This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this prospectus. You should read the whole document including the appendices hereto, which constitute an integral part of this prospectus, before you decide to invest in our Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in our Offer Shares are set out in the section headed "Risk Factors". You should read that section carefully before you decide to invest in our Offer Shares.

OVERVIEW

We are a leading logistics service provider in Asia, in terms of revenue and GFA of warehouse managed, with extensive operations across Greater China and other countries in the region, as well as the largest Hong Kong-based international third-party logistics service provider. We are principally engaged in the integrated logistics and international freight forwarding businesses and currently have more than 400 service locations in 35 countries and territories across Asia, Australia, Europe, and North and South America, including three countries in which we operate through our sales staff. In 2012, we were one of the largest third-party logistics service providers in Greater China and ASEAN, in terms of revenue, according to the Armstrong Report. In 2012, we derived approximately 82% of our revenue from Asia. As at the Latest Practicable Date, we managed approximately 39 million sq.ft. of logistics facilities in 19 countries and territories, of which the vast majority was located in 12 countries and territories in Asia.

We have the largest distribution network, in terms of GFA of warehouses managed, among third-party logistics service providers in Greater China and ASEAN, according to the Armstrong Report. In 2012, we managed the largest portfolio of logistics facilities among third-party logistics service providers in Hong Kong, according to the Armstrong Report. We complement our service network by maintaining a large agency network across six continents to further extend the coverage of our international freight forwarding capabilities.

We are currently a wholly-owned subsidiary of KPL, which, together with KGL, will remain our Controlling Shareholders immediately following the completion of the Spin-off. We have been able to leverage the "Kerry" brand, as well as our Asia-based assets and local background and market knowledge, to establish ourselves as a premier logistics service provider in Asia for many multinational corporations. We have a wide and diversified global customer base. We currently serve more than 40 of the Top 100 Brands ranked by Interbrand, a well-recognised global brand consultancy, across a spectrum of industries.

Principal Businesses

We are engaged in the following principal businesses:

- *Integrated logistics*. We provide integrated logistics services, as a third-party logistics service provider, for manufacturers, retailers and other customers worldwide. Our integrated logistics business comprises (i) logistics operations, which involve the provision of a wide range of logistics services, such as storage and value-added services, trucking and distribution, returns management and various ancillary services, primarily in Asia, and (ii) Hong Kong warehouse, which involves the leasing of warehousing space in Hong Kong to our customers.

- *International freight forwarding*. We provide the vast majority of our international freight forwarding services intra-Asia and between Asia and Europe. Our international freight forwarding business involves the provision of air freight, ocean freight and cross-border road freight forwarding services to transport cargo internationally.

The following tables show the segment revenue, after inter-segment eliminations, and segment results for our principal businesses for the periods indicated:

	Year ended 31 December						Six months ended 30 June			
	2010		2011		2012		2012		2013	
	Revenue	Percentage of total	Revenue	Percentage of total	Revenue	Percentage of total	Revenue	Percentage of total	Revenue	Percentage of total
	HK$'000	%	HK$'000	%	HK$'000	%	HK$'000 (unaudited)	%	HK$'000	%
Integrated logistics:										
Logistics operations	4,332,968	39.8	6,392,868	39.9	7,423,720	38.5	3,418,287	38.2	3,958,921	41.6
Hong Kong warehouse	477,605	4.4	496,966	3.1	474,242	2.4	233,686	2.6	234,067	2.4
	4,810,573	44.2	6,889,834	43.0	7,897,962	40.9	3,651,973	40.8	4,192,988	44.0
International freight forwarding	6,069,336	55.8	9,144,477	57.0	11,396,813	59.1	5,302,264	59.2	5,328,801	56.0
Total	10,879,909	100.0	16,034,311	100.0	19,294,775	100.0	8,954,237	100.0	9,521,789	100.0

	Year ended 31 December						Six months ended 30 June			
	2010		2011		2012		2012		2013	
	Segment results	Percentage of total	Segment results	Percentage of total	Segment results	Percentage of total	Segment results	Percentage of total	Segment results	Percentage of total
	HK$'000	%	HK$'000	%	HK$'000	%	HK$'000 (unaudited)	%	HK$'000	%
Integrated logistics:										
Logistics operations	434,120	49.4	588,525	48.4	729,619	50.7	338,730	48.3	401,163	52.4
Hong Kong warehouse	349,157	39.7	370,852	30.5	411,055	28.5	201,672	28.8	207,487	27.1
	783,277	89.1	959,377	78.9	1,140,674	79.2	540,402	77.1	608,650	79.5
International freight forwarding	95,571	10.9	255,913	21.1	300,228	20.8	160,282	22.9	157,292	20.5
Total	878,848	100.0	1,215,290	100.0	1,440,902	100.0	700,684	100.0	765,942	100.0

Logistics Facilities

As an important part of our integrated logistics business, we manage a variety of self-owned and leased logistics facilities, including logistics centres, warehouses, a port terminal, a rail terminal and other types of facilities. We believe that owning logistics facilities in key markets provides us with a competitive advantage, as many customers in Asia seek the security and flexibility of asset ownership from their logistics providers. Specifically, we are able to match our customers' desire for long-term service agreements with certainty of space availability and also offer better customisation of the space to meet their specific needs. We intend to continue to follow a flexible strategy of owning and leasing warehouses.

As at the Latest Practicable Date, the total GFA of the logistics facilities managed by us was approximately 39 million sq.ft., including approximately 22 million sq.ft. of completed self-owned facilities (representing an attributable GFA of approximately 18 million sq.ft.) and approximately 17 million sq.ft. of leased facilities, and we held another approximately 2 million sq.ft. of logistics facilities under development (representing an attributable GFA of approximately 2 million sq.ft.) in China, Thailand and Vietnam.

Our completed self-owned logistics facilities include: (i) investment properties, which are measured at fair value and set out in DTZ Debenham Tie Leung Limited's valuation report included in "Appendix V — Property Valuation", and (ii) logistics facilities accounted for as property, plant and equipment, which are stated at historical cost, net of depreciation and any impairment losses, and not included in such valuation report. For more information on our investment properties, see the sections headed "Financial Information — Critical Accounting Policies — Fair Value of Investment Properties" and "Appendix V — Property Valuation".

The following table shows certain information relating to our portfolio of self-owned and leased logistics facilities as at the Latest Practicable Date:

Country/ Territory	Usage type	Approx. GFA owned			Approx. GFA leased	Approx. GFA managed
		Total (A)	Attributable		(B)	(A+B)
		(sq.ft.)	(sq.ft.)	(%)		
Completed logistics facilities						
China	Logistics centre, ISO tank depot	4,941,000	4,369,000	55.00-100.00	6,298,000	11,239,000
Hong Kong	Warehouse, logistics centre	5,537,000[(1)]	5,537,000[(1)]	100.00	764,000	6,301,000
Macau	Logistics centre	–	–	–	15,000	15,000
Taiwan	Logistics centre	2,312,000	843,000	36.46[(2)]	4,887,000	7,199,000
Thailand	Logistics centre, port terminal	5,538,000[(3)]	4,397,000	75.90-79.52	3,240,000	8,778,000
Vietnam	Logistics centre, ISO tank depot	893,000	893,000	100.00	171,000	1,064,000
Singapore	Logistics centre, ISO tank depot	481,000	437,000	60.00-100.00	16,000	497,000
Malaysia	Logistics centre	221,000	119,000	46.60-55.00[(4)]	299,000	520,000
Philippines	Logistics centre	–	–	–	12,000	12,000
India	Logistics centre, ISO tank depot	773,000	268,000	30.00-60.00[(5)]	458,000	1,231,000
Bangladesh	Logistics centre	–	–	–	13,000	13,000
South Korea	Logistics centre	–	–	–	11,000	11,000
Others[(6)]	Logistics centre, rail terminal	806,000	806,000	100.00	1,268,000	2,074,000
		21,502,000	17,669,000		17,452,000	38,954,000
Logistics facilities under development						
China[(7)]	Logistics centre	1,326,000	1,326,000	100.00	–	–
Thailand[(8)]	Logistics centre	878,000	792,000	75.90-100.00	–	–
Vietnam[(9)]	Logistics centre	119,000	119,000	100.00	–	–
		2,323,000	2,237,000			

Notes:

(1) Our self-owned facilities in Hong Kong as at the Latest Practicable Date consisted of (i) 10 warehouses with a total GFA of approximately 5,261,000 sq.ft. and (ii) a logistics centre, Tai Po Product Customization and Consolidation Centre, with a total GFA of approximately 276,000 sq.ft.

(2) We own certain logistics facilities in Taiwan through Kerry TJ Logistics, a subsidiary in which we hold an equity interest of approximately 36.46% and over which we have management control.

(3) Our self-owned facilities in Thailand as at the Latest Practicable Date consisted of (i) port terminal facilities with a total GFA of approximately 5,325,000 sq.ft. and (ii) a logistics centre with a total GFA of approximately 213,000 sq.ft.

(4) We own certain logistics facilities in Malaysia through a subsidiary in which we hold an equity interest of approximately 46.60% and over which we have management control.

(5) We own certain logistics facilities in India through a subsidiary in which we hold an equity interest of 30.00% and over which we have management control.

(6) Others mainly include logistics facilities in Australia and Sweden.

(7) Construction is expected to be completed between 2014 and 2015.

(8) Construction is expected to be completed between 2014 and 2015.

(9) Construction is expected to be completed in the fourth quarter of 2013.

Infrastructure Investments

Our infrastructure investments mainly include: (i) a 25% equity interest in CCT, which operates Chiwan Container Terminal at Shekou Port, and (ii) a 15% equity interest in AAT, which operates Asia Airfreight Terminal located at the Hong Kong International Airport.

For the year ended 31 December 2012 and the six months ended 30 June 2013, our share of results of associates, which was principally attributable to our infrastructure investments in CCT and AAT, was HK$136.4 million and HK$71.6 million, respectively, which accounted for 16.7% and 15.7% of our core net profit for the respective periods. For more information, see the section headed "Financial Information — Core Net Profit".

COMPETITIVE STRENGTHS

We believe we have the following competitive strengths that will continue to drive our future success:

- Market leader in Greater China and Asia, the fastest growing logistics markets globally, supported by a global network and a premium brand;
- Customised supply chain solutions comprising a wide range of integrated logistics and international freight forwarding services;
- Long-standing relationships with a wide and diversified customer base;
- Asset ownership model offering increased flexibility and reliability;
- Proprietary IT systems contributing to increased operational efficiency; and
- Experienced management team with a proven track record and focus on human capital.

STRATEGIES

We aim to maintain our leading market position in Greater China and Asia. We will continue to seek market share gain and above-market growth and intend to deliver higher value solutions to our customers by pursuing the following strategies:

- Continue to strengthen our regional presence in integrated logistics across Asia and further expand our global network to pursue growth in our international freight forwarding coverage, as well as growth in our integrated logistics customer base;
- Offer sophisticated integrated logistics solutions underpinned by local capabilities;
- Further invest in IT systems and human capital; and
- Continue to grow our existing businesses supported by additional investment and acquisition activities.

SUMMARY HISTORICAL FINANCIAL INFORMATION

The following tables set forth our summary consolidated financial information as derived from our consolidated financial statements included in "Appendix I — Accountant's Report", which contains our audited consolidated financial information as at and for the years ended 31 December 2010, 2011 and 2012 and as at and for the six months ended 30 June 2013 and unaudited comparative consolidated financial information for the six months ended 30 June 2012, as well as other financial measures. The following information should be read in conjunction with our consolidated financial statements included in "Appendix I — Accountant's Report", together with the accompanying notes, and the section headed "Financial Information". Our consolidated financial statements have been prepared in accordance with HKFRSs, which may differ in certain material respects from generally accepted accounting principles in other jurisdictions. Our historical results are not necessarily indicative of results that may be achieved in any future periods.

Summary Consolidated Income Statement Information

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	HK$'000	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Revenue	10,879,909	16,034,311	19,294,775	8,954,237	9,521,789
Direct operating expenses	(9,229,716)	(13,603,383)	(16,601,460)	(7,663,314)	(8,095,600)
Gross profit	1,650,193	2,430,928	2,693,315	1,290,923	1,426,189
Other income and net gains	21,340	7,352	28,334	5,760	30,486
Administrative expenses	(855,123)	(1,286,291)	(1,403,301)	(641,679)	(738,983)
Operating profit before fair value change of investment properties	816,410	1,151,989	1,318,348	655,004	717,692
Change in fair value of investment properties	175,990	130,312	265,155	–	458,303
Operating profit	992,400	1,282,301	1,583,503	655,004	1,175,995
Finance costs	(23,066)	(55,394)	(63,124)	(27,432)	(45,096)
Share of results of associates	208,821	148,464	136,421	69,123	71,626
Profit before taxation	1,178,155	1,375,371	1,656,800	696,695	1,202,525
Taxation	(200,074)	(253,939)	(304,928)	(150,859)	(146,511)
Profit for the years/periods	978,081	1,121,432	1,351,872	545,836	1,056,014
Profit attributable to:					
Company's shareholder	833,257	870,744	1,069,376	429,717	903,555
Non-controlling interests	144,824	250,688	282,496	116,119	152,459
	978,081	1,121,432	1,351,872	545,836	1,056,014

Other Financial Measures

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	HK$'000	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Core net profit[1]	665,182	740,748	815,720	429,717	455,084
Adjusted EBITDA[2]	1,005,486	1,440,667	1,657,366	820,293	903,003

Notes:

(1) Core net profit represents our profit attributable to the Company's shareholder before the after-tax effect of change in fair value of investment properties. Core net profit is not a standard measure under HKFRSs. For more information, see the section headed "Financial Information — Core Net Profit".

(2) Adjusted EBITDA represents profit for the year or period before taxation, share of results of associates, finance costs, other income and net gains, change in fair value of investment properties, depreciation and amortisation. Adjusted EBITDA is not a standard measure under HKFRSs. For more information, see the section headed "Financial Information — Adjusted EBITDA".

Summary Consolidated Statement of Financial Position Information

	As at 31 December			As at 30 June 2013
	2010	2011	2012	
	HK$'000	HK$'000	HK$'000	HK$'000
Non-current assets				
Property, plants and equipment	4,502,572	4,989,185	5,998,517	6,409,665
Investment Properties[1]	4,998,773	5,143,118	5,767,637	6,228,866
Others	2,113,069	2,816,412	3,313,095	3,568,877
Total non-current assets	11,614,414	12,948,715	15,079,249	16,207,408
Current assets	4,871,106	6,392,003	7,388,640	7,440,507
Current liabilities				
Loans from fellow subsidiaries[2]	3,491,003	3,890,967	4,181,600	3,781,580
Others	2,960,169	4,246,456	4,735,310	4,571,040
Total current liabilities	6,451,172	8,137,423	8,916,910	8,352,620
Net current liabilities[2]	(1,580,066)	(1,745,420)	(1,528,270)	(912,113)
Total assets less current liabilities	10,034,348	11,203,295	13,550,979	15,295,295
Non-current liabilities	(1,097,178)	(1,299,523)	(2,425,244)	(3,397,032)
Net assets	8,937,170	9,903,772	11,125,735	11,898,263
Equity				
Capital and reserves attributable to the Company's shareholder	6,541,733	7,398,104	8,358,065	9,102,367
Non-controlling interests	2,395,437	2,505,668	2,767,670	2,795,896
Total equity	8,937,170	9,903,772	11,125,735	11,898,263

Notes:

(1) Valuations of our investment properties have been carried out by independent professional valuers, using mainly the investment approach by considering the capitalised rental incomes derived from the existing tenancies with due provision for any reversionary income potential of the property interests at appropriate capitalisation rates. Wherever deemed appropriate by the independent professional valuers, the direct comparison approach is also referenced and depreciated replacement cost is also used for the valuations of certain properties. See "Appendix V — Property Valuation".

(2) Loans from fellow subsidiaries controlled by KPL are classified as current liabilities because these loans have no fixed terms of repayment. We plan to settle all outstanding loans from our fellow subsidiary through capitalisation of a portion of the loans prior to the Listing and repayment of the remaining portion promptly after the Listing. For more information, see the section headed "Financial Information — Recent Developments — Repayment and Capitalisation of Loans from Fellow Subsidiary".

Summary Consolidated Statement of Cash Flows Information

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	HK$'000	HK$'000	HK$'000	HK$'000 (unaudited)	HK$'000
Net cash generated from operating activities	606,948	1,019,252	870,745	465	687,438
Net cash used in investing activities	(387,631)	(1,023,776)	(1,665,029)	(872,793)	(986,156)
Net cash generated from financing activities	410,031	680,639	782,634	376,791	335,557
Increase/(decrease) in cash and cash equivalents	629,348	676,115	(11,650)	(495,537)	36,839
Effect of exchange rate changes	62,525	26,148	33,090	(5,528)	(4,206)
Cash and cash equivalents at end of the years/periods	2,189,853	2,892,116	2,913,556	2,391,051	2,946,189

FINANCIAL RATIOS

The following table shows certain financial ratios as at the dates or for the periods indicated. For more information, see the sections headed "Financial Information — Results of Operations" and "Financial Information — Key Financial Ratios".

	As at or for the year ended 31 December			As at or for the six months ended
	2010	2011	2012	30 June 2013
Gross margin(1)	15.2%	15.2%	14.0%	15.0%
Operating margin(2)	9.1%	8.0%	8.2%	12.4%
Net margin(3)	9.0%	7.0%	7.0%	11.1%
Adjusted EBITDA margin(4)	9.2%	9.0%	8.6%	9.5%
Current ratio(5)	0.76	0.79	0.83	0.89
Debt to equity ratio(6)	10.3%	15.1%	23.8%	32.3%
Return on assets(7)	5.9%	5.8%	6.0%	8.9%

Notes:

(1) Gross margin is calculated by dividing gross profit by revenue.

(2) Operating margin is calculated by dividing operating profit by revenue.

(3) Net margin is calculated by dividing profit for the year or period by revenue.

(4) Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue.

(5) Current ratio is calculated by dividing total current assets by total current liabilities.

(6) Debt to equity ratio is calculated by dividing total bank loans and bank overdrafts by capital and reserves attributable to the Company's shareholder.

(7) Return on assets is calculated by dividing profit for the year or annualised period by total assets.

PROPERTY VALUATION

DTZ Debenham Tie Leung Limited has valued our investment property interests as at 30 June 2013 and 30 September 2013. The key assumptions adopted by DTZ Debenham Tie Leung Limited in valuing our properties include, among others:

- we have obtained enforceable title to the properties and we have free and uninterrupted rights to use, occupy or assign the properties for the whole of the unexpired terms as granted; and

- the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

The key parameters adopted in valuing the majority of our properties include rents and capitalisation rates under the investment approach. Rental opinions are made by reference to lettings within the subject properties as well as other relevant rental evidence. Capitalisation rates are determined by analysing market yields of smaller strata-titled units of similar use types as en-bloc transactions to facilitate similar yield analysis are rare. Appropriate adjustments have been made to reflect the differences between the subject properties and the comparables including, among others, the uniqueness, marketability and size of the subject properties.

For further details regarding the assumptions and parameters adopted by DTZ Debenham Tie Leung Limited, see "Appendix V — Property Valuation".

RECENT DEVELOPMENTS

As at the Latest Practicable Date, we had outstanding loans from a fellow subsidiary controlled by KPL in the amount of HK$3,781.6 million. We plan to settle the entire outstanding amount through capitalisation of a portion of the loans prior to the Listing and repayment of the remaining portion promptly after the Listing. For more information, see the section headed "— Recent Developments — Repayment and Capitalisation of Loans from Fellow Subsidiary".

Our Directors have confirmed that, since 30 June 2013 and up to the date of this prospectus, there has been no material adverse change in our financial or trading position or prospects and no event has occurred that would materially and adversely affect the information shown in our consolidated financial statements included in "Appendix I — Accountant's Report".

Based on our unaudited management accounts, we continued to record (i) an increase in revenue for the nine months ended 30 September 2013 compared to the same period in 2012, which was primarily attributable to the continued growth of our logistics operations, in particular in Greater China, partially offset by a moderate decrease in segment revenue from international freight forwarding primarily due to the weak market conditions in Europe, and (ii) an increase in core net profit for the nine months ended 30 September 2013 compared to the same period in 2012, as our segment results for each of logistics operations, Hong Kong warehouse and international freight forwarding continued to grow during the period. Please also refer to the section headed "— Profit Forecast for the Year Ending 31 December 2013" below.

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2013

On the bases and assumptions set out in "Appendix III — Profit Forecast" and, in the absence of unforeseen circumstances, certain profit forecast data of the Group for the year ending 31 December 2013 has been prepared by our Directors and is set out below:

Forecast profit attributable to the Company's shareholders excluding (1) the after-tax effect of change in fair value of investment properties and (2) gain on disposal of Kerry D.G. Warehouse (Kowloon Bay) (1)(2)	not less than HK$880 million
Forecast profit attributable to the Company's shareholders (1)(2)	not less than HK$1,829 million

Notes:

(1) The Directors have prepared the above forecast profit attributable to the Company's shareholders based on our audited consolidated results for the six months ended 30 June 2013, our unaudited management accounts for the three months ended 30 September 2013 and a forecast of our consolidated results for the remaining three months ending 31 December 2013. The forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by us as set out in note 2 to our consolidated financial statements included in "Appendix I — Accountant's Report".

(2) We will transfer Kerry D.G. Warehouse (Kowloon Bay) to the KPL Group upon the Listing for a consideration of HK$400.0 million pursuant to a sale and purchase agreement dated 29 November 2013. See the section headed "History and Corporate Structure — No Reorganisation".

THE LOGISTICS INDUSTRY

According to the Armstrong Report, the logistics markets in Greater China and Asia Pacific (excluding Greater China and Japan) are expected to continue to outpace the global average by growing at a CAGR of 8.0% and 5.0%, respectively, compared to 2.3% in North America and 1.0% in Europe, during the period from 2012 to 2015. This is expected to be primarily driven by strong growth in private domestic consumption of general merchandise, including a range of fast-moving consumer goods for daily consumption, as well as luxury items. This growth reflects a number of factors including strong economic growth, encouraging demographics, sustained urbanisation and growth of the middle-class.

With respect to third-party logistics services, Greater China and Asia Pacific (excluding Greater China and Japan) are also the regions with the highest spend and growth rates according to the Armstrong Report, where the growth has traditionally been driven by companies outsourcing or off-shoring manufacturing to lower cost countries. While this trend still continues in Myanmar, Malaysia, Indonesia, Vietnam, Cambodia, and to a lesser extent in China, Thailand, the Philippines, and Singapore, increasing domestic consumption and demand for products are driving the need for modern distribution networks in the Asia Pacific region. According to the Armstrong Report, the emphasis is shifting away from export trade and ocean or air freight forwarding to intra-regional ground distribution, and third-party logistics service providers providing value-added warehousing and distribution services in these countries are experiencing significant growth. In addition, Asia Pacific has a low penetration rate estimated at 16% of the total market potential, compared to 21% in the United States and 22% in Europe, according to the Armstrong Report. This indicates significant market growth potential for third-party logistics service providers in Asia.

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, KGL will control an aggregate of approximately 67.65%, including an indirect shareholding through KPL of approximately 43.34%, of the issued share capital of our Company, assuming the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options. For details, please refer to page 143 of this prospectus. Accordingly, KGL and KPL will continue to be our Controlling Shareholders. Our other Shareholders will be the remaining Qualified KPL Shareholders and participants in the Global Offering. For further information, see the section headed "Relationship with our Controlling Shareholders".

In addition, we have entered into continuing connected transactions with our Controlling Shareholders. For further information, see the section headed "Connected Transactions".

THE SPIN-OFF

The proposed Spin-off involves spinning off the Group from KPL by way of a separate listing of the Shares on the Stock Exchange to be effected by the Distribution and the Global Offering. In its announcement dated 24 September 2013, KPL stated that it considers the Spin-off (i) will enable KPL to fully focus on and deploy its funds towards development of KPL's existing principal businesses without the need to consider our Group's funding requirements; (ii) will enable investors to better understand both KPL and our Company as separate entities rather than as a conglomerate, as each of their strategic focuses of business is different; and (iii) could better reflect the value of our Group on its own merits and increase its operational and financial transparency through which investors would be able to appraise and assess the performance and potential of our Group separately and distinctly from those of the KPL Group. For further information, see the section headed "History and Corporate Structure — Spin-off by KPL".

Following the Listing, we will continue to be principally engaged in the integrated logistics and international freight forwarding businesses, while the KPL Group will continue to be principally engaged in property development, investment and management and hotel ownership and operations. For further information, see the section headed "Relationship with our Controlling Shareholders".

GLOBAL OFFERING STATISTICS

	Based on an Offer Price of HK$8.80	**Based on an Offer Price of HK$10.20**
Market capitalisation of our Shares[(1)]	HK$14,584.8 million	HK$16,905.1 million
Unaudited pro forma adjusted net tangible asset value per Share[(2)]	HK$5.39	HK$5.57

Notes:

(1) The calculation of market capitalisation is based on the 1,657,364,112 Shares expected to be in issue immediately upon completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, assuming that the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options.

(2) The unaudited pro forma adjusted net tangible asset value per Share has been arrived at after adjustments referred to in the section headed "Appendix II — Unaudited Pro Forma Financial Information — Unaudited Pro Forma Statement of Adjusted Net Tangible Assets" and on the basis of 1,657,364,112 Shares to be in issue at the Offer Price immediately upon the completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, assuming that the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options.

EMPLOYEE PREFERENTIAL OFFERING

Up to 2,160,500 Employee Reserved Shares, representing approximately 10% of the Offer Shares initially available under the Hong Kong Public Offering and approximately 0.1% of the enlarged issued share capital of our Company upon the completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, assuming the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options, which are not subject to reallocation to the International Placing as described in "Structure and Conditions of the Global Offering — The Hong Kong Public Offering — Reallocation", are available for subscription by Eligible Employees on a preferential basis. Directors and directors of any of our subsidiaries and their respective Affiliates may apply for Employee Reserved Shares under the Employee Preferential Offering if they are Eligible Employees, but they may not apply for Hong Kong Offer Shares as members of the public in the Hong Kong Public Offering. All other Eligible Employees may apply for Hong Kong Offer Shares in the Hong Kong Public Offering and the Employee Preferential Offering but may not apply for or indicate an interest in acquiring International Placing Shares under the International Placing. For further details, see "How to Apply for Hong Kong Offer Shares and Employee Reserved Shares" in this prospectus.

Further details of the Employee Preferential Offering are set out in the section headed "Structure and Conditions of the Global Offering — Employee Preferential Offering".

SHARE OPTION SCHEMES AND RSU SCHEME

We have conditionally adopted the Pre-IPO Share Option Scheme as further described in the section headed "Appendix VII — Statutory and General Information — F. Pre-IPO Share Option Scheme" The maximum number of Shares which may be issued in respect of the Pre-IPO Share Option Scheme will not exceed 42,770,000 Shares, representing approximately 2.52% of the enlarged issued share capital of our Company upon the full exercise of all outstanding Pre-IPO Share Options and the completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, assuming the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Post-IPO Share Options. This will have a dilutive effect of approximately 2.52% on the shareholding of our Shareholders and earnings per Share will be reduced by approximately 3.2% (unaudited).

If calculated based on 1,700,134,112 Shares, the assumed number of Shares to be in issue and outstanding throughout the year ending 31 December 2013 solely for purposes of this calculation, comprising 1,657,364,112 Shares to be in issue immediately after the Spin-off and issuance of Shares pursuant to the RSU Scheme, and 42,770,000 Shares to be issued upon the exercise of all the options granted under the Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Post-IPO Share Options) and we believe our estimated share based expenses to be recorded for the year ending 31 December 2013 for the options granted on 2 December under the Pre-IPO Share Option Scheme is insignificant.

We have also conditionally adopted the Post-IPO Share Option Scheme. See the section headed "Appendix VII — Statutory and General Information — G. Post-IPO Share Option Scheme" for a summary of the principal terms of the Post-IPO Share Option Scheme.

In addition, we have conditionally adopted the RSU Scheme as further described in the section headed "Appendix VII — Statutory and General Information — H. RSU Scheme". The maximum aggregate number of Shares that may underlie the RSUs granted pursuant to the RSU Scheme shall be 815,000 Shares (excluding Shares underlying the Awards that have lapsed or been cancelled in accordance with the rules of the RSU Scheme), representing 0.05% of the issued share capital of our Company upon the completion of the Spin-off and issuance of Shares pursuant to the RSU Scheme, assuming the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options. This will have a dilutive effect of approximately 0.05% on the shareholding of our Shareholders and a reduction in our earnings per Share.

DIVIDEND POLICY

Subject to the Bye-laws, the Companies Act and other applicable laws and regulations, we currently target to distribute to our Shareholders approximately 20% of our core net profit for the year ending 31 December 2013 (excluding any gain on disposal of Kerry D.G. Warehouse (Kowloon Bay)). However, we cannot assure you that we will be able to distribute dividends of this or any other amount, or at all, in any year. Any proposed distribution of dividends is subject to the discretion of our Board and the approval of our Shareholders. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, Shareholders' interests and any other conditions that our Board may deem relevant.

USE OF PROCEEDS

The net proceeds from the Global Offering, after deducting underwriting fees and estimated expenses payable by us in connection with the Global Offering, are estimated to be approximately HK$1,907.9 million before any exercise of the Over-allotment Option, assuming an Offer Price of HK$9.50 per Share, being the mid-point of the stated Offer Price range of HK$8.80 to HK$10.20 per Share. We intend to use such net proceeds for the following purposes:

- Approximately HK$973.0 million (approximately 51% of our total estimated net proceeds) is intended to be used for funding capital expenditures in connection with future expansion and acquisition activities, including:

  (i) Approximately HK$324.3 million (approximately 17% of our total estimated net proceeds) for the development of one to two future logistics facilities in Greater China over the next two to three years;

  (ii) Approximately HK$324.3 million (approximately 17% of our total estimated net proceeds) for the development of future logistics facilities and/or potential acquisitions in ASEAN countries for our integrated logistics business; and

  (iii) Approximately HK$324.3 million (approximately 17% of our total estimated net proceeds) for potential acquisitions globally, including primarily in the Americas, as well as in Europe and Asia, for our international freight forwarding business.

- Approximately HK$763.2 million (approximately 40% of our total estimated net proceeds) is intended to be used for repaying part of our loans from a fellow subsidiary controlled by KPL, as further described in the section headed "Financial Information — Recent Developments — Repayment and Capitalisation of Loans from Fellow Subsidiary".

- Approximately HK$171.7 million (approximately 9% of our total estimated net proceeds) is intended to be used for working capital and general corporate purposes.

As at the Latest Practicable Date, we were not pursuing any proposed business acquisitions, nor had we identified any businesses that we had plans to acquire.

For more information, see the section headed "Future Plans and Use of Proceeds — Use of Proceeds".

LISTING EXPENSES

We had not incurred significant listing expenses up to 30 June 2013. The total estimated listing expenses (excluding underwriting commission) in connection with the Global Offering are approximately HK$98.6 million, of which approximately HK$16.3 million is expected to be charged to our consolidated income statement and approximately HK$82.3 million is expected to be capitalised as deferred expenses and charged against equity upon the Listing under the relevant accounting standards.

RISK FACTORS

Our business is subject to a number of risks, including but not limited to risks relating to our businesses, risks relating to countries and territories in which we operate, and risks relating to the Global Offering. In particular, because of the nature of our integrated logistics and international freight forwarding businesses, our businesses are significantly affected by changes in global economic conditions as well as Asia's domestic consumption and trade volumes, and are dependent on our customers' business performance. Our businesses in Hong Kong are exposed to fluctuations in rental rates and our operations in China are subject to stringent licensing requirements. Our finance costs are also exposed to interest rate fluctuations and we may not be able to obtain adequate capital resources to fund future expansion plans. Furthermore, we may not be able to continue or effectively manage our expansion or successfully integrate acquired businesses, which could materially and adversely affect our financial condition and results of operations.

As different investors may have different interpretations and standards for determining the materiality of a risk, you should read the entire section headed "Risk Factors" carefully before you decide to invest in the Offer Shares. You should not place any reliance on any information contained in press articles, research analysts' reports or other media regarding us and the Global Offering, certain of which may not be consistent with the information contained in this prospectus.