MM/YYYY)	Number of Shares at date of Pre-IPO Investment	Cost per Share paid by the Pre-IPO Investor at date of Pre-IPO Investment	Number of Shares immediately after the Capitalization Issue	Cost per Share paid by the Pre-IPO Investor immediately after the Capitalization Issue	Discount to Maximum Offer Price	Approximate percentage of shareholding interests by the Pre-IPO Investor in our Company ⁽¹⁾	Basis of determining the Consideration	Use of proceeds from the Pre-IPO Investments ⁽²⁾
Top Amuse	18/06/2011	US\$80,000,000	11/07/2011	12,500	US\$6,400	600,000,000	US\$0.13	58.85%	18.463%	The consideration was determined after arm's length negotiations between the parties, taking into account, the then estimated value of the project companies	To provide for costs for the new projects, and to pay off expenses for the existing projects
Ping An Hawking Fund	08/11/2012	HK\$178,000,000	09/11/2012	2,031	HK\$87,642	97,488,000	HK\$1.83	25.31%	3.000%	The consideration was determined after arm's length negotiations between the parties, taking into account, the then estimated value of the Company	To provide for costs for the new projects, and to pay off expenses for the existing projects
Creat	10/12/2012	HK\$188,976,000	21/12/2012	2,156	HK\$87,651	103,488,000	HK\$1.83	25.31%	3.185%	The consideration was determined after arm's length negotiations between the parties, taking into account, the then estimated value of the Company	To provide for costs for the new projects, and to pay off expenses for the existing projects
Zhenshuo	10/12/2012	HK\$89,000,000	13/12/2012	1,016	HK\$87,598	48,768,000	HK\$1.82	25.71%	1.501%	The consideration was determined after arm's length negotiations between the parties, taking into account, the then estimated value of the Company	To provide for costs for the new projects, and to pay off expenses for the existing projects

Notes:

- (1) For illustration purpose, the percentages represent the shareholdings of each Pre-IPO Investor immediately prior to the Capitalization Issue and the Global Offering.
- (2) The proceeds from the Pre-IPO Investments were fully utilized as at the Latest Practicable Date.

(i) Special rights granted to Top Amuse

In addition to the Pre-IPO Investment Agreements, our Company, Most Trend, Eminent Ascend, Perfect Partner, our Ultimate Controlling Shareholders and the Pre-IPO Investors entered into an amended and restated shareholders agreement (the “**Amended and Restated Shareholders Agreement**”) on April 29, 2013, pursuant to which, among other things, Top Amuse, as holder of the Preferred Shares, was granted certain specific rights, including those set out below. The purpose of entering into the Amended and Restated Shareholders Agreement is only to reflect the rights of the 2012 Pre-IPO Investors pursuant to the 2012 Pre-IPO Investment Agreements, which were settled in November 9, 2012, December 13, 2012 and December 21, 2012, respectively, and therefore, this agreement does not constitute a new agreement which would give rise to any new rights or obligations to any of the shareholders (including the Pre-IPO Investors) of the Company beyond December 21, 2012. As such, the signing of the Amended and Restated Shareholders Agreement is consistent with the relevant requirements under the Stock Exchange’s Interim Guidance on Pre-IPO Investments.

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Board representation and veto rights

Top Amuse is entitled to nominate one Director to the Board. Mr. Yuan Bing, our non-executive Director and a nominee of Top Amuse, was nominated by Hony Capital and appointed as a Director on July 8, 2011. In addition, certain matters relating to our Group's business, such as engagement in any business other than our Group's core business, any material amendments to our business plans or financial budget, modification of or amendment to our Company's constitutional documents, and commencement of winding up proceedings of any members of our Group, are subject to prior approval by the Director nominated by Top Amuse.

Information and inspection rights

Top Amuse has the rights to inspect books of account and records of our Company and to access our Company's financial statements upon request. Our Company is also obliged to inform Top Amuse of any events which would materially affect our Group's business, assets, liabilities and/or equity.

Right of first offer and tag along rights

If, prior to the completion of a Qualified IPO (as defined below) and during the period in which Top Amuse still holds Preferred Shares, any of Most Trend, Eminent Ascend or Perfect Partner intends to sell or transfer any of its Shares, Top Amuse shall have a right of first offer to purchase all or a portion of the Shares under the same terms. In the event that Top Amuse decides not to exercise the right of first offer, it shall have the tag along right to participate in such sale or transfer on the same terms.

If, prior to the completion of a Qualified IPO (as defined below), any of the 2012 Pre-IPO Investors intends to sell or transfer any of its Shares, Top Amuse shall have a right of first offer to purchase all or a portion of the Shares under the same terms.

A "Qualified IPO" means our Company's initial public offering of Shares in a qualified internationally recognized stock exchange, and the market value of our Company immediately after the Global Offering is not less than RMB8 billion.

Dividend right

Top Amuse is entitled to receive dividends, out of any funds legally available, prior to and in preference to any declaration or payment of any dividend on the Shares. Such dividend shall begin to accrue when it is declared by the Board, and any declared but unpaid dividend shall be cumulative and non-compounding.

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Conversion of Preferred Shares

Each Preferred Share is convertible, at the option of Top Amuse at any time, into such number of fully paid and non-assessable Shares as follows:

$$A = B/C$$

where:

A = the number of Shares converted from each Preferred Share

B = the subscription price per Preferred Share

C = the conversion price (as adjusted for any corporate reorganization, certain issuances, reclassifications or recapitalization of the common shares in the share capital of the Company, distribution of share dividends, subdivisions or other distributions pursuant to the Articles. In such cases the applicable conversion price for the Preferred Shares will be adjusted according to the relevant mechanisms pursuant to the Amended and Restated Shareholders Agreement.)

In any event, the adjustment to the conversion price of the Preferred Shares will not be linked to the Offer Price or the market capitalization of the Company upon Listing and will be in line with the principles and requirements promulgated by the Stock Exchange. As at the Latest Practicable Date, we expect that the Preferred Shares will be converted into Shares on a one-for-one basis upon the Listing.

Put Option

If our Company fails to complete a Qualified IPO by July 2014, Top Amuse has the right at any time thereafter, to require our Company or Most Trend to redeem all or part of such outstanding Preferred Shares at a redemption price equal to the proportionate purchase price per Preferred Share, plus an amount that would enable Top Amuse to achieve the annual return rate at 12%. Details regarding the accounting treatment of the Preferred Shares are set out in Note 25 to the Accountants' Report in Appendix I to this prospectus.

Automatic conversion feature

Each Preferred Share shall be automatically converted by way of redemption of such Preferred Shares and the issue of fully paid Shares on a one-for-one basis (subject to adjustment in certain circumstances as set forth under the subsection "Conversion of Preferred Shares" above) immediately upon the earlier of (i) the consummation of a Qualified IPO, (ii) immediately prior to the closing of an acquisition by, merger or other combination with another entity where our Company is not the surviving entity where such surviving entity is listed on an internationally recognized stock exchange, or (iii) the date specified by written consent or agreement of Top Amuse.

HISTORY AND CORPORATE STRUCTURE

Liquidation preference

On a return of capital on winding up or liquidation or otherwise (other than on redemption of the Preferred Shares), Top Amuse is first entitled to an amount up to the aggregate purchase consideration paid for the Preferred Shares before paying to the holders of Shares, and then to participate in the distribution of any remaining assets of our Company pro-rata with the holders of Shares based on the number of Shares into which the Preferred Shares are convertible (immediately prior to such distribution).

(ii) Special rights granted to Ping An Hawking Fund, Creat and Zhenshuo

Pursuant to the 2012 Pre-IPO Investment Agreements, the 2012 Pre-IPO Investors have certain special rights and obligations as set forth below.

Rights in case of no Qualified IPO

(a) Ping An Hawking Fund's right to interest

If our Company has not completed a Qualified IPO within one year from November 9, 2012, being the completion date of the Ping An Hawking Fund Investment Agreement (the “**Ping An Hawking Fund Completion Date**”), Ping An Hawking Fund is then entitled to be paid by our Company an annual interest in the amount of HK\$24,920,000, calculated at an annual interest rate of 14% on the subscription price (the “**Ping An Hawking Fund Interest**”) under the Ping An Hawking Fund Investment Agreement.

(b) Repurchase

If our Company has not completed a Qualified IPO in the period commencing one year from the Ping An Hawking Fund Completion Date until July 2014, Ping An Hawking Fund is entitled to require Most Trend, subject to the rights of Top Amuse, to repurchase any or all of our Shares held by it (the “**Ping An Hawking Fund Repurchase Shares**”) within one month upon the receipt of a written notice from Ping An Hawking Fund. The price to be paid for the Ping An Hawking Fund Repurchase Shares is the Ping An Hawking Fund Subscription Price plus interest calculated at an annual interest rate of 14% on the Ping An Hawking Fund Subscription Price after deducting the Ping An Hawking Fund Interest.

If our Company has not completed a Qualified IPO in the period commencing from the respective effective dates of the Creat Investment Agreement and the Zhenshuo Investment Agreement, until July 2014, Creat and Zhenshuo are entitled to require Most Trend, subject to the rights of Top Amuse, to repurchase any or all of our Shares held by them (the “**Creat and Zhenshuo Repurchase Shares**”) within one month upon receipt of a written notice from Creat and Zhenshuo respectively. The price to be paid for the Creat and Zhenshuo Repurchase Shares is their respective subscription price plus interest calculated at an annual interest rate of 14% on their respective subscription price.

HISTORY AND CORPORATE STRUCTURE

Right of first refusal and tag along

If, prior to a Qualified IPO, Most Trend directly or indirectly transfers the Shares owned by it to any third party, the 2012 Pre-IPO Investors are entitled to, subject to the rights of Top Amuse, (i) exercise the right of first refusal to purchase all or part of the Shares owned by Most Trend, or (ii) exercise the tag along right, in proportion to their respective shareholding, to participate in the transfer by Most Trend of the Shares owned by Most Trend, to the third party, on the same terms and conditions offered by Most Trend to the third party.

All special rights of the Pre-IPO Investors shall terminate upon Listing pursuant to the Pre-IPO Investment Agreements and the Amended and Restated Shareholders Agreement.

Background of Our Pre-IPO Investors

Hony Capital is a leading private equity fund which focuses on investments in the greater China region. We believe we will benefit from the investment by Hony Capital, our strategic investor, due to its depth of experience in corporate finance, corporate governance and investment management, as well as its international strategy for and long-term commitment to our business.

Ping An Hawking Fund is a limited partnership registered under the laws of Cayman Islands on August 24, 2012. The partnership interests in Ping An Hawking Fund consist of (i) Hawking (Asia) Capital Management Limited (general partner), a company established under the laws of Cayman Islands on January 5, 2012; (ii) Green Idea Global Limited (limited partner), a company established under the laws of the BVI on February 13, 2012; and (iii) Novel Castle Limited (limited partner), a company established under the laws of the BVI on January 9, 2012. Hawking (Asia) Capital Management Limited, Green Idea Global Limited and Novel Castle Limited are investment holding companies and are Independent Third Parties.

Creat is a company incorporated under the laws of the BVI on December 23, 2010, and is an investment holding company. Creat is wholly-owned by World Charter International Limited, an investment holding company incorporated under the laws of Hong Kong and is directly wholly-owned by Nanchang Hengshi Investment Management Company Limited, a company principally engaged in the business of investment management, which is in turn, wholly-owned by Mr. Zheng Yuewen (鄭躍文), a PRC citizen, a private investor and an Independent Third Party.

Zhenshuo is a company incorporated under the laws of the Cayman Islands on May 27, 2002, and is an investment holding company. Zhenshuo is wholly-owned by Union Score International Limited, an investment holding company incorporated under the laws of Hong Kong and is directly wholly-owned by Nanchang Taile Technology Company Limited, a company principally engaged in the business of computer software and hardware development, which is in turn, wholly-owned by Mr. Huang Shaowu (黃紹武), a PRC citizen, a private investor and an Independent Third Party.

The main strategic benefits of the Pre-IPO Investments are to provide additional capital for our project development and revenue growth.

HISTORY AND CORPORATE STRUCTURE

On October 8, 2013, all the Pre-IPO Investors waived the requirement that the market value of our Company immediately following the completion of the Global Offering be not less than RMB8 billion, and as such, the Global Offering will constitute a Qualified IPO for all the Pre-IPO Investors.

The Joint Sponsors submit that they consider that the Pre-IPO Investments are in compliance with the “Interim Guidance on Pre-IPO Investments” issued by the Listing Committee since the considerations under the Pre-IPO Investments were settled on July 11, 2011, November 9, 2012, December 13, 2012 and December 21 2012, respectively, which was more than 28 clear days before the date of the first submission of the listing application form to the Listing Division of the Stock Exchange in relation to the Listing.

Immediately following the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised and no options granted under the Pre-IPO Share Option Scheme are exercised), each of Top Amuse, Ping An Hawking Fund, Creat and Zhenshuo would be the holder of 600,000,000, 97,488,000, 103,488,000, 48,768,000 Shares, respectively. As each of the 2012 Pre-IPO Investors (other than their respective Pre-IPO Investments) are independent from each other and from our Company and its connected persons, the Shares held by each of the 2012 Pre-IPO Investors are considered to be part of the public float for the purposes of Rule 8.08(1) of the Listing Rules.

Lock-up Undertakings

Each of the Pre-IPO Investors has agreed that it will not, at any time during the period of six months following the Listing Date, dispose of any shares save for limited circumstances.

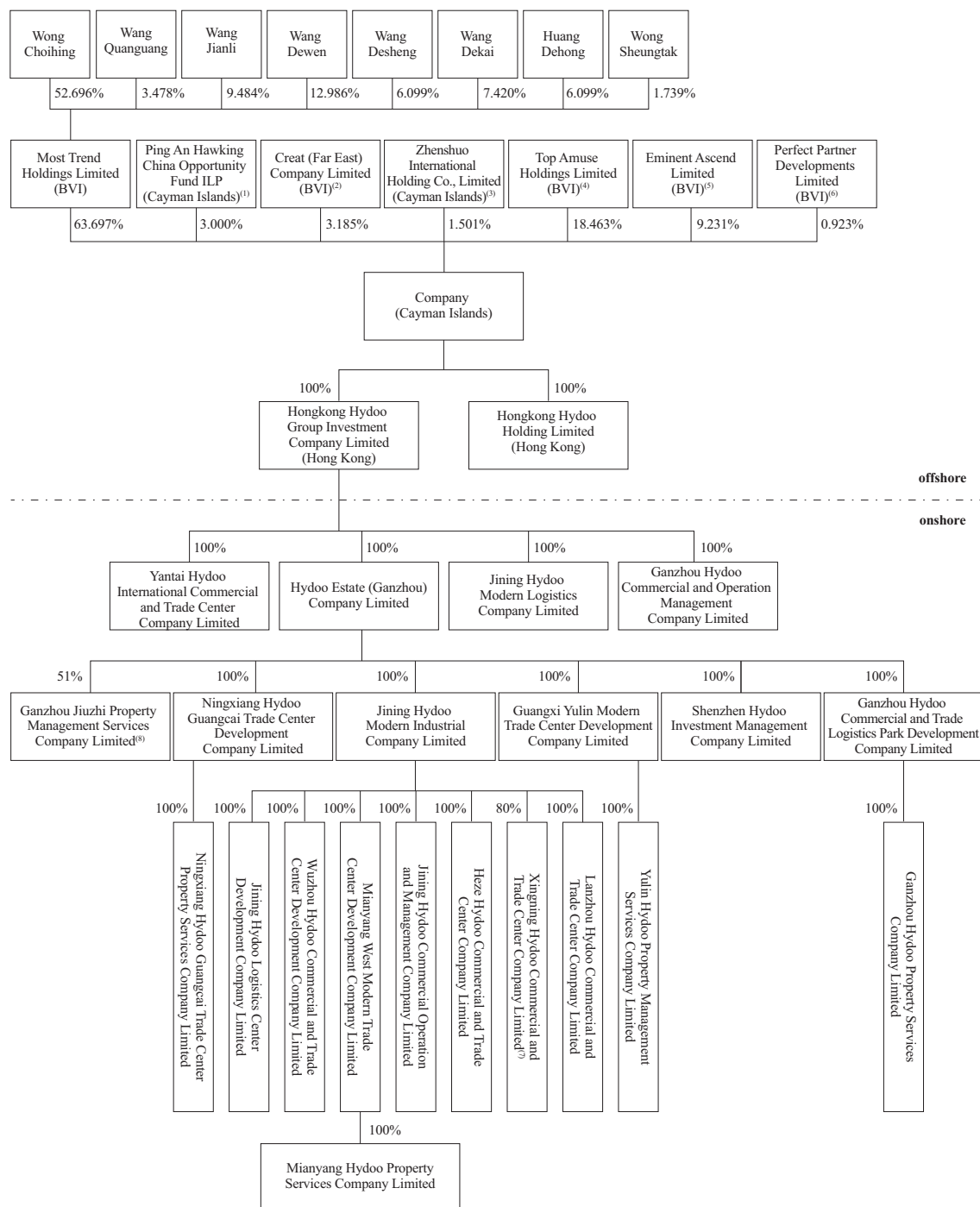
COMPLIANCE WITH THE RELEVANT PRC LAWS AND REGULATIONS

As advised by our PRC Legal Adviser as of the Latest Practicable Date, the establishment and each change in the interest of our PRC subsidiaries have obtained all the necessary approval pursuant to the applicable PRC laws and regulations.

HISTORY AND CORPORATE STRUCTURE

COMPLETION OF THE REORGANIZATION

The corporate structure of our Group immediately after the completion of our Reorganization but before the Capitalization Issue and the Global Offering (assuming all the Preferred Shares held by Top Amuse have been converted into Shares on a one-for-one basis), is set out below:



HISTORY AND CORPORATE STRUCTURE

Notes:

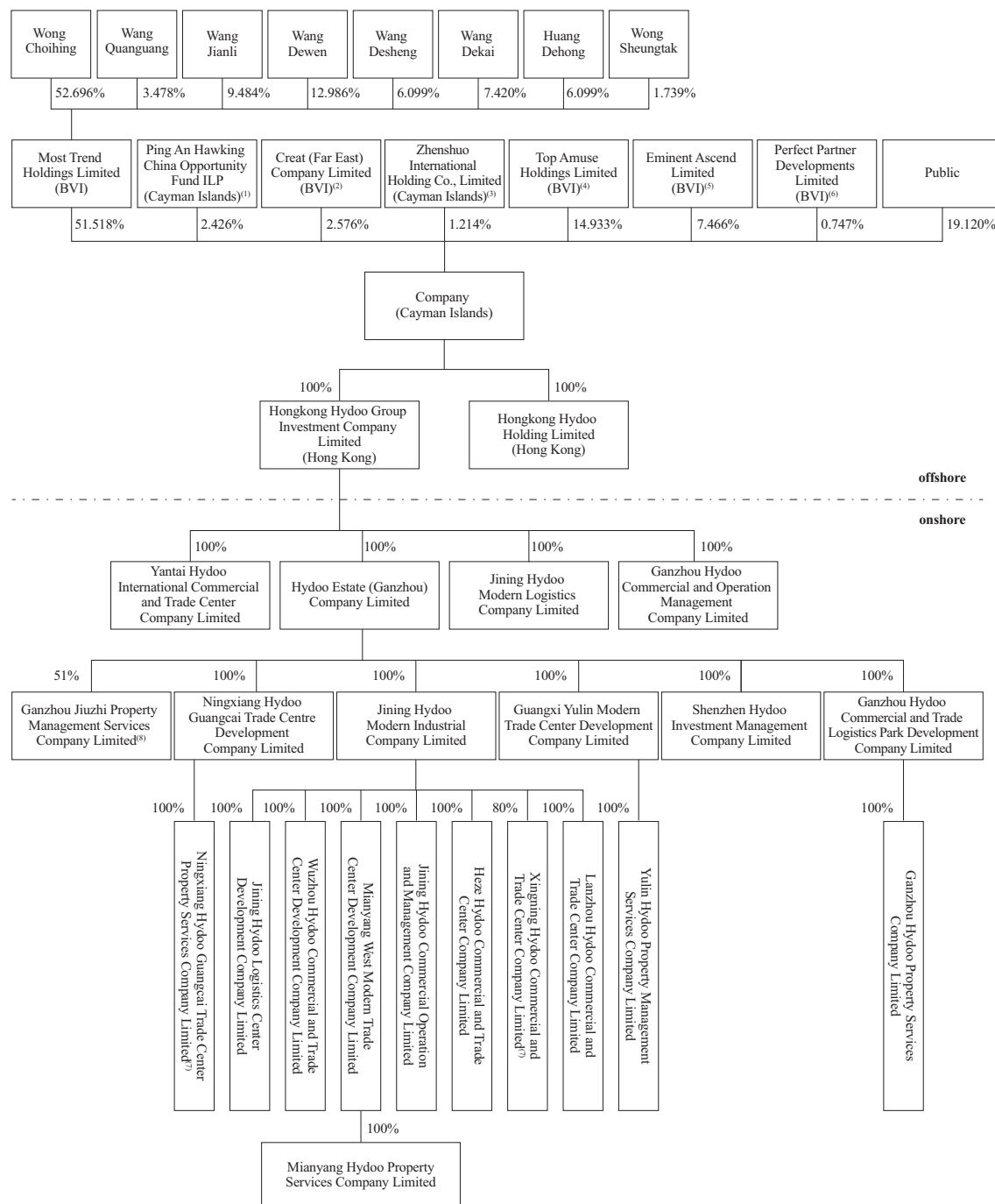
- (1) Ping An Hawking Fund consists of partnership contributions from Hawking (Asia) Capital Management Limited (General Partner) in the amount of US\$1.00, Green Idea Global Limited (Limited Partner) in the amount of HK\$130,000,000 and Novel Castle Limited (Limited Partner) in the amount of HK\$48,000,000. Hawking (Asia) Capital Management Limited, Green Idea Global Limited and Novel Castle Limited are investment holding companies and are Independent Third Parties.
- (2) Creat is wholly-owned by World Charter International Limited. World Charter International Limited is wholly-owned by Nanchang Hengshi Investment Management Company Limited which in turn is wholly-owned by Mr. Zheng Yuewen, an Independent Third Party.
- (3) Zhenshuo is wholly-owned by Union Score International Limited. Union Score International Limited is wholly-owned by Nanchang Taile Technology Company Limited which in turn is wholly-owned by Mr. Huang Shaowu, an Independent Third Party.
- (4) Top Amuse is wholly-owned by Hony Capital.
- (5) Eminent Ascend is wholly-owned by Mr. Wong Kim.
- (6) Perfect Partner is wholly-owned by Mr. Wu Bo.
- (7) Xingning Hydoo is owned as to 80% by Jining Modern Industrial, as to 15% by Shenzhen Jiade Estate Company Limited, an Independent Third Party, and as to 5% by Shenzhen Yihua Investment Management Company Limited, an Independent Third Party.
- (8) Ganzhou Jiuzhi is owned as to 51% by Hydoo Estate (Ganzhou), as to 45.2% by Ms. Fang Li, an Independent Third Party, and as to 3.8% by Mr. Zhong Cheng, an Independent Third Party.

CAPITALIZATION ISSUE

Conditional upon the crediting of our Company's share premium account as a result of the issue of the Offer Shares pursuant to the Global Offering, our Directors are authorized to capitalize an amount of approximately HK\$32.0 million standing to the credit of the share premium account of our Company by applying such sum towards paying up in full at par a total of 3,197,274,175 Shares for allotment and issue, immediately prior to the Listing, to our Shareholders whose names appear on the register of members of our Company at the close of business on the business day preceding the Listing Date, on a pro rata basis.

HISTORY AND CORPORATE STRUCTURE

The corporate and shareholding structure of our Group immediately after completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised and no options granted under the Pre-IPO Share Option Scheme are exercised) is set out below:



Notes:

- (1) Ping An Hawking Fund consists of partnership contributions from Hawking (Asia) Capital Management Limited (General Partner) in the amount of US\$1.00, Green Idea Global Limited (Limited Partner) in the amount of HK\$130,000,000 and Novel Castle Limited (Limited Partner) in the amount of HK\$48,000,000. Hawking (Asia) Capital Management Limited, Green Idea Global Limited and Novel Castle Limited are investment holding companies and are Independent Third Parties.

HISTORY AND CORPORATE STRUCTURE

- (2) Creat is wholly-owned by World Charter International Limited. World Charter International Limited is wholly-owned by Nanchang Hengshi Investment Management Company Limited which in turn is wholly-owned by Mr. Zheng Yuewen, an Independent Third Party.
- (3) Zhenshuo is wholly-owned by Union Score International Limited. Union Score International Limited is wholly-owned by Nanchang Taile Technology Company Limited which in turn is wholly-owned by Mr. Huang Shaowu, an Independent Third Party.
- (4) Top Amuse is wholly-owned by Hony Capital.
- (5) Eminent Ascend is wholly-owned by Mr. Wong Kim.
- (6) Perfect Partner is wholly-owned by Mr. Wu Bo.
- (7) Xingning Hydoo is owned as to 80% by Jining Howard Industrial, as to 15% by Shenzhen Jiade Estate Company Limited, an Independent Third Party, and as to 5% by Shenzhen Yihua Investment Management Company Limited, an Independent Third Party.
- (8) Ganzhou Jiuzhi is owned as to 51% by Hydoo Estate (Ganzhou), as to 45.2% by Ms. Fang Li, an Independent Third Party, and as to 3.8% by Mr. Zhong Cheng, an Independent Third Party.