
HISTORY, REORGANISATION AND CORPORATE STRUCTURE

OVERVIEW

Our real estate agency business in the primary market began in 2000, followed shortly by our real estate data and consulting services business in 2002. The holding company of these businesses (E-House (China) Holdings) was listed on NYSE from 2007 to 2016, and one of its subsidiaries (CRE Corp, then being our intermediate holding company) was partially spun-off from E-House (China) Holdings and separately listed on NASDAQ from 2009 to 2012. We began our real estate brokerage network services business in 2016. Following the privatisation of E-House (China) Holdings in late 2016, we underwent an internal reorganisation whereby the Company became the holding company of the Group's business.

Save for our businesses, E-House (China) Holdings (directly or indirectly through CRE Corp or other subsidiaries) also have interests in other business segments prior to and upon the privatisation, including but not limited to online real estate related businesses held through Leju, wealth management service business held through Jupai, and public relations business held through TED. See subsection headed "E-House (China) Holdings' businesses" below for more details of E-House (China) Holdings' businesses. Our businesses were only and will continue to be part of the business segments of E-House (China) Holdings prior to and after its privatization.

Mr. Zhou controls our business through several intermediate companies controlled by him (including but not limited to CRE Corp and E-House (China) Holdings) and has been the single largest shareholder during the Track Record Period. Although Mr. Zhou ceased to hold more than 30% of our Shares upon the completion of the Pre-IPO Investments, Mr. Zhou (together with the intermediate companies controlled by him) remain our single largest Shareholder and remain the Controlling Shareholders of our Company (within the definition of the Listing Rules) for the following reasons: (i) they are able to control the composition of a majority of our Board (and therefore all material matters relating to the Company) pursuant to the Shareholders' Agreement, and (ii) they are the only parties which have exerted influence on the management of the Group since at least 1 January 2017 and accordingly, there has not been any change in the influence on management since at least 1 January 2017. See the section headed "Relationship with our Controlling Shareholders – Our Controlling Shareholders" for more details of our Controlling Shareholders.

Key business milestones

The following is a summary of our Group's key business development milestones:

Year	Event
2000	Commenced operations under E-House Management, then known as Shanghai Real Estate Customer Service Co., Ltd. (上海房地產住宅消費服務有限公司)
2002	The initial version of our CRIC Systems was launched
2003	Expansion of real estate agency business in the primary market from Shanghai to other cities in the PRC

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Year	Event
2004	E-House (China) Holdings, the former holding company of our businesses was established
2006	Awarded ‘National Best Real Estate Agency Brokerage Organisation (全國優秀房地產經紀機構)’ by China Institute of Real Estate Appraisers and Agencies (中國房地產估價師與房地產經紀人學會) Awarded ‘China Real Estate Agency Leading Brand (中國房地產策劃代理行業領先公司品牌)’ by the China Real Estate Top 10 Research Team (中國房地產Top 10研究組)
2007	E-House (China) Holdings, the former holding company of our businesses, was listed on the NYSE in August 2007
2008	E-House (China) Holdings was honoured as the No. 1 agency among the China Top 100 Real Estate Agencies (中國房地產策劃代理百強企業第一名) as ranked by China Real Estate Association (中國房地產業協會), Enterprise Research Institute of Development Research Centre of the State Council of PRC (國務院發展研究中心企業研究所), Institute of Real Estate Studies of Tsinghua University (清華大學房地產研究所), and China Index Academy (中國指數研究院) for the fourth year running
2009	CRE Corp (the then holding company of our real estate data and consulting services business) was partially spun off from E-House (China) Holdings and listed on NASDAQ in October 2009
2010	CRE Corp began to offer real estate rating and ranking services
2012	Pursuant to the CRE Corp Merger Agreement, CRE Corp became a wholly-owned subsidiary of E-House (China) Holdings
2016	Real estate brokerage network launched under ‘Fangyou’ brand E-House (China) Holdings was privatised and delisted from NYSE
2017-2018. .	Pre-IPO investments in our Company by strategic investors in preparation for the Global Offering

CORPORATE DEVELOPMENT OF OUR GROUP

Our major subsidiaries and operating entities

The principal business activities, date of incorporation and date of commencement of business of each member of our Group that made a material contribution to our results of operations during the Track Record Period, all of which are our wholly-owned subsidiaries (save for Beijing CREA Technology Services Ltd.), are shown below:

Subsidiary (<i>place of incorporation</i>)	Principal business activities	Date of incorporation and commencement of business
杭州易居永創房地產營銷策劃有限公司 (Hangzhou E-House Yongchuang Real Estate Sales and Marketing Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	18 July 2008
武漢易居投資有限公司 (Wuhan E-House Investment Co., Ltd.) (PRC).	Real estate brokerage services, sale and marketing of property developments	15 April 2004

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Subsidiary (<i>place of incorporation</i>)	Principal business activities	Date of incorporation and commencement of business
河南易居房地產顧問有限公司 (Henan E-House Real Estate Consultancy Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	7 July 2005
天津易居金岳房地產經紀有限公司 (Tianjin E-House Jinyue Real Estate Brokerage Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	19 February 2008
E-House Xiangyue (PRC)	Real estate brokerage services, sale and marketing of property developments	18 January 2010
海南易居旅遊地產經紀有限公司 (Hainan E-House Tourism Real Estate Brokerage Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	9 June 2010
山西易居金岳房地產經紀有限公司 (Shanxi E-House Jinyue Real Estate Brokerage Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	31 January 2013
PRC Holdco (PRC)	Real estate data and consulting services	3 July 2006
南京金岳房地產銷售有限公司 (Nanjing Jinyue Real Estate Sales Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	29 April 2004
安徽易居金岳房地產營銷策劃有限公司 (Anhui E-House Jinyue Real Estate Sales and Marketing Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	25 August 2015
上海大乘房地產經紀有限公司 (Shanghai Dacheng Real Estate Brokerage Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	16 November 2015
濟南金岳房地產經紀有限公司 (Jinan Jinyue Real Estate Brokerage Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	27 May 2003
陝西易居不動產投資顧問有限公司 (Shaanxi E-House Real Estate Investment Consultancy Co., Ltd.) (PRC)	Real estate brokerage services, sale and marketing of property developments	4 December 2006
北京中房研協技術服務有限公司 (Beijing CREA Technology Services Ltd.) (PRC)	Real estate data and consulting services, rating and ranking services	17 August 2010

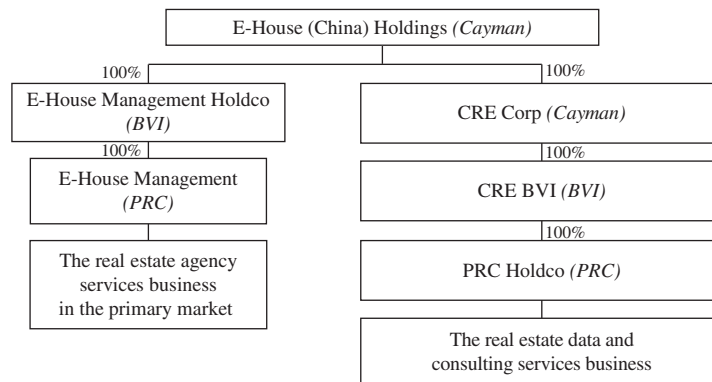
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Commencement of our business

Our real estate agency services business in the primary market commenced in 2000 through E-House Management, one of whose initial investors was Mr. Zhou, our Controlling Shareholder. On 27 August 2004, E-House (China) Holdings was established in the Cayman Islands and on 4 January 2005, E-House Management Holdco, then known as E-House Real Estate Ltd., was established in the British Virgin Islands and is a wholly-owned subsidiary of E-House (China) Holdings. Through a reorganisation in April 2005, E-House Management became a wholly-owned subsidiary of E-House Management Holdco.

Development of the CRIC Systems began in 2002, initially to support services provided to our real estate agency customers in the primary market. On 25 April and 3 July 2006, respectively, CRE BVI and PRC Holdco were established. The commercialisation of the CRIC Systems and the offering of real estate information and consulting services began in 2006, and the real estate consulting and data services business (including the CRIC Systems) has been held through PRC Holdco since then. CRE Corp was incorporated on 21 August 2008 in the Cayman Islands as a wholly-owned subsidiary of E-House (China) Holdings, and on 20 October 2008, CRE Corp became the 100% shareholder of CRE BVI and therefore, indirectly, the 100% shareholder of PRC Holdco. Thus, E-House (China) Holdings, through CRE Corp and CRE BVI, began to hold the entire shareholding of PRC Holdco as of 20 October 2008.

A simplified corporate structure as of October 2008 is set out below:



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Public offerings of ADSs of holding companies

Below are details of public offerings of ADSs of the holding companies of our businesses:

Holding company	E-House (China) Holdings (initial public offering)	E-House (China) Holdings (follow-on offering)	CRE Corp (initial public offering)
Date of listing of ADSs	8 August 2007	1 February 2008	16 October 2009
Trading venue	NYSE	NYSE	NASDAQ
Number of ADSs listed.	16,790,000 (including the exercise of an over-allotment option)	6,900,000 (including the exercise of an over-allotment option)	18,000,000
ADS to ordinary share ratio . . .	1:1	1:1	1:1
Offering price	US\$13.80 per ADS	US\$17.00 per ADS	US\$12.00 per ADS
Mr. Zhou's approximate interest in holding company immediately following public offer.	41.71%	33.52%	1.14% direct interest; 51.01% indirect interest through E-House (China) Holdings

Delisting of CRE Corp

The CRE Corp Merger Agreement

On 28 December 2011, E-House (China) Holdings entered into an agreement and plan of merger with CRIC (China) Holdings Limited (then a directly wholly-owned subsidiary of E-House (China) Holdings) and CRE Corp (the “**CRE Merger Agreement**”) pursuant to which CRIC (China) Holdings Limited would merge with and into CRE Corp, such that CRE Corp would continue as the surviving corporation. CRE Corp became a wholly-owned subsidiary of E-House (China) Holdings on 20 April 2012 and its ADSs were officially delisted from NASDAQ on 3 May 2012. Each ordinary share of CRE Corp (and each such share represented by ADSs) was cancelled in exchange for the right to receive 0.6 ordinary shares of E-House (China) Holdings and US\$1.75 in cash without interest (less a US\$0.05 cancellation fee per ADS).

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Rationale for CRE Corp's privatisation and delisting

The purpose of CRE Corp's privatisation was for E-House (China) Holdings to acquire the outstanding CRE Corp shares it did not previously own. It was considered that CRE Corp's privatisation would:

- provide its clients with a more comprehensive online and offline real estate service platform through the integration of CRE Corp's capabilities into E-House (China) Holdings' businesses;
- improve management efficiency through deeper integration with management teams and better coordination of marketing efforts across all business segments; and
- be a good utilisation of E-House (China) Holdings' cash balance and earnings accretive for E-House (China) Holdings' shareholders.

Financing of CRE Corp's privatisation

E-House (China) Holdings paid approximately US\$113.1 million from its readily available cash and cash equivalents, and issued 38,785,588 ordinary shares as consideration for its privatisation of CRE Corp.

Compliance during listing on NASDAQ

Our Directors confirm that, to the best of their knowledge and belief and in respect of the Group's businesses:

- (a) CRE Corp had, during the period it was listed on NASDAQ:
 - (i) been in compliance in all material respects with all applicable U.S. securities laws and regulations and NASDAQ rules and regulations; and
 - (ii) not been subject to any disciplinary action by the relevant regulators; and
- (b) there are no matters in relation to the prior listing of CRE Corp that need to be brought to the attention of the Stock Exchange or the Shareholders.

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Corporate reorganisation of E-House (China) Holdings' businesses

On 30 July 2015, E-House (China) Holdings began an internal corporate reorganisation to acquire the real estate agency business in the primary market by entering into a reorganisation agreement with E-House Management Holdco (and certain of its subsidiaries, including Beijing Jinyue and E-House Xiangyue), following which certain internal reorganisation steps were taken, namely:

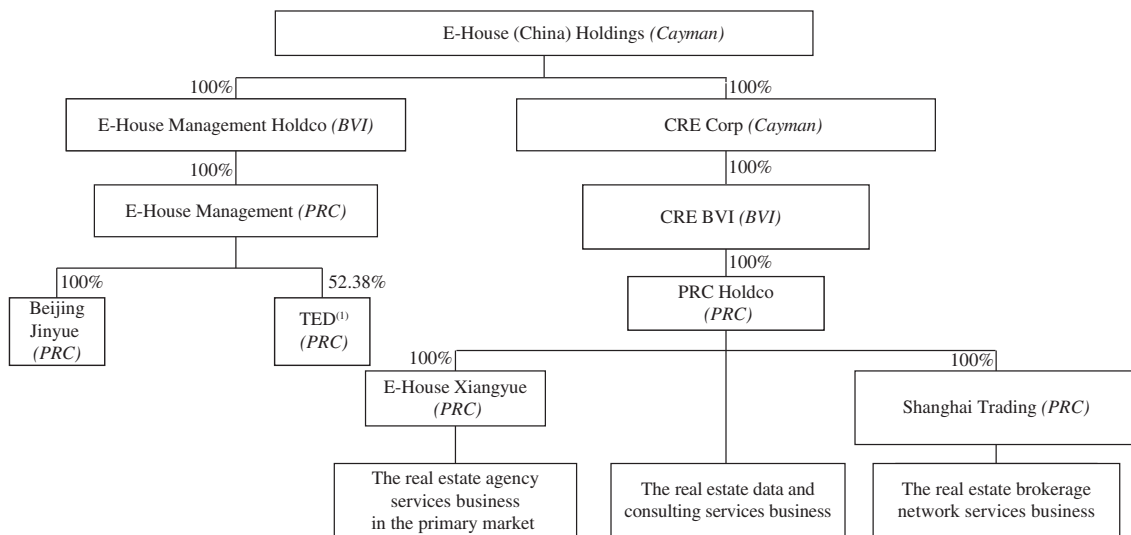
- on 11 August 2015, PRC Holdco (a wholly-owned subsidiary of E-House (China) Holdings) entered into a share transfer agreement with E-House Management (a wholly-owned subsidiary of E-House Management Holdco), pursuant to which E-House Management agreed to sell, and PRC Holdco agreed to purchase, the entire equity interests in E-House Xiangyue for a consideration of approximately RMB50 million;
- on 15 September 2015, E-House Xiangyue entered into a share transfer agreement with TED, pursuant to which TED agreed to sell, and E-House Xiangyue agreed to purchase, the entire equity interests in Shanghai Lituo for a consideration of approximately RMB4.22 million;
- E-House Xiangyue, by itself or through its subsidiaries, entered into further share transfer agreements with E-House Management Holdco or its subsidiaries, pursuant to which E-House Xiangyue acquired E-House Management Holdco's equity interests in various subsidiaries that operated in the real estate agency business in the primary market; and
- on 31 December 2015, PRC Holdco entered into an agreement with E-House Management and Beijing Jinyue, pursuant to which E-House Management and Beijing Jinyue transferred real estate agency businesses in the primary market to PRC Holdco or its subsidiaries and ceased to carry out any real estate agency businesses in the primary market thereafter ("**Business Transfer**"), except that E-House Management and Beijing Jinyue continued to act as a collection agent on behalf of our Group in respect of those incomplete real estate agency contracts (see note 21(b) in the Accountants' Report as set out in Appendix I to this document for details). In addition, pursuant to such agreement, our Group will assume the real estate agency businesses in the primary market, labour work force, acquired certain property and equipment and assumed the obligation in respect of the outstanding accrued payroll that are specifically identified to the real estate agency businesses in the primary market. The net liabilities to the real estate agency businesses in the primary market being transferred to our Group amounted to RMB71,545,000. As such, E-House Management and Beijing Jinyue will have to pay a consideration of RMB71,545,000 to our Group for this Business Transfer. The Business Transfer was completed on 31 December 2015 and the consideration receivables in relation to the Business Transfer will be settled before Listing.

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As a result of the internal corporate reorganisation, PRC Holdco acquired from E-House Management Holdco the real estate agency business in the primary market and both our real estate agency business in the primary market and our real estate data and consulting services business were operated by PRC Holdco and its subsidiaries. The internal corporate reorganisation was completed on 31 December 2015.

Separately, on 30 October 2015, PRC Holdco established Shanghai Trading to begin development of the real estate brokerage network services business.

Below is a simplified corporate structure reflecting the completed corporate reorganisation as of 31 December 2015:



Note 1: TED was indirectly held as to 52.38% by E-House Management.

Privatisation of E-House (China) Holdings

The E-House (China) Holdings Merger Agreement

Our business was wholly-owned by E-House (China) Holdings at the time of its privatisation. On 15 April 2016, E-House (China) Holdings entered into an agreement and plan of merger with E-House Holdings and E-House Merger Sub Ltd. (then a wholly-owned subsidiary of E-House Holdings) (“**E-House (China) Holdings Merger Agreement**”) pursuant to which E-House Merger Sub Ltd. would merge with and into E-House (China) Holdings, such that E-House (China) Holdings would continue as the surviving corporation and a wholly-owned subsidiary of E-House Holdings.

The offer price for the cancellation of each issued and outstanding ordinary share was a cash amount of US\$6.85 per share (US\$6.80 per ADS after deducting US\$0.05 cancellation fee per ADS), without interest and net of any applicable withholding taxes. This reflected a market capitalisation of E-House (China) Holdings of approximately US\$987 million. Such offer price

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was the result of negotiation between the buyer group to the merger of E-House (China) Holdings and the independent special committee of E-House (China) Holdings. In evaluating the fairness of the offer price, the independent special committee considered multiple factors, including, among others, (i) the market price of the ADSs of E-House (China) Holdings; (ii) trading multiples of similar companies; and (iii) financial terms of certain relevant business combinations and other transactions on the NYSE, and also relied on the fairness opinion issued by an independent financial advisor, which is an internationally recognized valuation specialist firm.

The buyer group

The buyer group to the merger, being the beneficial owners of E-House Holdings, were:

- (i) Mr. Zhou, together with corporations controlled by him, namely Kanrich, On Chance, and Jun Heng (holding in aggregate approximately 51.6% of E-House (China) Holdings after the merger);
- (ii) Mr. Shen Nanpeng, together with corporations he controlled, namely Smart Create Group Limited and Smart Master International Limited; and
- (iii) SINA Corporation.

The merger of E-House (China) Holdings was approved by a special meeting of E-House (China) Holdings' shareholders on 5 August 2016. As a result, all the outstanding ADSs of E-House (China) Holdings were cancelled, and the ADSs of E-House (China) Holdings were formally delisted from the NYSE on 12 August 2016.

On 30 December 2016, E-House Holdings exercised an option pursuant to the above merger agreement to repurchase all of its shares held by SINA Corporation for a consideration of 30% of the ordinary shares of Leju and a cash payment of approximately US\$129 million. Thus SINA Corporation ceased to be a shareholder of E-House Holdings or its subsidiaries (including our businesses) on 30 December 2016. As at 30 December 2016, the issued share capital of E-House Holdings was held as to 90.54% by Mr. Zhou and corporations controlled by him and as to 9.46% by Mr. Shen Nanpeng and corporations controlled by him.

E-House (China) Holdings' businesses

In addition to our businesses, E-House (China) Holdings (directly or indirectly through CRE Corp or other subsidiaries) also have interests in other business segments prior to and upon the privatisation, including but not limited to the following:

- online real estate related businesses, including online real estate advertising, e-commerce services and online listing services, and integration of online platform with offline real estate transaction services and support (online-to-offline services), held through Leju;

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- wealth management service business, mainly focusing on distributing wealth management products and providing related advisory services to high-net-worth individuals in China, held through Jupai;
- public relations business, mainly focusing on organising promotional events for real estate developers, held through TED; and
- new business initiatives that provide community value-added services, time-sharing education service and technology R&D platform.

Our businesses were only and will continue to be part of the business segments of E-House (China) Holdings prior to and after its privatisation.

Rationale for E-House (China) Holdings' privatisation and delisting

The privatisation was initiated because, among other reasons, it was considered that the Group was undervalued in the U.S. and that the privatisation would allow the then management of E-House (China) Holdings greater flexibility to develop the long-term strategy and restructure different business units to improve the valuation, long-term performance and profitability of the relevant business segments (where applicable), and pursue their respective capital market strategies, without the short-term performance driven pressure from the public market.

Financing of E-House (China) Holdings' privatisation

The total consideration for the privatisation was approximately US\$562.4 million and was financed by a US\$350 million loan facility provided by Shanghai Pudong Development Bank Co., Ltd., Nanhui Sub-Branch and cash contributions from Mr. Zhou, Mr. Shen Nanpeng and SINA Corporation. Such US\$350 million loan facility was fully repaid as at the Latest Practicable Date.

Compliance during listing on the NYSE

Our Directors confirm that, to the best of their knowledge and belief and in respect of the Group's businesses:

- (a) E-House (China) Holdings had, during the period it was listed on the NYSE:
 - (i) been in compliance in all material respects with all applicable U.S. securities laws and regulations and NYSE rules and regulations; and
 - (ii) not been subject to any disciplinary action by the relevant regulators; and
- (b) there are no matters in relation to the prior listing of E-House (China) Holdings that need to be brought to the attention of the Stock Exchange or the Shareholders.

OUR CORPORATE REORGANISATION

Incorporation of our offshore holding companies

Our Company

Our Company was incorporated on 22 February 2010 as Fangyou Information Technology Company Limited (房友信息技術有限公司), an exempted company with limited liability in the Cayman Islands. Upon its incorporation, the authorised share capital of our Company was US\$50,000.00 divided into 50,000 ordinary Shares with a par value of US\$1.00 each.

At the time of incorporation, our Company issued one ordinary Share with a par value of US\$1.00 to Offshore Incorporations (Cayman) Limited, an Independent Third Party, for a consideration of US\$1.00. On the same day, the one ordinary Share held by Offshore Incorporations (Cayman) Limited was transferred to CRE Corp for a consideration of US\$1.00, and an additional 999 Shares were issued and allotted to CRE Corp for a consideration of US\$999.00.

On 6 November 2017, each issued and unissued ordinary Share then of US\$1.00 par value was subdivided into 100,000 Shares of US\$0.00001 par value each. On the same day, 900,000,000 Shares were issued and allotted to CRE Corp and credited as fully paid up. On 14 December 2017, our Company's name was changed to E-House (China) Enterprise Holdings Limited (易居(中國)企業控股有限公司).

Fangyou Information Technology Holdings Limited

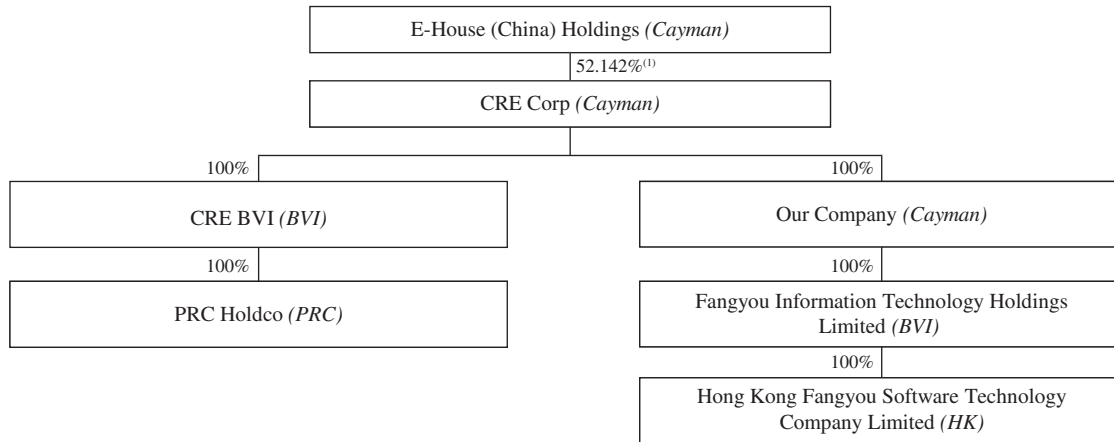
On 8 February 2010, Fangyou Information Technology Holdings Limited (房友信息技術控股有限公司) was incorporated as a company with limited liability in the British Virgin Islands. On 26 February 2010, 1,000 shares of US\$1.00 each were issued and allotted to our Company at par value.

Hong Kong Fangyou Software Technology Company Limited

On 1 March 2010, Hong Kong Fangyou Software Technology Company Limited (香港房友軟件技術有限公司) was incorporated as a limited liability company under the laws of Hong Kong. Fangyou Information Technology Holdings Limited was the sole founding member and holder of 10,000 shares.

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Below is a simplified structure of our offshore holding companies and the then holding companies of our business as of 1 March 2010:



Note: (1) CRE Corp's ADSs were listed on NASDAQ on 16 October 2009.

Disposal of subsidiaries

On 31 May 2015, the Group transferred its 100% equity interest in Shanghai Fangjia Information Technique Co., Ltd. (上海方加信息技術有限公司) (“**Fangjia Technique**”) to Shanghai Yi Fang Software Technology Co., Ltd. (上海易房軟件技術有限公司) (“**Yifang**”), an indirectly wholly-owned subsidiary of E-House (China) Holdings, for a consideration of RMB5,000,000 (based on arm's length negotiations between the parties). Fangjia Technique is principally engaged in the business of technical development and technical consulting, which is not within the business scope of our Group.

On 31 October 2015, the Group transferred its 100% equity interest in Shanghai Yijin Culture Development Co., Ltd. (上海易進文化發展有限公司) (“**Yijin**”) to Yifang for a consideration of RMB10,000,000 (based on arm's length negotiations between the parties). Yijin is principally engaged in the business of planning service, business information consulting and etiquette service, which is not within the business scope of our Group.

On 31 December 2015, the Group transferred its 100% equity interest in Shanghai Chengshen Culture Development Co., Ltd. (上海城申文化發展有限公司) (“**Chengshen**”) to Yifang for a consideration of RMB3,000,000 (based on arm's length negotiations between the parties). Chengshen is principally engaged in the business of cultural and artistic communication, business information consulting and exhibition and display service, which is not within the business scope of our Group.

Our Directors confirm that, to the best of their knowledge and belief, prior to the Group's transfer of its equity interests in Fangjia Technique, Yijin and Chengshen to Yifang, each of Fangjia Technique, Yijin and Chengshen had been in compliance in all material respects with the relevant laws and regulations in the PRC.

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Reorganisation of interests in PRC Holdco

On 31 October 2016, CRE BVI sold 50% of its equity interest in PRC Holdco to 21 investors (comprising leading real estate developers and private equity investment funds) in order to facilitate the strategic cooperation with the leading real estate developers and gain knowledge and experience in the development of business strategies (the “21 Investors”). The total consideration for this sale was RMB4 billion (based on arm’s length negotiations between CRE BVI and each of the 21 Investors, and with reference to the historical financial performance of the Group, including revenues and profits generated from the Group’s major business segments and the geographic coverage of the Group’s services, and the expectation on the prospects of the Group’s businesses) and was settled by cash. CRE BVI remained the single largest shareholder of PRC Holdco and retained control over PRC Holdco via a voting agreement with one of the 21 Investors, Shanghai Panshi Liyue Capital Partners, L.P. (上海磐石驪約投資合夥企業(有限合夥)), which held 5% of the equity interest in PRC Holdco. Pursuant to such voting agreement, Shanghai Panshi Liyue Capital Partners, L.P. agreed to vote in all shareholders’ meeting in a consensual manner with CRE BVI. The shareholding in PRC Holdco immediately following this capital raising is reflected below:

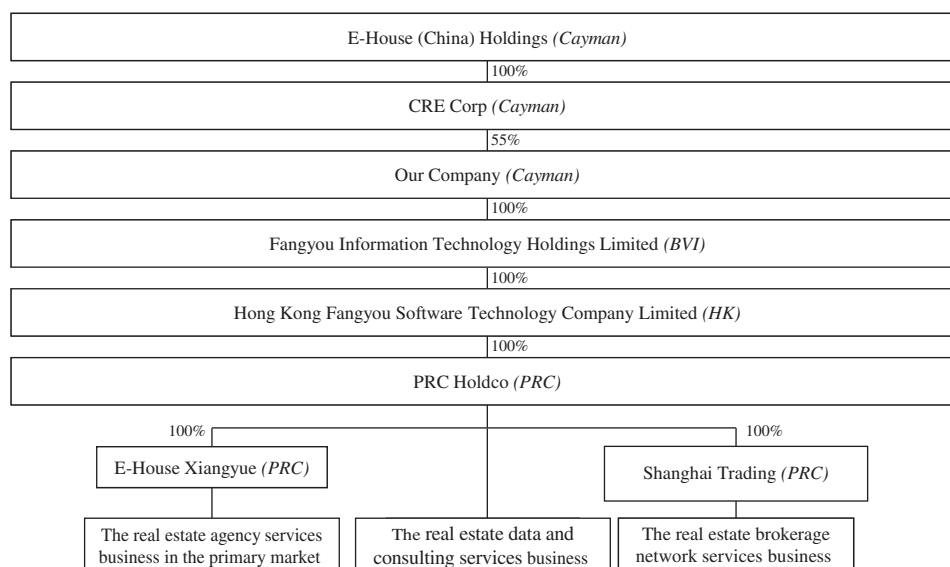
Shareholder	Consideration Paid to CRE BVI (RMB’000)	Registered Capital USD’000	%
CRE BVI	–	15,000	50.00
Zhuhai Heyuan Yingfeng Investment Centre, L.P. (珠海合源盈豐投資中心(有限合夥))	1,200,000	4,500	15.00
Shanghai Panshi Liyue Capital Partners, L.P. (上海磐石驪約投資合夥企業(有限合夥)).	400,000	1,500	5.00
Shanghai Yunfeng Junran Investment Centre, L.P. (上海雲鋒均然投資中心(有限合夥))	320,000	1,200	4.00
Shenzhen Yingda Investment Funds Management Co., Ltd. (深圳市盈達投資基金管理有限公司)	280,000	1,050	3.50
Guangzhou Wenyuan Agricultural Technology Co., Ltd. (廣州文園農業科技有限公司)	200,000	750	2.50
Tianjin Sunac Property Management Co., Ltd (融創物業服務集團有限公司)	160,000	600	2.00
Shanghai Yuanxing Yinzhi Venture Capital Partners. L.P. (上海源星胤志創業投資合夥企業 (有限合夥))	160,000	600	2.00
Zhuhai Sirui Investment Advisors, L.P. (珠海思睿投資諮詢企業(有限合夥))	160,000	600	2.00
Foshan Shunde Agile New Property Development Co., Ltd. (佛山市順德區雅新房 地產開發有限公司)	160,000	600	2.00
CIFI Group Co., Ltd. (旭輝集團股份有限公司)	120,000	450	1.50
Yango Group Co., Ltd. (陽光城集團股份有限 公司)	120,000	450	1.50
Henan Central China Real Estate Company Limited (河南建業住宅建設有限公司)	120,000	450	1.50
Shanghai Forte Land Co., Ltd. (復地(集團)股份 有限公司)	120,000	450	1.50
Shanghai Jincal Investment Advisory Co., Ltd. 上海錦財投資諮詢有限公司	80,000	300	1.00

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Shareholder	Consideration Paid to CRE BVI (RMB'000)	Registered Capital USD'000	%
Shanghai Ronggu Venture Capital Co., Ltd. 上海榮顧創業投資有限公司	80,000	300	1.00
Fujian Dingcheng Investment Co., Ltd. 福建鼎誠 投資有限公司	80,000	300	1.00
Tahoe Group Co., Ltd. (泰禾集團股份有限公司)	60,000	225	0.75
Henan Zensun Corporate Development Company Limited (河南正商企業發展有限責任公司) . . .	60,000	225	0.75
Suzhou Helan Investment Partners, L.P. (蘇州合嵐投資合夥企業(有限合夥))	40,000	150	0.50
Xiamen Yousheng Investment Co., Ltd. (廈門市佑盛股權投資有限公司)	40,000	150	0.50
Fujian Fusheng Group Co., Ltd. (福建福晟集團 有限公司)	40,000	150	0.50
Total	4,000,000	30,000	100

Transfer of PRC Holdco to our Company

In preparation for the Pre-IPO Investments (described below) and the Global Offering, Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited (碧桂園(香港)發展有限公司) and Jovial Idea Developments Limited became our Shareholders on 1 December 2017 (see the subsection headed “Pre-IPO Investments” below), and CRE BVI and the 21 Investors transferred the entire equity interest in PRC Holdco to Hong Kong Fangyou Software Technology Company Limited (a wholly-owned subsidiary of the Company) for an aggregate consideration of RMB8.8 billion. As a result, the Company indirectly held 100% equity interest in PRC Holdco, which is the holding company of the Group’s businesses, on 5 March 2018 (the date when the registration of transfer was completed) in the manner shown below:



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Save for Zhuhai Heyuan Yingfeng Investment Centre, L.P., Shanghai Panshi Liyue Capital Partners, L.P., Shanghai Yunfeng Junran Investment Centre, L.P., Shanghai Yuanxing Yinzhi Venture Capital Partners, L.P., Shanghai Jincai Investment Advisory Co., Ltd., Fujian Dingcheng Investment Co., Ltd., Henan Zensun Corporate Development Company Limited and Xiamen Yousheng Investment Co., Ltd., upon the transfer of equity interest in the PRC Holdco by the 21 Investors, the 21 Investors have reinvested to the Group as a Pre-IPO Investor either through its subsidiary or other companies associated with it, the remaining investors did not reinvest to the Group as Pre-IPO Investors due to commercial reasons and the change in our corporate structure. See subsection headed “Pre-IPO Investment” below for more details in relation to the Pre-IPO Investments and Pre-IPO Investors.

Reorganisation of certain interests in our Company

Mr. Zhou, E-House (China) Holdings, CRE Corp, Mr. Shen Nanpeng, and Smart Master International Limited (a company owned as to 50% by Mr. Shen) entered into a share exchange agreement dated 16 March 2018, pursuant to which Mr. Shen sold and transferred all 6,240,358 of his shares in E-House Holdings (representing less than 10% of the then issued share capital of E-House Holdings) to Mr. Zhou, the consideration for which was the transfer by CRE Corp of 22,892,000 Shares in our Company and the transfer by E-House (China) Holdings of 5,304,370 shares in Leju and 4,867,730 shares in Jupai, to Smart Master International Limited. Following the completion of these share transfers, as of 16 March 2018, Smart Master International Limited became a direct shareholder of our Company, and as of 23 March 2018, Mr. Shen ceased to be a direct shareholder of E-House Holdings or its subsidiaries (including our business held by PRC Holdco).

On 16 March 2018, Kanrich entered into a series of share purchase agreements, whereby Kanrich sold and transferred all 17,790,125 of its shares in E-House Holdings to On Chance for a cash consideration of HK\$593,650,000 and purchased 45,784,000 Shares in our Company from CRE Corp for a cash consideration of HK\$474,690,000. Following the completion of these transfers, Kanrich became a direct shareholder of our Company as of 16 March 2018.

On 16 March 2018, Regal Ace (a company owned as to 51% by Mr. Zhou and 49% by Mr. Shou Bainian (壽柏年), who was one of the founders and an executive director from August 2005 to April 2018 of Greentown China Holdings Limited, a company listed on the Stock Exchange with stock code 3900, and an Independent Third Party) entered into a share purchase agreement with CRE Corp, pursuant to which Regal Ace acquired 18,566,975 Shares in our Company from CRE Corp for a cash consideration of HK\$192,500,000. Such consideration has been fully settled, thus, as of 16 March 2018, Regal Ace became a direct shareholder of our Company and constituted part of our Controlling Shareholders together with Mr. Zhou and other entities wholly-owned or controlled by Mr. Zhou, namely, On Chance, Jun Heng, Kanrich, E-House Holdings, E-House (China) Holdings and CRE Corp, with a combined shareholding of 25.622% of our Shares. Additionally, given (i) the Controlling Shareholders are able to control the composition of a majority of our Board (and therefore all material matters relating to the Company) pursuant to the Shareholders’ Agreement, (ii) the Controlling Shareholders were the parties that exerted influence on the management of the Group during

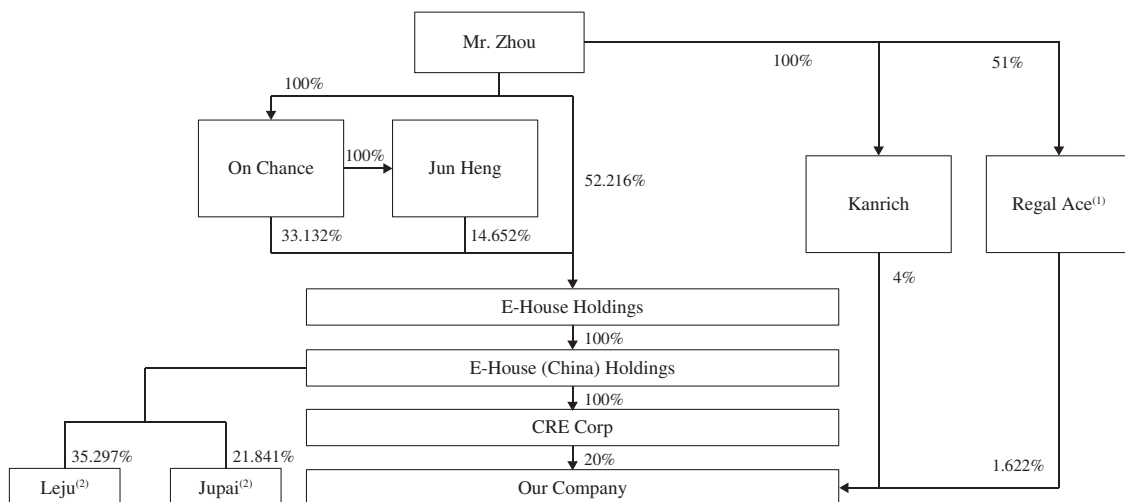
HISTORY, REORGANISATION AND CORPORATE STRUCTURE

the latest financial year and accordingly, there has not been any change in the influence on management during the latest financial year, they have constituted the Controlling Shareholders of the Company (within the definition of the Listing Rules) at least from 1 January 2017 until the Listing Date (when the Shareholders Agreement will terminate and they will cease to control the composition of the majority of the Board).

As of the Latest Practicable Date, Mr. Zhou had pledged all his equity interests in E-House (China) Holdings and CRE Corp in favor of Shanghai Pudong Development Bank Co., Ltd. (“**SPDB**”), an authorised institution as defined in the Banking Ordinance, as security for the *bona fide* commercial loan borrowed by Mr. Zhou from SPDB (the “**SPDB Loan Facility**”). Pursuant to Note (3) to Rule 10.07(2) of the Listing Rules, Mr. Zhou (being one of our Controlling Shareholders) has undertaken to us and to the Stock Exchange that he will observe his respective obligations, including to inform us in writing from time to time the number of shares of E-House (China) Holdings and CRE Corp subject to the share pledge during the term of the SPDB Loan Facility agreement.

We will also inform the Stock Exchange as soon as we have been informed that the shares of E-House (China) Holdings and CRE Corp under such share pledge will be disposed of, and disclose such information by way of an announcement as soon as possible. Please refer to “Risk Factors – Risks Related to Our Business and Industry – Certain equity interests of our Controlling Shareholders are charged as security interests by Mr. Zhou, one of our Controlling Shareholders, pursuant to a facility agreement. A default under such facility agreement could result in enforcement of the security interests, which could materially and adversely affect Mr. Zhou’s ownership in our Group.”

Below is an illustration of our Controlling Shareholders’ interest in our Company as of the Latest Practicable Date:



Notes:

(1) *Regal Ace is held as to 49% by Mr. Shou Bainian (壽柏年), an Independent Third Party.*

(2) *Leju and Jupai are companies listed on the NYSE.*

Recent acquisition

Acquisition of Beijing Hongju

On 6 March 2018, Shanghai Trading entered into a share transfer agreement with Ms. Rui Jun (芮軍), an Independent Third Party, pursuant to which Shanghai Trading acquired the entire shareholding interest in Beijing Hongju Real Estate Brokerage Co., Ltd. (“**Beijing Hongju**”) (北京宏居房地產經紀有限公司), a company established in the PRC on 17 April 2014, for a cash consideration of RMB300,000. The registration of transfer was completed on 12 March 2018 and all relevant regulatory approvals in respect of this transaction have been obtained in accordance with PRC Laws. Beijing Hongju is a real estate brokerage business and was acquired to enhance the quality of services provided to users of our real estate brokerage network.

Reasons for the Listing

It is considered that the fast growing real estate industry in China, together with the strategic investments by the leading real estate developers following the privatisation of E-House (China) Holdings, will provide the Company with tremendous growth opportunities. Therefore, our Directors believe that the Listing in Hong Kong would be beneficial to us and our Shareholders as a whole for the following reasons:

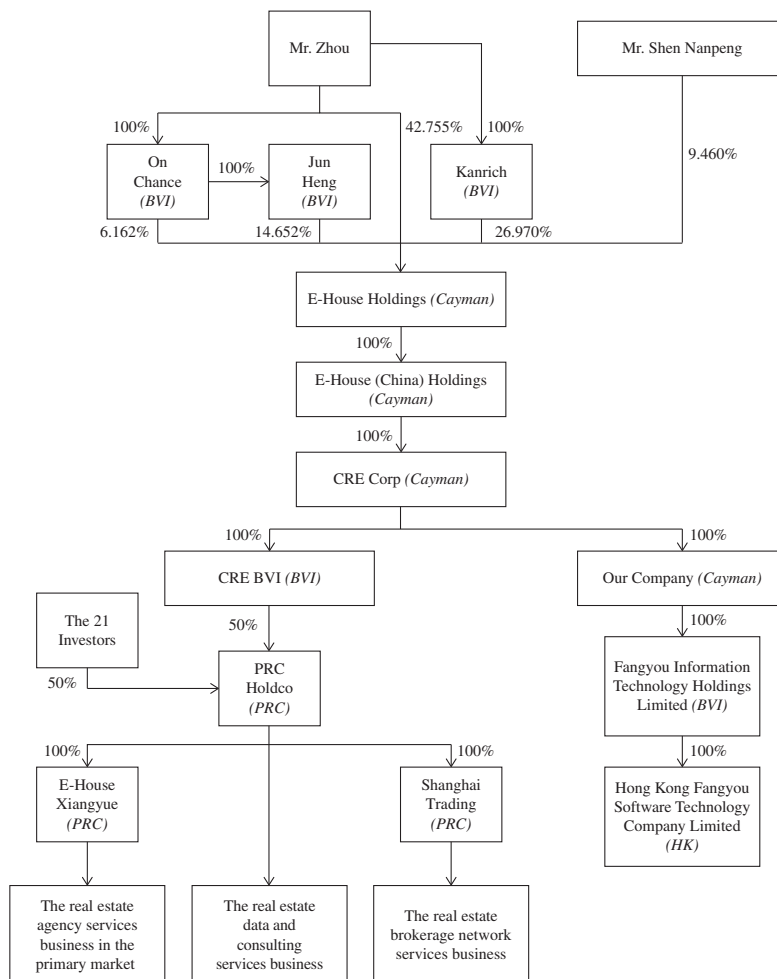
- (i) The Listing will provide a fund raising platform for our Company and allow us to raise the capital required to finance future expansion should the need arise. The Stock Exchange, as a leading player of the international financial market, serves as the ideal listing venue for us by virtue of its strong business ties with Chinese investors and business partners and its strategic position as a gateway for Chinese enterprises to access overseas markets, taking into account that we are headquartered in Shanghai, China with present operations and customers primarily based in China. The Shanghai and Shenzhen Stock Connect programme between mainland China and Hong Kong may also allow mainland investors, who are more familiar with our business and operation, to invest in us after the Listing if our Shares become eligible for such programmes.
- (ii) The Listing serves as a separate benchmark for our Shareholders and the investing public to evaluate the performance of our Group independently which could, in turn, be a performance incentive for the management of our Group.
- (iii) The Listing of our Company as an independent business unit will also make our stock-based compensation to our employees, which correlates directly to the performance of our Group’s business, more appealing and will in turn help us to attract and motivate the talents needed to support our growth and enhance our operating efficiency on an ongoing basis.
- (iv) A listing status on the Stock Exchange will further raise our business profile and thus, enhance our ability to attract new customers, business partners and strategic investors as well as to recruit, motivate and retain key management personnel for our Group’s business.

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CHANGES IN CORPORATE STRUCTURE OF E-HOUSE (CHINA) HOLDINGS AFTER ITS DELISTING

Following E-House (China) Holdings' delisting from the NYSE on 12 August 2016, there were several material changes in its corporation structure:

- (i) On 30 December 2016, E-House Holdings exercised an option pursuant to the E-House (China) Holdings Merger Agreement to repurchase all of its shares held by SINA Corporation for a consideration of 30% of the ordinary shares of Leju and a cash payment of approximately US\$129 million. Thus SINA Corporation ceased to be a shareholder of E-House Holdings or its subsidiaries (including our businesses) on 30 December 2016. As at 30 December 2016, the issued share capital of E-House Holdings was held as to 90.54% by Mr. Zhou and corporations controlled by him and as to 9.46% by Mr. Shen Nanpeng and corporations controlled by him. Below is a simplified corporate structure of E-House (China) Holdings after SINA Corporation ceased to be a shareholder of E-House Holdings or its subsidiaries on 30 December 2016:



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- (ii) As mentioned in subsection headed “Reorganisation of certain interests in our Company” above, on 16 March 2018, Mr. Zhou, E-House (China) Holdings, CRE Corp, Mr. Shen Nanpeng, and Smart Master International Limited (a company owned as to 50% by Mr. Shen) entered into a share exchange agreement, pursuant to which Mr. Shen sold and transferred all 6,240,358 of his shares in E-House Holdings (representing less than 10% of the then issued share capital of E-House Holdings) to Mr. Zhou, the consideration for which was the transfer by CRE Corp of 22,892,000 Shares in our Company and the transfer by E-House (China) Holdings of 5,304,370 shares in Leju and 4,867,730 shares in Jupai, to Smart Master International Limited. Following the completion of these share transfers, as of 16 March 2018, Smart Master International Limited became a direct shareholder of our Company, and as of 23 March 2018, Mr. Shen ceased to be a direct shareholder of E-House Holdings or its subsidiaries (including our business held by PRC Holdco).

On 16 March 2018, Kanrich entered into a series of share purchase agreements, whereby Kanrich sold and transferred all 17,790,125 of its shares in E-House Holdings to On Chance for a cash consideration of HK\$593,650,000 and purchased 45,784,000 Shares in our Company from CRE Corp for a cash consideration of HK\$474,690,000. Following the completion of these transfers, Kanrich became a direct shareholder of our Company as of 16 March 2018.

On 16 March 2018, Regal Ace (a company owned as to 51% by Mr. Zhou and 49% by Mr. Shou Bainian (壽柏年), who was one of the founders and an executive director from August 2005 to April 2018 of Greentown China Holdings Limited, a company listed on the Stock Exchange with stock code 3900, and an Independent Third Party) entered into a share purchase agreement with CRE Corp, pursuant to which Regal Ace acquired 18,566,975 Shares in our Company from CRE Corp for a cash consideration of HK\$192,500,000. Such consideration has been fully settled, thus, as of 16 March 2018, Regal Ace became a direct shareholder of our Company and constituted part of our Controlling Shareholders together with Mr. Zhou and other entities wholly-owned or controlled by Mr. Zhou, namely, On Chance, Jun Heng, Kanrich, E-House Holdings, E-House (China) Holdings and CRE Corp, with a combined shareholding of 25.622% of our Shares. Please refer to subsection headed “Reorganisation of certain interests in our Company” above for the simplified structure chart illustrating our Controlling Shareholders’ interest in our Company as of the Latest Practicable Date.

PRE-IPO INVESTMENTS

Overview

Our Company has concluded the following Pre-IPO Investments:

- (a) On 17 November 2017, each of Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited (碧桂園(香港)發展有限公司) and Jovial Idea Developments Limited entered into share subscription agreements with our Company and share purchase agreements with CRE Corp, pursuant to which (i) they each acquired an aggregate 171,690,000 new and existing Shares at a consideration of HK\$1,781,000,000 on completion (1 December 2017); and (ii) the Company was obliged to complete HK Fangyou's acquisition of the 100% equity interests of PRC Holdco (the "**Acquisition**") prior to 30 June 2018. If the Acquisition could not complete by 30 June 2018, our Company would have been required under the respective share subscription agreements and share purchase agreements to return the total investment fund we received under these Pre-IPO Investments to each of Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited (碧桂園(香港)發展有限公司) and Jovial Idea Developments Limited (the "**Potential Refund**"). The Acquisition was completed on 5 March 2018 (see subsection headed "Transfer of PRC Holdco to our Company" above) and in any event the obligation to complete the Acquisition or the Potential Refund would not affect the date (i.e. 1 December 2017) when Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited (碧桂園(香港)發展有限公司) and Jovial Idea Developments Limited became the Shareholders of the Company.
- (b) Each of the following investors entered into share purchase agreements with CRE Corp pursuant to which they each acquired from CRE Corp 5,036,240 Shares at a total price of HK\$52,000,000 on completion (5 January 2018):
 - (i) Hong Kong Oeming Enterprise Management Limited and Skill Able Investments Limited on 26 December 2017; and
 - (ii) Hong Kong JunFa Property Company Limited and Hong Yuan International Holdings Limited on 2 January 2018.
- (c) Each of the following investors entered into share purchase agreements with CRE Corp pursuant to which they each acquired from CRE Corp 2,861,500 Shares at a total price of HK\$30,000,000 on completion (6 March 2018):
 - (i) Ocean Access Holdings Ltd. on 2 January 2018;
 - (ii) Rome Max Investment Limited on 30 January 2018; and
 - (iii) Prance Thrive Limited on 8 February 2018.

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- (d) On 3 February 2018, Advance Power International Limited entered into a share purchase agreement with CRE Corp pursuant to which it acquired from CRE Corp 22,892,000 Shares at a total price of HK\$246,000,000 on completion (16 March 2018).
- (e) On 16 March 2018, each of the following investors entered into share purchase agreements with CRE Corp pursuant to which they acquired from CRE Corp Shares in the following proportions at the following prices on completion (16 March 2018):
- (i) 29,451,000 Shares to Paving Stone Holding Limited for HK\$305,360,000;
 - (ii) 24,952,280 Shares to Mr. Wong Man Chai (黃文仔) for HK\$259,000,000;
 - (iii) 22,892,000 Shares to Smart Master International Limited as part of the consideration in exchange for 6,240,358 shares in E-House Holdings;
 - (iv) 22,527,535 Shares to Dragon Power Group Holdings Limited for HK\$233,580,000;
 - (v) 20,030,500 Shares each to Great Dawn Investments Limited, Green Prosper Investments Limited, and Shining Wish Investment Limited for HK\$208,000,000 each;
 - (vi) 14,994,260 Shares each to Benefit Ocean Limited (潤洋有限公司), Foruis (BVI) Limited, Precise Wish Limited (騰福有限公司), and Spectron Enterprises Limited for HK\$155,500,000 each;
 - (vii) 9,958,020 Shares each to Dingxin Company Limited, Everland Development Limited (恒地發展有限公司), and to Zhenro International Limited for HK\$103,000,000 each;
 - (viii) 7,497,130 Shares each to JOY TOWN INC. and THAIHOT Group Development Company Limited for HK\$78,000,000 each;
 - (ix) 5,036,240 Shares each to Faithful Gem Limited, HK Fortune Fate Int'l Investment Limited, and Matrix Harvest Limited (同新有限公司) for HK\$52,000,000 each; and
 - (x) 4,769,170 Shares to Grande Worldwide Enterprises Investment Limited for HK\$50,000,000.

The consideration for the Pre-IPO Investments was determined after arm's length negotiations between our Company, CRE Corp and the Pre-IPO Investors after taking into consideration the timing of the investments and the status of our business and operating entities.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Principal terms of the Pre-IPO Investments

The below table summarises the principal terms of the Pre-IPO Investments:

Name of Pre-IPO Investor	Date of investment	Total consideration (HK\$ million)	Cost per share paid (HK\$)	Date on which investment was fully settled	Discount to the Offer Price ⁽¹⁾
Captain Valley (Cayman) Limited	17 November 2017	1,781	10.37	7 December 2017	35.3%
Country Garden (Hong Kong) Development Company Limited ⁽²⁾	17 November 2017	1,781	10.37	7 December 2017	35.3%
Jovial Idea Developments Limited	17 November 2017	1,781	10.37	7 December 2017	35.3%
Hong Kong Oeming Enterprise Management Limited.	26 December 2017	52	10.33	10 January 2018	35.6%
Skill Able Investments Limited	26 December 2017	52	10.33	11 January 2018	35.6%
Hong Kong JunFa Property Company Limited	2 January 2018	52	10.33	9 January 2018	35.6%
Hong Yuan International Holdings Limited.	2 January 2018	52	10.33	19 January 2018	35.6%
Ocean Access Holdings Limited	2 January 2018	30	10.48	2 March 2018	34.6%
Rome Max Investment Limited	30 January 2018	30	10.48	8 March 2018	34.6%
Advance Power International Limited	3 February 2018	246	10.75	21 March 2018	32.9%
Prance Thrive Limited	8 February 2018	30	10.48	1 March 2018	34.6%
Paving Stone Holding Limited	16 March 2018	305.36	10.37	21 March 2018	35.3%
Mr. Wong Man Chai	16 March 2018	259	10.38	27 March 2018	35.2%
Smart Master International Limited	16 March 2018	237.46	10.37	16 March 2018	35.3%
Dragon Power Group Holdings Limited	16 March 2018	233.58	10.37	21 March 2018	35.3%
Great Dawn Investments Limited	16 March 2018	208	10.38	16 March 2018	35.2%
Green Prosper Investments Limited	16 March 2018	208	10.38	20 March 2018	35.2%
Shining Wish Investment Limited	16 March 2018	208	10.38	21 March 2018	35.2%
Benefit Ocean Limited	16 March 2018	155.5	10.37	20 March 2018	35.3%
Foruis (BVI) Limited.	16 March 2018	155.5	10.37	19 March 2018	35.3%
Precise Wish Limited.	16 March 2018	155.5	10.37	20 March 2018	35.3%
Spectron Enterprises Limited.	16 March 2018	155.5	10.37	19 March 2018	35.3%
Dingxin Company Limited	16 March 2018	103	10.34	20 March 2018	35.5%

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Name of Pre-IPO Investor	Date of investment	Total consideration (HK\$ million)	Cost per share paid (HK\$)	Date on which investment was fully settled	Discount to the Offer Price ⁽¹⁾
Everland Development Limited	16 March 2018	103	10.34	21 March 2018	35.5%
Zhenro International Limited.	16 March 2018	103	10.34	20 March 2018	35.5%
Joy Town Inc.	16 March 2018	78	10.40	23 March 2018	35.1%
THAIHOT Group Development Company Limited	16 March 2018	78	10.40	20 March 2018	35.1%
Faithful Gem Limited	16 March 2018	52	10.33	22 March 2018	35.6%
HK Fortune Fate Int'l Investment Limited.	16 March 2018	52	10.33	23 March 2018	35.6%
Matrix Harvest Limited	16 March 2018	52	10.33	23 March 2018	35.6%
Grande Worldwide Enterprises Investment Limited.	16 March 2018	50	10.48	21 March 2018	34.6%

Notes:

- (1) *Assuming the Offer Price is fixed at HK\$16.03, being the mid-point of the Offer Price Range, based on 1,467,436,000 Shares in issue immediately upon completion of the Global Offering, and assuming the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme are not exercised and no options are granted under the Post-IPO Share Option Scheme.*
- (2) *Pursuant to the agreements between Country Garden (Hong Kong) Development Company Limited and each of CRE Corp and our Company signed on 17 November 2017, the Shares held by Country Garden (Hong Kong) Development Company Limited were initially held by its wholly-owned subsidiary, Heyday Surge Limited, between 1 December 2017 and 5 January 2018. On 5 January 2018, these Shares were transferred from Heyday Surge Limited to Country Garden (Hong Kong) Development Company Limited.*

Use of proceeds from the Pre-IPO Investments We utilised the proceeds from the Pre-IPO Investments to finance the purchase of part of the shareholding in PRC Holdco. As of the Latest Practicable Date, all the net proceeds from the Pre-IPO Investments had been utilised.

Lock-up Any equity securities of the Company held by the Pre-IPO Investors (save for Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited, Jovial Idea Developments Limited and Dragon Power Group Holdings Limited) will be subject to a lock-up period of six months from the Listing Date. Equity securities of the Company held by Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited, and Jovial Idea Developments Limited will be subject to a lock-up period of one year from the Listing Date.

Strategic benefits of the Pre-IPO Investors brought to our Company Our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-IPO Investments, the Pre-IPO Investors' knowledge and experience, and the endorsement of our Company's performance, strength and prospects reflected by their Pre-IPO Investments.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Special rights of the Pre-IPO Investors

In addition to the terms described above, the Shareholders' Agreement was entered into, pursuant to which certain shareholder rights were agreed among the parties:

Control of a majority of the Board prior to Listing	CRE Corp shall be entitled to appoint four executive Directors to the Board, which consists of seven Directors in total, thereby having the right to control the composition of a majority of the Board prior to Listing.
Right to elect director and participation in Board	Each of Vanke (through Captain Valley (Cayman) Limited), Country Garden (through Country Garden (Hong Kong) Development Company Limited) and Evergrande (through Jovial Idea Developments Limited) shall be entitled to appoint one non-executive Director to the Board.
Prior consent for certain corporate actions	Any corporate action that, under the laws of the Cayman Islands, is required to be approved by shareholders resolution (whether by special or ordinary resolution) (the " Reserved Matters ") shall be approved only by a super-majority, namely 80% of eligible voting by the Shareholders (including the Pre-IPO Investors) prior to Listing.
No revocation of Board decisions	Prior to Listing, the Shareholders (including the Pre-IPO Investors) shall not take any actions of any nature to revoke any decision of the Board except for the Reserved Matters.

The shareholder rights granted under the Shareholders' Agreement will be automatically terminated upon Listing. No special rights granted to the Pre-IPO Investors will survive after the Listing, in compliance with Guidance Letter HKEX-GL43-12 issued by the Stock Exchange in October 2012 and as updated in July 2013 and March 2017.

Public float

Upon the completion of the Global Offering (assuming the Over-allotment Option and any options granted under the Pre-IPO Share Option Scheme are not exercised and no options are granted under the Post-IPO Share Option Scheme), CRE Corp, Captain Valley (Cayman) Limited, Country Garden (Hong Kong) Development Company Limited, and Jovial Idea Developments Limited will each control or hold in excess of 10% of the issued Shares. They will each be a substantial Shareholder of our Company upon Listing and the Shares they hold will accordingly not be considered as part of the public float. Kanrich and Regal Ace, companies owned by Mr. Zhou as to 100% and 51%, respectively, and Advance Power International Limited, a company wholly-owned by Mr. Xia Hai Jun, will each be a close associate of a Director of our Company upon Listing and therefore will not be considered as part of the public float.

The Shares held by other Pre-IPO Investors will constitute part of the public float.

Information on the Pre-IPO Investors

Save as disclosed below and other than their shareholding interest in our Company as disclosed in this document, our Pre-IPO Investors and their respective ultimate beneficial owners are independent from our Group and connected persons of our Company.

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Captain Valley (Cayman) Limited is an indirectly wholly-owned subsidiary of Vanke (萬科企業股份有限公司), a company listed on the Stock Exchange with stock code 2202 and the Shenzhen Stock Exchange with stock code 000002, respectively. Vanke and its subsidiaries' core businesses include real estate development and property services and are expanding its businesses related to life services. As of the date of this document, Captain Valley (Cayman) Limited holds a 15% equity interest in our Company. Mr. Zhu Jiusheng is a non-executive Director of our Company nominated by Captain Valley (Cayman) Limited.

Country Garden (Hong Kong) Development Company Limited is a wholly-owned subsidiary of Smart World Development Holdings Ltd, itself a wholly-owned subsidiary of Country Garden, a company listed on the Stock Exchange with stock code 2007. Country Garden is an investment holding company and its subsidiaries are principally engaged in real estate development, construction, property management and hotel operation in the PRC. As of the date of this document, Country Garden (Hong Kong) Development Company Limited holds a 15% equity interest in our Company. Mr. Mo Bin is a non-executive Director of our Company nominated by Country Garden (Hong Kong) Development Company Limited.

Jovial Idea Developments Limited is a subsidiary of Evergrande (中國恒大集團) (formerly known as Evergrande Real Estate Group Limited 恒大地產集團有限公司), a company listed on the Stock Exchange with stock code 3333. Evergrande and its subsidiaries are principally engaged in real estate development, real estate investment, property management, real estate construction, hotel operations, internet business, health industry business and investment business in the PRC. As of the date of this document, Jovial Idea Developments Limited holds a 15% equity interest in our Company. Mr. Xia Hai Jun is a non-executive Director of our Company nominated by Jovial Idea Developments Limited.

Paving Stone Holding Limited is an investment holding company controlled by Mr. Zhuo Fumin (an Independent Third Party) and is incorporated in the British Virgin Islands. As of the date of this document, Paving Stone Holding Limited holds a 2.573% equity interest in our Company.

Mr. Wong Man Chai (黃文仔), an Independent Third Party, is a director and the board chairman of Guangzhou Star River Real Estate Development Co., Ltd. (廣州星河灣實業發展有限公司), a real estate construction company based in Guangzhou, China primarily engaged in luxury apartment real estate development. As of the date of this document, Mr. Wong Man Chai holds a 2.18% equity interest in our Company.

Advance Power International Limited is an investment holding company wholly-owned by Mr. Xia Hai Jun, a non-executive Director of our Company. See the section headed "Directors and Senior Management – Directors" for the biography of Mr. Xia. Advance Power International Limited is a company incorporated in the British Virgin Islands. As of the date of this document, Advance Power International Limited holds a 2% equity interest in our Company.

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Smart Master International Limited, incorporated in the British Virgin Islands, is an investment holding company owned as to 50% by Mr. Shen Nanpeng and as to 50% by Ms. Jingxin Yong (spouse of Mr. Shen Nanpeng and an Independent Third Party). As of the date of this document, Smart Master International Limited holds a 2% equity interest in our Company. Mr. Shen is a global managing partner of Sequoia Capital and the founding and managing partner of Sequoia Capital China. He was previously a shareholder of E-House Holdings until he sold all his shares in E-House Holdings to Mr. Zhou on 16 March 2018. For details of the share exchange, please see the subsection headed “– Our Corporate Reorganisation – Reorganisation of certain interests in our Company”.

Dragon Power Group Holdings Limited, an investment holding company owned as to 50% by Mr. Li San Yim and as to 50% by Ms. Ngai Ngan Ying (both Independent Third Parties), is a company incorporated in the British Virgin Islands. Mr. Li San Yim is an executive director of, and Ms. Ngai Ngan Ying is a non-executive director of, Lonking Holdings Limited, a company listed on the Stock Exchange with stock code 3339. As of the date of this document, Dragon Power Group Holdings Limited holds a 1.968% equity interest in our Company.

Great Dawn Investments Limited is a wholly-owned subsidiary of Eastern Supreme Group Holdings Limited, itself a wholly owned subsidiary of Agile Group Holdings Limited, a company listed on the Stock Exchange with stock code 3383. Agile Group Holdings Limited is principally engaged in the development of large-scale mixed-use real estate projects, with presence in the businesses of property management hotel operations, real estate investment, environment protection and construction. As of the date of this document, Great Dawn Investments Limited holds a 1.75% equity interest in our Company.

Green Prosper Investments Limited, a company wholly-owned by Mr. Li Sze Lim (an Independent Third Party), is a company incorporated in the British Virgin Islands with investment holding as its main business. Mr. Li Sze Lim is the board chairman and executive director of Guangzhou R&F Properties Co., Ltd., a company listed on the Stock Exchange with stock code 2777. Guangzhou R&F Properties Co., Ltd. is principally engaged in mass residential real estate development on a variety of scales, as well as the development of hotels, office buildings and shopping malls. As of the date of this document, Green Prosper Investments Limited holds a 1.75% equity interest in our Company.

Shining Wish Investment Limited is an indirectly wholly-owned subsidiary of Sunac China Holdings Limited, a company listed on the Stock Exchange with stock code 1918. Sunac China Holdings Limited focuses on high-end real estate development and management business. As of the date of this document, Shining Wish Investment Limited holds a 1.75% equity interest in our Company.

Spectron Enterprises Limited is a wholly-owned subsidiary of Xu Sheng Limited, itself a wholly-owned subsidiary of CIFI Holdings (Group) Co. Ltd., a company listed on the Stock Exchange with stock code 884. CIFI Holdings (Group) Co. Ltd. and its subsidiaries are principally engaged in the real estate development and real estate investment business in the PRC. As of the date of this document, Spectron Enterprises Limited holds a 1.31% equity interest in our Company.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Benefit Ocean Limited 潤洋有限公司 is a wholly-owned subsidiary of Shanghai Weizhibo Medical Investment Management Co., Ltd. (上海威至博醫療投資管理有限公司), itself a wholly-owned subsidiary of Yango Group Co., Ltd., a company listed on the Shenzhen Stock Exchange with stock code 000671. Yango Group Co., Ltd. is principally engaged in the development and sale of real estate properties. As of the date of this document, Benefit Ocean Limited holds a 1.31% equity interest in our Company.

Foruis (BVI) Limited is a wholly-owned subsidiary of Fosun Property Holdings Limited, itself a wholly-owned subsidiary of Fosun International Ltd., a company listed on the Stock Exchange with stock code 656. Fosun International Ltd. is a company incorporated in Hong Kong with its principal business to create customer-to-maker (C2M) ecosystems in three main areas, namely health, happiness and wealth, by providing products and services to families. As of the date of this document, Foruis (BVI) Limited holds 1.31% equity interest in our Company.

Precise Wish Limited is an indirectly wholly-owned subsidiary of Central China Real Estate Limited, a company listed on the Stock Exchange with stock code 832. Central China Real Estate Limited is mainly engaged in the real estate development and sales in Henan Province of the PRC. As of the date of this document, Precise Wish Limited holds a 1.31% equity interest in our Company.

Dingxin Company Limited is a wholly-owned subsidiary of Honest Global Holdings Limited, itself wholly-owned by TMF (Cayman) Ltd., the trustee of the Ou Family Trust (歐式家族信託). The beneficiaries of the Ou Family Trust are Mr. Ou Zonghong (歐宗洪) and Mrs. Ou, Ms. Xu Lixiang (許麗香). Mr. Ou Zonghong is the board chairman, director and chief executive officer of Ronshine China Holdings Limited, a company listed on the Stock Exchange with stock code 3301. Ronshine China Holdings Limited is primarily engaged in the development of real estate properties in China, with a focus on mid-to-high end residential and commercial properties in the Western Taiwan Straits Economic Zone and selected first and second tier cities in the PRC. As of the date of this document, Dingxin Company Limited holds a 0.87% equity interest in our Company.

Everland Development Limited is an indirectly wholly-owned subsidiary of Powerlong Real Estate Holdings Limited, a company listed on the Stock Exchange with stock code 1238. Powerlong Real Estate Holdings Limited together with its subsidiaries is a leading real estate developer in the PRC specialising in the development and operation of integrated commercial and residential complexes. As of the date of this document, Everland Development Limited holds a 0.87% equity interest in our Company.

Zhenro International Limited is a wholly-owned subsidiary of Zhenro Properties Group Limited, a company listed on the Stock Exchange with stock code 6158. Zhenro Properties Group Limited together with its subsidiaries is a comprehensive real estate developer in Mainland China focusing on the development of residential properties and the development, operation and management of commercial and mixed-properties. As of the date of this document, Zhenro International Limited holds a 0.87% equity interest in our Company.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Joy Town Inc. is an investment holding company wholly-owned by Ms. Huang Yanping (an Independent Third Party) and is incorporated in the British Virgin Islands. As of the date of this document, Joy Town holds a 57.95% equity interest in ZH International Holdings Ltd., a company listed on the Stock Exchange with stock code 185. ZH International Holdings Ltd. together with its subsidiaries principally engage in real estate development, property investment and management, hotel operations and securities trading and investment. As of the date of this document, Joy Town Inc. holds a 0.655% equity interest in our Company.

THAIHOT Group Development Company Limited is a wholly-owned subsidiary of THAIHOT Group (Hong Kong) Company Limited, itself a wholly-owned subsidiary of Tahoe Group Co., Ltd. (泰禾集團股份有限公司), a company listed in the Shenzhen Stock Exchange with stock code 000732. Tahoe Group Co., Ltd. primarily engages in real estate development and management, hotel management, property management, and provision of financial information and business management consulting services. As of the date of this document, THAIHOT Group Development Company Limited holds a 0.655% equity interest in our Company.

Faithful Gem Limited is a wholly-owned subsidiary of Natural Apex Limited, itself a wholly-owned subsidiary of Jingrui Holdings Limited, a company listed on the Stock Exchange with stock code 1862. The primary business of Jingrui Holdings Limited is the real estate development business in the Yangtze River Delta region of China. As of the date of this document, Faithful Gem Limited holds a 0.44% equity interest in our Company.

HK Fortune Fate Int'l Investment Limited, a company wholly-owned by Mr. Tang Kwok Hung (an Independent Third Party), is incorporated in Hong Kong operating primarily in the investment holding business. Mr. Tang Kwok Hung is an executive director of Fullsun International Holdings Group Co., Limited, a company listed on the Stock Exchange with stock code 627. Fullsun International Holdings Group Co., Limited primarily engages in real estate development activities in Changsha. As of the date of this document, HK Fortune Fate Int'l Investment Limited holds a 0.44% equity interest in our Company.

Hong Kong JunFa Property Company Limited, incorporated in Hong Kong, is a company indirectly wholly owned by Mr. Li Man Bun (an Independent Third Party). Hong Kong JunFa Property Company Limited holds 100% of the shares in JunFa Group Co., Ltd. (俊發集團有限公司), which is a company providing a variety of real estate development, construction engineering, road and bridge construction, property service, business and hotel operations, automobile sales and other related businesses. As of the date of this document, Hong Kong JunFa Property Company Limited holds a 0.44% equity interest in our Company.

Hong Kong Oeming Enterprise Management Limited, a company incorporated in Hong Kong, is indirectly wholly-owned by Sinic Real Estate Co., Ltd. (新力地產有限公司), which is itself indirectly wholly owned by Mr. Zhang Yuanlin and Ms. Wu Chengping (both Independent Third Parties) as to 99% and 1% respectively. Sinic Real Estate Co., Ltd. is a company that primarily engages in real estate development and sales. As of the date of this document, Hong Kong Oeming Enterprise Management Limited holds a 0.44% equity interest in our Company.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Hong Yuan International Holdings Limited is an investment holding company wholly-owned by Ms. Zhu Guoling (an Independent Third Party) and is incorporated in Hong Kong. Ms. Zhu Guoling is a director of Xiangsheng Real Property Group Co., Ltd. (祥生實業集團有限公司), a company which engages in a variety of real estate, construction and building installation, hotel management, tourism and other related services. As of the date of this document, Hong Yuan International Holdings Limited holds a 0.44% equity interest in our Company.

Matrix Harvest Limited, a company wholly-owned by an Mr. Xiao Zhong (an Independent Third Party), is incorporated in Hong Kong with investment holding as its main business. Mr. Xiao Zhong is a non-executive director of Sansheng Holdings Group Co., Ltd., a company listed on the Stock Exchange with stock code 2183. Sansheng Holdings Group Co., Ltd. primarily engages in commercial real estate development and management. As of the date of this document, Matrix Harvest Limited holds a 0.44% equity interest in our Company.

Skill Able Investments Limited is a wholly-owned subsidiary of Affluent Way International Limited, itself a wholly owned subsidiary of China SCE Property Holdings Limited, a company listed on the Stock Exchange with stock code 1966. China SCE Property Holdings Limited is principally engaged in real estate development, property investment and property management in the PRC. As of the date of this document, Skill Able Investments Limited holds a 0.44% equity interest in our Company.

Grande Worldwide Enterprises Investment Limited is an investment holding company wholly-owned by Ms. Jiang Mei (an Independent Third Party) and is incorporated in the British Virgin Islands. As of the date of this document, Grande Worldwide Enterprises Investment Limited holds a 0.417% equity interest in our Company.

Ocean Access Holdings Limited is an indirect wholly-owned subsidiary of Yuzhou Properties Company Limited, a company listed on the Stock Exchange with stock code 1628. Yuzhou Properties Company Limited's primary business is investment holding and engages in the investment, development and management of real estate properties. As of the date of this document, Ocean Access Holdings Limited holds a 0.25% equity interest in our Company.

Prance Thrive Limited is an investment holding company wholly-owned by Mr. Kei Hoi Pang (an Independent Third Party) and is incorporated in the British Virgin Islands. Mr. Kei Hoi Pang is the board chairman and an executive director of Logan Property Holdings Company Limited, a company listed on the Stock Exchange with stock code 3380. Logan Property Holdings Company Limited is a real estate developer which primarily engages in residential real estate development in Guangdong and Hong Kong. As of the date of this document, Prance Thrive Limited holds a 0.25% equity interest in our Company.

Rome Max Investment Limited is an indirect wholly-owned subsidiary of 江蘇中南建設集團股份有限公司 (Jiangsu Zhongnan Construction Group Co., Ltd.), a company listed on the Shenzhen Stock Exchange with stock code 000961. Jiangsu Zhongnan Construction Group Co., Ltd. is primarily engaged in real estate development and construction businesses in China. As of the date of this document, Rome Max Investment Limited holds a 0.25% equity interest in our Company.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Compliance with Stock Exchange guidance

On the basis that (i) the consideration for the Pre-IPO Investments was settled more than 28 clear days before the date of our first submission of the listing application form to the Listing Division of the Stock Exchange in relation to the Listing and (ii) all special rights granted to the Pre-IPO Investors will automatically terminate upon Listing, the Joint Sponsors are of the view that the Pre-IPO Investments are in compliance with the Interim Guidance on Pre-IPO Investments Guidance Letter HKEX-GL29-12 issued by the Stock Exchange in January 2012, as updated in March 2017, the Guidance Letter HKEX-GL43-12 issued by the Stock Exchange in October 2012 and as updated in July 2013 and March 2017 and the Guidance Letter HKEX-GL44-12 issued by the Stock Exchange in October 2012 and as updated in March 2017.

Capitalisation of our Company

The below table is a summary of the capitalisation of our Company as of the date of this document:

Shareholders (including Pre-IPO Investors)	Ordinary Shares	Ownership percentage as of the date of this document	Ownership percentage immediately after the completion of the Global Offering ⁽¹⁾
CRE Corp ⁽²⁾	228,920,000	20.000%	15.600%
Captain Valley (Cayman) Limited	171,690,000	15.000%	11.700%
Country Garden (Hong Kong) Development Company Limited	171,690,000	15.000%	11.700%
Jovial Idea Developments Limited	171,690,000	15.000%	11.700%
Kanrich ⁽²⁾	45,784,000	4.000%	3.120%
Paving Stone Holding Limited	29,451,000	2.573%	2.007%
Mr. Wong Man Chai (黃文仔)	24,952,280	2.180%	1.700%
Advance Power International Limited ⁽³⁾	22,892,000	2.000%	1.560%
Smart Master International Limited	22,892,000	2.000%	1.560%
Dragon Power Group Holdings Limited.	22,527,535	1.968%	1.535%
Great Dawn Investments Limited.	20,030,500	1.750%	1.365%
Green Prosper Investments Limited	20,030,500	1.750%	1.365%
Shining Wish Investment Limited	20,030,500	1.750%	1.365%
Regal Ace ⁽²⁾	18,566,975	1.622%	1.265%
Spectron Enterprises Limited	14,994,260	1.310%	1.022%
Benefit Ocean Limited (潤洋有限公司)	14,994,260	1.310%	1.022%
Foruis (BVI) Limited	14,994,260	1.310%	1.022%
Precise Wish Limited (騰福有限公司)	14,994,260	1.310%	1.022%
Dingxin Company Limited.	9,958,020	0.870%	0.679%
Everland Development Limited	9,958,020	0.870%	0.679%
Zhenro International Limited	9,958,020	0.870%	0.679%
Joy Town Inc.	7,497,130	0.655%	0.511%
THAIHOT Group Development Company Limited	7,497,130	0.655%	0.511%
Faithful Gem Limited.	5,036,240	0.440%	0.343%
HK Fortune Fate Int'l Investment Limited	5,036,240	0.440%	0.343%
HK JunFa Property Co, Ltd.	5,036,240	0.440%	0.343%
Hong Kong Oeming Enterprise Management Ltd.	5,036,240	0.440%	0.343%
Hong Yuan International Holdings Ltd	5,036,240	0.440%	0.343%
Matrix Harvest Limited (同新有限公司)	5,036,240	0.440%	0.343%
Skill Able Investments Ltd.	5,036,240	0.440%	0.343%
Grande Worldwide Enterprises Investment Limited	4,769,170	0.417%	0.325%
Ocean Access Holdings Limited	2,861,500	0.250%	0.195%
Prance Thrive Limited (躍盛有限公司)	2,861,500	0.250%	0.195%
Rome Max Investment Limited	2,861,500	0.250%	0.195%
Other public Shareholders	-	-	22.000%
Total	1,144,600,000	100%	100%

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Notes:

- (1) *Assuming the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme are not exercised and no grants of options will be made under the Post-IPO Share Option Scheme.*
- (2) *CRE Corp, Kanrich and Regal Ace are core connected persons of the Company pursuant to Rule 1.01 of the Listing Rules, as they are close associates of Mr. Zhou. Please see the section headed “Directors and Senior Management – Director – Executive Directors” for details of Mr. Zhou’s biography.*
- (3) *Advance Power International Limited is a core connected person of the Company pursuant to Rule 1.01 of the Listing Rules, as it is a close associate of Mr. Xia Hai Jun. Please see the section headed “Directors and Senior Management – Director – Non-Executive Directors” for details of Mr. Xia Hai Jun’s biography.*

COMPLIANCE WITH PRC LAWS

Our PRC Legal Adviser has confirmed that the PRC companies in our Group as described in this section have been duly established and all regulatory approvals and permits in respect of the incorporation and changes in the shareholdings of the PRC companies have been obtained in accordance with PRC Laws.

M&A Rules

Under the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the “**M&A Rules**”) jointly issued by the MOFCOM, the SASAC, the SAT, the CSRC, SAIC and the SAFE on 8 August 2006, effective as of 8 September 2006 and amended on 22 June 2009, a foreign investor is required to obtain necessary approvals when:

- (i) acquires the equity of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise;
- (ii) subscribes the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise;
- (iii) establishes a foreign-invested enterprise through which it purchases the assets of a domestic enterprise and operates these assets; or
- (iv) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign invested enterprise.

The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for listing purposes and controlled directly or indirectly by PRC companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle’s securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interests in the PRC companies in exchange for the shares of offshore companies.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

As advised by our PRC Legal Adviser, the acquisition of PRC Holdco by Hong Kong Fangyou Software Technology Co. Ltd. was subject to the Provisions for the Alteration of Investors' Equities in Foreign-funded Enterprises (《外商投資企業投資者股權變更的若干規定》) rather than the M&A Rules, because the target, PRC Holdco, was a Sino-foreign joint venture. Accordingly, the acquisition set forth above is not subject to approval from MOFCOM under the M&A Rules and our listing on the Stock Exchange is not subject to prior approval from CSRC under the M&A Rules.

SAFE registration in China

Pursuant to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外融資及返程投資外匯管理有關問題的通知》) (the “**SAFE Circular 37**”), promulgated by SAFE on 4 July 2014, and which replaced the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Corporate Financing and Roundtrip Investment Through Offshore Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》) (the “**SAFE Circular 75**”):

- (a) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the “**Overseas SPV**”) that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing; and
- (b) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change in respect of the Overseas SPV, including, among other things, a change of Overseas SPV's PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division.

Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the “**SAFE Circular 13**”), promulgated by SAFE and became effective on 1 June 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interest in the domestic entity was located.

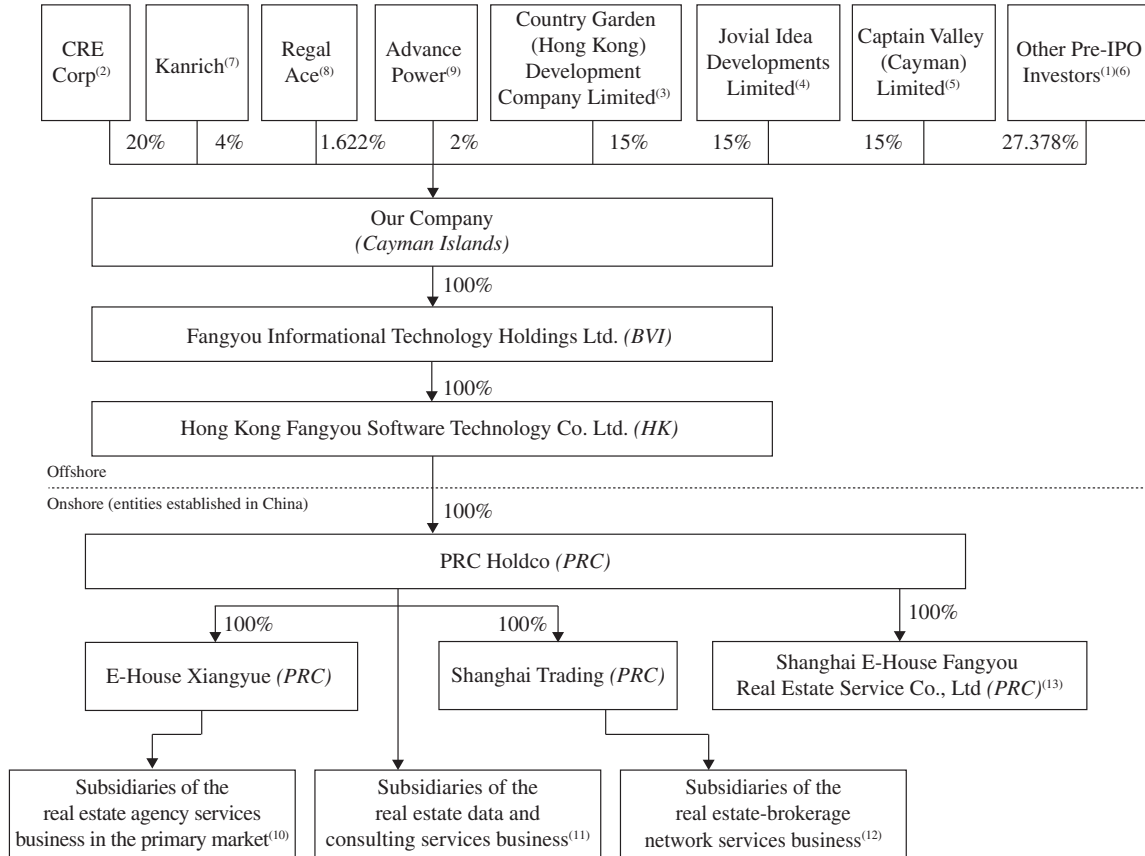
As advised by our PRC Legal Adviser, Mr. Zhou is not required to make the relevant PRC residents SAFE registration with the local SAFE branch under the SAFE Circular 37.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

CORPORATE STRUCTURE

Corporate structure before the Global Offering

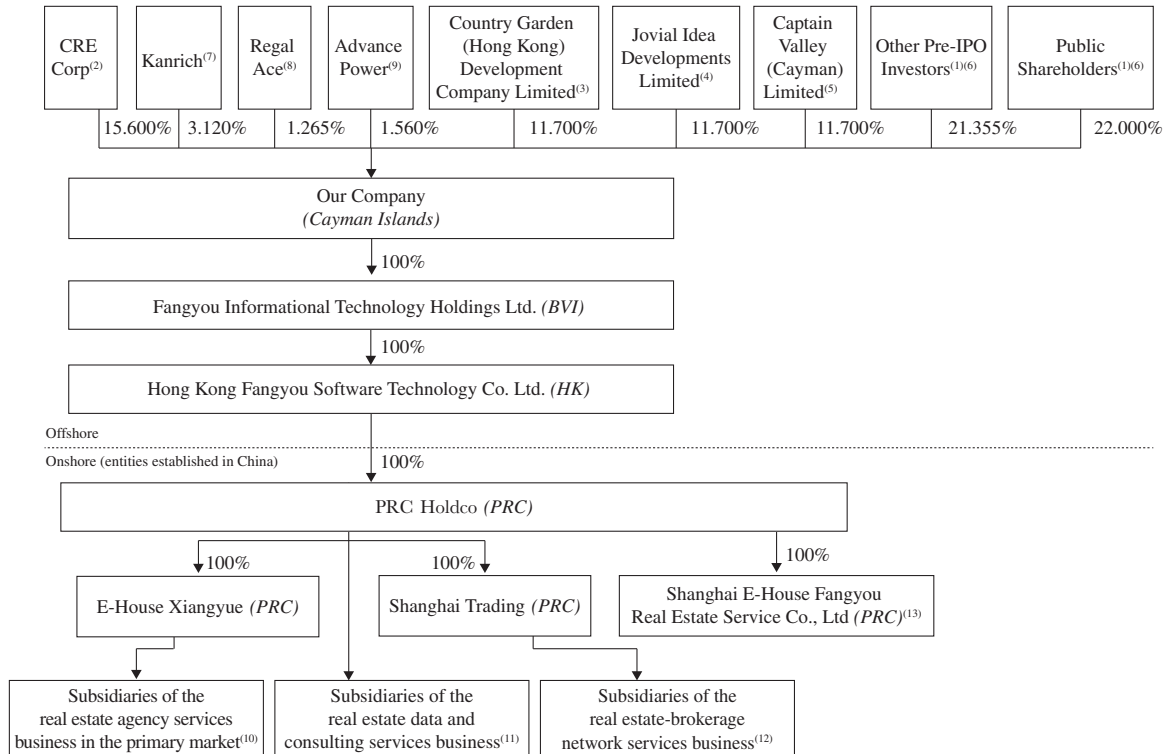
The following diagram is a simplified illustration of the corporate and shareholding structure of our Group immediately prior to completion of the Global Offering (assuming the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme are not exercised and no options are granted under the Post-IPO Share Option Scheme):



HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Corporate structure immediately following the Global Offering

The following diagram is a simplified illustration of the corporate and shareholding structure of our Group immediately following the completion of the Global Offering (assuming the Over-allotment Option and the options granted under the Pre-IPO Share Option Scheme are not exercised and no options are granted under the Post-IPO Share Option Scheme):



Notes:

- (1) These Shares will count towards the public float upon Listing.
- (2) CRE Corp is a wholly-owned subsidiary of E-House (China) Holdings, itself a wholly-owned subsidiary of E-House Holdings. E-House Holdings is held as to 33.13% by On Chance, 14.65% by Jun Heng and 52.22% by Mr. Zhou. Each of On Chance and Jun Heng are in turn wholly-owned by Mr. Zhou.
- (3) Country Garden (Hong Kong) Development Company Limited is a wholly-owned subsidiary of Smart World Development Holdings Ltd, itself a wholly-owned subsidiary of Country Garden.
- (4) Jovial Idea Developments Limited is indirectly owned as to 63.46% by Evergrande.
- (5) Captain Valley (Cayman) Limited is an indirectly wholly-owned subsidiary of Vanke.
- (6) See the subsection headed "Information on the Pre-IPO Investors" for details of the remaining Pre-IPO Investors and their individual interests in our Company.
- (7) Kanrich is wholly-owned by Mr. Zhou.
- (8) Regal Ace is held as to 51% by Mr. Zhou and 49% by Mr. Shou Bainian (壽柏年).
- (9) Advance Power is wholly-owned by Mr. Xia Hai Jun.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

(10) *The real estate agency business in the primary market includes the following subsidiaries established in China (each wholly-owned unless stated otherwise):*

- (a) Shanghai Urban Development Real Estate Brokerage Co., Ltd. (上海城開房地產經紀有限公司), held as to 51% by E-House Xiangyue and 49% by Shanghai Urban Development (Group) Co., Ltd. (上海城開(集團)有限公司);
- (b) Hainan E-House Tourism Real Estate Brokerage Co., Ltd. (海南易居旅遊地產經紀有限公司);
- (c) Hangzhou E-House Yongchuang Real Estate Sales and Marketing Co., Ltd. (杭州易居永創房地產營銷策劃有限公司);
- (d) Qingdao E-House Jinyue Real Estate Brokerage Co., Ltd. (青島易居金岳房地產經紀有限公司);
- (e) Shanghai Dacheng Real Estate Brokerage Co., Ltd. (上海大乘房地產經紀有限公司);
- (f) Nantong Shangfang Real Estate Sales Agency Co., Ltd. (南通上房房屋銷售代理有限公司);
- (g) Shanghai Lituo, which wholly-owns the following subsidiaries:
 - (i) Chongqing Shangyuan Real Estate Brokerage Co., Ltd. (重慶商源房地產經紀有限公司);
 - (ii) Zhengzhou Lituo Real Estate Brokerage Co., Ltd. (鄭州勵拓房地產經紀有限公司);
 - (iii) Wuhan Lituo Real Estate Brokerage Co., Ltd. (武漢勵拓房地產經紀有限公司);
 - (iv) Nanjing Liyue Real Estate Brokerage Co., Ltd. (南京勵越房地產經紀有限公司); and
 - (v) Jinan Lituo Real Estate Brokerage Co., Ltd. (濟南勵拓房地產經紀有限公司);
- (h) Shaanxi E-House Real Estate Investment Consultancy Co., Ltd. (陝西易居不動產投資顧問有限公司), which wholly owns the following subsidiaries:
 - (i) Yunnan E-House Real Estate Brokerage Co., Ltd. (雲南易居房地產經紀有限公司);
 - (ii) Ningxia E-House Real Estate Investment Consultancy Co., Ltd. (寧夏易居不動產投資諮詢有限公司); and
 - (iii) Gansu E-House Real Estate Agency Co., Ltd. (甘肅易居房產代理有限公司);
- (i) Wuxi Xiangyue Real Estate Brokerage Co., Ltd. (無錫祥悅房地產經紀有限公司);
- (j) Changzhou Yijieyou Real Estate Brokerage Co., Ltd. (常州易傑優房地產經紀有限公司);
- (k) Shaoxing Yongchuang Real Estate Sales and Marketing Co., Ltd. (紹興永創房地產營銷策劃有限公司);
- (l) Wuhu E-House Xiangyue Real Estate Sales and Marketing Co., Ltd. (蕪湖易居祥悅房地產營銷策劃有限公司), which wholly owns:
 - (i) Anhui E-House Jinyue Real Estate Sales and Marketing Co., Ltd. (安徽易居金岳房地產營銷策劃有限公司);
- (m) Kunshan Shangfang Real Estate Sales Co., Ltd. (昆山上房房屋銷售有限公司);
- (n) Tianjin Dacheng Real Estate Brokerage Co., Ltd. (天津大乘房地產經紀有限公司), which wholly owns the following subsidiaries:
 - (i) E-House Real Estate Agency (Shenyang) Co., Ltd. (易居置業代理(瀋陽)有限公司);

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

- (o) Guangzhou Jinyue Real Estate Co., Ltd. (廣州市金岳置業有限公司), which wholly owns the following subsidiaries:
 - (i) Shenzhen Jinfeng E-House Real Estate Co., Ltd. (深圳金豐易居置業有限公司);
 - (ii) Zhangzhou E-House Jinfeng Real Estate Real Estate Co., Ltd. (漳州易居金豐房產置業有限公司); and
 - (iii) Fujian Yijieyou Real Estate Co., Ltd. (福建易傑優置業有限公司);
- (p) Jinan Jinyue Real Estate Brokerage Co., Ltd. (濟南金岳房地產經紀有限公司);
- (q) Ningbo E-House Yongchuang Real Estate Sales and Marketing Co., Ltd. (寧波易居永創房地產營銷策劃有限公司);
- (r) Guangxi Jinyue Real Estate Sales and Marketing Co., Ltd. (廣西金岳房地產營銷策劃有限公司);
- (s) Shanxi E-House Jinyue Real Estate Brokerage Co., Ltd. (山西易居金岳房地產經紀有限公司), which wholly owns the following subsidiaries:
 - (i) Changchun Jinyue Real Estate Brokerage Co., Ltd. (長春金岳房地產經紀有限公司);
 - (ii) Harbin Jinyue Real Estate Brokerage Co., Ltd. (哈爾濱金岳房地產經紀有限公司);
 - (iii) Dalian Jinyue Real Estate Brokerage Co., Ltd. (大連金岳房地產經紀有限公司); and
 - (iv) Yuncheng E-House Xiangyue Real Estate Brokerage Co., Ltd. (運城易居祥悅房地產經紀有限公司);
- (t) Nanjing Jinyue Real Estate Sales Co., Ltd. (南京金岳房地產銷售有限公司), which wholly owns the following subsidiaries:
 - (i) Xuzhou Yihaosi Real Estate Brokerage Co., Ltd. (徐州易豪思房地產經紀有限公司);
 - (ii) Yangzhou Yifang Real Estate Brokerage Co., Ltd. (揚州易房房地產經紀有限公司); and
 - (iii) Suzhou Yihaosi Real Estate Brokerage Co., Ltd. (蘇州易豪思房地產經紀有限公司);
- (u) Mianyang E-House Xiangyue Real Estate Brokerage Co., Ltd. (綿陽易居祥悅房地產經紀有限公司);
- (v) Jiaxing Yongchuang Real Estate Sales and Marketing Co., Ltd. (嘉興永創房地產營銷策劃有限公司);
- (w) Zhengzhou Xiangyue Real Estate Sales and Marketing Co., Ltd. (鄭州祥悅房地產營銷策劃有限公司), which wholly owns:
 - (i) Jiangxi E-House Real Estate Sales Co., Ltd. (江西易居房屋銷售有限公司), which wholly owns Ganzhou Xiangyue Real Estate Sales Co., Ltd. (贛州祥悅房地產銷售有限公司);
- (x) Tongling Jinyue Real Estate Sales and Marketing Co., Ltd. (銅陵金岳房地產營銷策劃有限公司);
- (y) Wuhan E-House Investment Co., Ltd. (武漢易居投資有限公司), which wholly owns Changsha E-House Investment Consultancy Co., Ltd. (長沙易居投資顧問有限公司)
- (z) Chengdu E-House Western Real Estate Investment Consultancy Co., Ltd. (成都易居西部不動產投資顧問有限公司), which wholly owns:
 - (i) Chongqing E-House Investment Consultancy Co., Ltd. (重慶易居投資顧問有限公司), which wholly owns Guizhou E-House Real Estate Investment Consultancy Co., Ltd. (貴州易居不動產投資顧問有限公司); and

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- (aa) Hebei E-House Jinyue Real Estate Brokerage Co., Ltd. (河北易居金岳房地產經紀有限公司), which wholly owns the following subsidiaries:
 - (i) Tianjin E-House Jinyue Real Estate Brokerage Co., Ltd. (天津易居金岳房地產經紀有限公司);
 - (ii) Henan E-House Real Estate Consultancy Co., Ltd. (河南易居房地產顧問有限公司);
 - (iii) Beijing E-House Xiangyue Real Estate Brokerage Co., Ltd. (北京易居祥悅房地產經紀有限公司), and which wholly owns Langfang Fengjin Real Estate Brokerage Co., Ltd. (廊坊市豐金房地產經紀有限公司); and
 - (iv) Xinjiang E-House Jinyue Real Estate Brokerage Co., Ltd. (新疆易居金岳房地產經紀有限公司).

- (11) The real estate data and consultancy services business includes the following subsidiaries established in China (each wholly owned unless stated otherwise):
 - (a) Shenzhen Fangyou Software Technology Co., Ltd. (深圳市房友軟件技術有限公司), held as to 90% by PRC Holdco and 10% by Mr. Zhou Dongwen (周冬文);
 - (b) Shanghai Zhuxiang Information Technology Co., Ltd. (上海築想信息科技股份有限公司), held as to 49.18% by PRC Holdco, 32.79% by Ms. Cai Ting (蔡婷), 9.02% by Shanghai Rongyan Asset Management Center, L.P. (上海融言資產管理中心(有限合夥)), and 9.01% by Shanghai Xiwen Investment Development Co., Ltd. (上海溪聞投資發展有限公司);
 - (c) Shanghai Yiyin Information Technology Development Co., Ltd. (上海懿寅信息科技發展有限公司);
 - (d) Shanghai CRIC Commercial Consultancy Co., Ltd. (上海克而瑞商務諮詢有限公司), which owns Shanghai Ruiyin Commercial Consultancy Co., Ltd. (上海瑞寅商務信息諮詢有限公司) as to 51%, with the remaining 49% held by Mr. Ma Hongbo (馬洪波);
 - (e) Beijing CREA Technology Services Ltd. (北京中房研協技術服務有限公司), held as to 51% by PRC Holdco and 49% by China Real Estate Association (中國房地產業協會), which wholly owns 2 subsidiaries:
 - (i) CREA Youcai Information Technology Ltd. (中房研協優采信息技術有限公司); and
 - (ii) CREA Technical Services Ltd. (中房研協技術服務有限公司);
 - (f) Shanghai Lewei Enterprise Management Co., Ltd. (上海樂羣企業管理有限公司), held as to 51% by PRC Holdco and 49% by Ms. Hu Xiaoying (胡曉鶯); and
 - (g) Shanghai Fangjia Information Technology Co., Ltd. (上海昉加信息科技有限公司).

- (12) The real estate brokerage network services business includes the following subsidiaries established in China, wholly-owned by Shanghai Trading:
 - (a) Nanchang Lituo Real Estate Brokerage Co., Ltd. (南昌勵拓房地產經紀有限公司);
 - (b) Taiyuan Lituo Real Estate Brokerage Co., Ltd. (太原勵拓房地產經紀有限公司);
 - (c) Xian Lituo Real Estate Brokerage Co., Ltd. (西安勵拓房地產經紀有限公司);
 - (d) Guangzhou Lituo Real Estate Brokerage Co., Ltd. (廣州市勵拓房地產經紀有限公司);
 - (e) Shijiazhuang Lituo Real Estate Brokerage Co., Ltd. (石家莊勵拓房地產經紀有限公司);
 - (f) (Nanjing Fangyou Real Estate Brokerage Co., Ltd. (南京房友房地產經紀有限公司);

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- (g) Wuhan Fangyou Century Real Estate Trading Service Co., Ltd. (武漢房友世紀房地產交易服務有限公司);
 - (h) Chongqing Yubei District Fangyou Real Estate Consultancy Co., Ltd. (重慶市渝北區房友地產顧問有限公司);
 - (i) Hangzhou E-House Real Estate Service Co., Ltd. (杭州易居房地產服務有限公司), which wholly owns Ningbo E-House Yongdong Real Estate Brokerage Co., Ltd. (寧波易居甬動房地產經紀有限公司);
 - (j) Anhui E-House Fangyou Real Estate Brokerage Co., Ltd. (安徽易居房友房地產經紀有限公司);
 - (k) Henan E-House Fangyou Real Estate Brokerage Co., Ltd. (河南易居房友房地產經紀有限公司), which wholly owns Kaifeng E-House Real-Estate Brokerage Co., Ltd. (開封市易居房友房地產經紀有限公司);
 - (l) Shandong Haoju Fangyou Real Estate Brokerage Co., Ltd. (山東好居房友房地產經紀有限公司);
 - (m) Qingdao E-House Fangyou Real Estate Brokerage Co., Ltd. (青島易居房友房地產經紀有限公司);
 - (n) Shenzhen E-House Fangyou Real Estate Brokerage Co., Ltd. (深圳易居房友房地產經紀有限公司);
 - (o) Nantong Fangyou Real Estate Brokerage Co., Ltd. (南通市房友房地產經紀有限公司);
 - (p) Chengdu E-House Fangyou Real Estate Brokerage Co., Ltd. (成都易居房友房地產經紀有限公司);
 - (q) Kunshan Fangyou Jiafang Real Estate Brokerage Co., Ltd. (昆山市房友佳房地產經紀有限公司);
 - (r) Tianjin E-House Fangyou Real Estate Brokerage Co., Ltd. (天津易居房友房地產經紀有限公司);
 - (s) Suzhou E-House Fangyou Real Estate Brokerage Co., Ltd. (蘇州市易居房友房地產經紀有限公司);
 - (t) Wuxi Yiju Fangyou Real Estate Brokerage Co., Ltd. (無錫翊居房友房地產經紀有限公司);
 - (u) Jiaxing E-House Fangyou Real Estate Brokerage Co., Ltd. (嘉興市易居房友房地產經紀有限公司);
 - (v) Guangxi Yifang Yiyou Real Estate Brokerage Co., Ltd. (廣西易房易友房地產經紀有限公司);
 - (w) Harbin Fangjiayou Real Estate Brokerage Co., Ltd. (哈爾濱房嘉友房地產經紀有限公司);
 - (x) Changchun E-House Fangyou Real Estate Brokerage Co. Ltd. (長春易居房友房地產經紀有限公司);
 - (y) Changsha E-House Fangyou Real Estate Brokerage Co., Ltd. (長沙易居房友房地產經紀有限公司);
 - (z) Kunming E-House Fangyou Real Estate Brokerage Co., Ltd. (昆明易居房友房地產經紀有限公司);
 - (aa) Guizhou E-House Fangyou Real Estate Brokerage Co., Ltd. (貴州易居房友房地產經紀有限公司);
 - (bb) Beijing Hongju Real Estate Brokerage Co., Ltd. (北京宏居房地產經紀有限公司); and
 - (cc) Shenyang Jinfeng E-House Real Estate Agency Co., Ltd. (瀋陽金豐易居置業代理有限公司).
- (13) Shanghai E-House Fangyou Real Estate Service Co., Ltd. (上海易居房友房地產服務有限公司) is a company established in the PRC on 21 May 2018 and a wholly-owned subsidiary of PRC Holdco. It is shell company and had no operating business as at the Latest Practicable Date.