
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE DEVELOPMENT

The origin of our Group dates back to July 2002 when Power Wealth HK was incorporated in Hong Kong.

The PRC Operational Entity was established in July 2007 to engage in the dredging business in the PRC, where the dredging market presented business opportunities and potential for growth. The following table highlights the key milestones in the corporate and business development of our Group since inception:

July 2002	Power Wealth HK was incorporated in Hong Kong.
July 2007	The PRC Operational Entity was formed to engage in the dredging business in the PRC.
August 2007	We were first engaged by TDC Port and other customers and commenced capital and reclamation dredging services for the port expansion project in the Caofeidian Industrial Area.
July 2008	Mr. Liu injected as capital contribution to our Group the first grab dredger (namely, Zhuayang No. 101).
September 2008	We were first engaged by CWVEC and other customers and commenced capital and reclamation dredging services for the port expansion project in the Dalian Changxingdao Harbor Industrial Area.
March 2009	We were first engaged by the Qingdao Haifang Construction Bureau to provide capital and reclamation dredging services for projects located in the Qingdao National High-tech Industrial Development Area.
May 2010	Our Company was incorporated in the Cayman Islands and Power Wealth BVI was incorporated in BVI as an intermediate holding company of our Group.
June 2010	Xiangyu PRC was established in the PRC with Power Wealth HK as its sole equity-holder and Power Wealth BVI acquired the entire issued share capital of Power Wealth HK.
June 2010	Our Group entered into agreements to acquire two cutter suction dredgers (namely, Kaijin No. 1 and Kaijin No. 3).

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- July 2010 We entered into a non-binding letter of intent to undertake an environmental protection dredging project in Donghu, Hubei Province. Since this letter of intent is not legally binding and is subject to the signing of a definitive contract, it may not proceed or generate any revenue. Subsequently in March 2011 we entered into a non-binding cooperation memorandum with a project owner of environmental protection dredging projects in Wuhan City for our participation in lake clean-up projects and in April 2011, we entered into a cooperation framework agreement relating to a trial project for silt removal and dehydration in Guangqiahu in Wuhan City.
- August 2010 We entered into a non-binding five-year framework agreement to provide capital dredging for a project in Yancheng City, Jiangsu Province and a non-binding letter of intent to provide reclamation dredging for a project in Dongying Harbor, Shandong Province, two major transportation development projects in China. Since this framework agreement and letter of intent are not legally binding and are subject to the signing of definitive contracts, these projects may not proceed or generate any revenue.
- April 2011 Xiangyu PRC, the PRC Operational Entity, Mr. Liu and Ms. Zhou entered into the contracts and agreements constituting the Contractual Arrangements and, as a result, the PRC Operational Entity is accounted for as a subsidiary of our Company.
- April 2011 Our Company acquired the entire issued share capital of Power Wealth BVI to become the ultimate holding company of our Group.
- May 2011 We entered into an agreement to provide environmental protection dredging services in Yancheng City, Jiangsu Province.

We also set out below the corporate history and major shareholding changes of the members of our Group (including the PRC Operational Entity):

Our Company

Our Company was incorporated in the Cayman Islands on May 31, 2010 as an exempted company with limited liability.

At the time of its incorporation, the authorized share capital of our Company was HK\$200,000 divided into 2,000,000 Shares having a par value of HK\$0.10 each. On May 31, 2010, one subscriber Share was transferred by its subscriber to Mr. Liu at nil consideration and an aggregate of 999,999 nil-paid Shares were allotted and issued by us to Mr. Liu.

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On August 18, 2010, Mr. Liu transferred the entire issued share capital of our Company (being 1,000,000 nil-paid Shares) to Wangji Limited, a company wholly owned by Mr. Liu, in consideration of which one share having a par value of US\$1.00 in Wangji Limited was allotted and issued by Wangji Limited to Mr. Liu.

Our Company has become the ultimate holding company of our Group since our Company acquired from Wangji Limited on April 19, 2011 an aggregate of 20,000 shares having a par value of US\$1.00 each in the share capital of Power Wealth BVI, being its entire issued share capital all of which were held by Wangji Limited, in consideration of and in exchange for which our Company (i) allotted, issued and credited as fully paid, 99,000,000 Shares to Wangji Limited; and (ii) credited as fully paid at par an aggregate of 1,000,000 nil-paid Shares then held by Wangji Limited.

Mr. Dong has known Mr. Liu for over 10 years. In 2007, Mr. Dong procured the necessary funding for Mr. Liu to support our Group's development in the PRC dredging market. The funding was mainly provided by way of personal loans from business entities with which Mr. Dong was acquainted and which agreed to advance the relevant sums to Mr. Liu or the PRC Operational Entity on the recommendations of Mr. Dong. In consideration of Mr. Dong procuring the supply of funds to Mr. Liu to be used to pay up the registered capital of the PRC Operational Entity in 2007, Mr. Liu agreed to transfer 20.0% (on a fully diluted basis upon completion of the Global Offering without taking into account any Shares which may be sold upon the exercise of the Over-allotment Option) of his interest in his dredging business to Mr. Dong as a gift effective on July 1, 2007. On May 18, 2011, out of the 100,000,000 Shares then held by Wangji Limited, 26,666,667 Shares, representing approximately 26.7% of the then entire issued share capital of our Company, were transferred to Shen Wang Limited, a company wholly owned by Mr. Dong to honor Mr. Liu's undertaking given to Mr. Dong.

Other than the above arrangement with respect to the procurement of funds and transfer of Shares between Mr. Liu and Mr. Dong, there is no business and/or financial relationship between Mr. Liu and Mr. Dong. Since the Shares procured to be transferred by Mr. Liu to Shen Wang Limited (owned by Mr. Dong) are in the form of a gift, Mr. Liu and Mr. Dong will be treated as parties acting in concert (as defined under the Takeovers Code) with each other (and they agree to be so treated), and are to be considered as a group of controlling shareholders of our Company for the purpose of Rule 10.07 of the Listing Rules.

After the completion of transfer of the 26,666,667 Shares from Wangji Limited to Shen Wang Limited, our Company was owned approximately 73.3% by Wangji Limited and approximately 26.7% by Shen Wang Limited. It is contemplated that immediately upon Listing, on the assumption that 25.0% and approximately 14.4% of the entire issued shares of our Company as enlarged by the Shares being offered by our Company under the Global Offering (taking no account of the Offer Shares which may be transferred by the Selling Shareholder upon exercise of the Over-allotment Option and the Offer Shares which may be issued upon exercise of the options which may be granted under the Share Option Scheme) will be held by the public and the Pre-IPO Investors, respectively, (assuming that the Pre-IPO Warrants are exercised in full), the Shares to be held by Wangji Limited and Shen Wang Limited will represent approximately 40.64% and 20.00%, respectively, of the entire issued Shares of our Company.

For the purpose of the Listing, our Company has undergone further changes in its share capital, details of which are set out under the paragraph headed "Changes in share capital of our Company" in Appendix VII to this prospectus.

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Power Wealth BVI

Power Wealth BVI was incorporated in BVI on May 17, 2010 with an authorized share capital of US\$50,000 divided into 50,000 shares having a par value of US\$1.00 each. Following the activation of Power Wealth BVI on June 18, 2010, one share was allotted and issued to Mr. Liu. On June 30, 2010, 9,999 new shares in the share capital of Power Wealth BVI were allotted and issued to Mr. Liu as the consideration of Power Wealth BVI acquiring from Mr. Liu the entire issued share capital of Power Wealth HK.

On August 18, 2010, Mr. Liu transferred the entire issued share capital of Power Wealth BVI (being 10,000 shares having a par value of US\$1.00 each) to Wangji Limited in consideration of which 99 shares having a par value of US\$1.00 in Wangji Limited were allotted and issued by Wangji Limited to Mr. Liu.

To facilitate completion of the payment of the registered capital of Xiangyu PRC and the payment of the purchase price for the acquisition of two dredgers and other corporate business expenses, Wangji Limited entered into the HJ Pre-IPO Investment Agreements, pursuant to which an aggregate initial principal amount under the HJ Pre-IPO Notes in the sum of HK\$230.0 million (less interest and expenses) was received by Power Wealth HK on behalf of Wangji Limited on September 8, 2010. Wangji Limited applied HK\$200.0 million of such proceeds for 10,000 shares having a par value of US\$1.00 each in Power Wealth BVI, which in turn injected such amount into our Group as capital. Power Wealth HK applied such amount mainly to pay up the registered capital of and as a shareholder's loan to Xiangyu PRC. Immediately following such allotment of 10,000 shares, Power Wealth BVI had 20,000 shares having a par value of US\$1.00 each in issue, all of which were owned by Wangji Limited.

On April 19, 2011, our Company acquired the entire issued capital of Power Wealth BVI (being 20,000 shares having a par value of US\$1.00 each) from Wangji Limited. Since then, Power Wealth BVI has become the intermediate holding company of our Group.

Power Wealth HK

Power Wealth HK was incorporated in Hong Kong as a limited liability company on July 3, 2002 with an authorized share capital of HK\$10,000 divided into 10,000 shares having a par value of HK\$1.00 each which was subsequently increased to HK\$100,000 divided into 100,000 shares having a par value of HK\$1.00 each. Since the commencement of the Track Record Period and up to June 30, 2010, Mr. Liu was the sole shareholder of Power Wealth HK holding its entire issued share capital (being 100,000 shares having a par value of HK\$1 each). On June 30, 2010, Power Wealth BVI acquired from Mr. Liu the entire issued share capital of Power Wealth HK, in consideration of and in exchange for which, Power Wealth BVI allotted and issued credited as fully paid, a total of 9,999 shares having a par value of US\$1.00 each to Mr. Liu. Since then, Power Wealth HK has become a wholly owned subsidiary of Power Wealth BVI.

Xiangyu PRC

On June 11, 2010, Xiangyu PRC was established as a wholly foreign-owned enterprise in the PRC with Power Wealth HK being its sole equity-holder. As at the date of its incorporation, the total investment amount and the registered capital of Xiangyu PRC were both US\$2,000,000.

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Subsequently, the total investment and the registered capital of Xiangyu PRC were approved on July 14, 2010 to be increased to US\$29 million and US\$15 million respectively, and Power Wealth HK has remained as the sole registered equity-holder of Xiangyu PRC.

Certain shareholder's loans were on-lent by Power Wealth BVI to Power Wealth HK, a portion of the balance of which was paid in mid-September 2010 to contribute to the registered capital and shareholder's loan to Xiangyu PRC. Following such contribution, the entire registered capital of US\$15 million was fully paid up as of September 15, 2010. These amounts (*i.e.*, total investment and the registered capital) have remained the same up to the Latest Practicable Date.

PRC Operational Entity

On July 13, 2007, the PRC Operational Entity was established in the PRC as a joint stock limited company with an initial registered capital of RMB12 million divided into 12,000,000 shares having a par value of RMB1.00 each, which was fully paid by way of cash. Mr. Liu and Mr. Sun Nianjiang (“**Mr. Sun**”), an employee of our Group, were the registered shareholders of the PRC Operational Entity holding 11,400,000 shares (95.0%) and 600,000 shares (5.0%) respectively. Since the date of its incorporation and up to May 4, 2009 (being the date of the agreement for the transfer of the 600,000 shares held by Mr. Sun to Ms. Zhou), Mr. Sun held the said 600,000 shares of the PRC Operational Entity as trustee on Mr. Liu's behalf pursuant to the terms of a shareholding confirmation, dated July 12, 2010, between Mr. Liu and Mr. Sun. The said trust arrangement was effected due to the then minimum number of shareholders requirement (being two registered shareholders) of a joint stock limited company in the PRC. The trust was originally created by oral agreement. Mr. Liu intended and Mr. Sun agreed to reduce their oral agreement to writing in order to ensure that the parties' rights and obligations would be expressly and clearly protected and provided.

Since its establishment, the registered capital and equity interest of the PRC Operational Entity underwent the following changes:

On January 11, 2008, shareholders of the PRC Operational Entity approved the increase in its registered capital from RMB12,000,000 to RMB15,000,000 by way of additional capital injection of RMB3.0 million which was contributed by Mr. Liu in cash. Such increase was registered with the Administration for Industry and Commerce of Yancheng City, Jiangsu Province on January 14, 2008. Following such increase, Mr. Liu and Mr. Sun held 14,400,000 shares (96.0%) and 600,000 shares (4.0%) in the PRC Operational Entity, respectively.

On June 16, 2008, shareholders of the PRC Operational Entity approved the increase in its registered capital from RMB15.0 million to RMB39.3 million by way of additional capital injection of RMB24.3 million which was contributed by Mr. Liu by transferring the ownership of a dredger (namely, Zhuayang No. 101) to the PRC Operational Entity. Such increase was registered with the Administration for Industry and Commerce of Yancheng City, Jiangsu Province on July 3, 2008. Following such increase, Mr. Liu and Mr. Sun held 38,715,800 shares (98.47%) and 600,000 shares (1.53%) in the PRC Operational Entity, respectively. The amount of the said capital injection of RMB24.3 million by way of transfer of a dredger was determined with reference to the market value of the said dredger as evaluated by a registered assets valuer as set out in a valuation report which record date of valuation being May 18, 2008.

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The grab dredger Zhuayang No. 101 was registered under the name of the PRC Operational Entity on October 12, 2007 and the related legal procedures to inject Zhuayang No.101 into the PRC Operational Entity in exchange for new shares of the PRC Operational Entity issued to Mr. Liu as a result of the increase in its registered capital were completed in July 2008. The PRC Operational Entity obtained its specialized grade 3 properties construction certificate on November 23, 2007, the specialized grade 2 properties construction certificate on December 29, 2010, and specialty contracting certificate for waterway construction on January 21, 2008. Our PRC Legal Advisers advised that the PRC Operational Entity has obtained all the necessary certificates, consents, permits and approvals to legally conduct its dredging business in the PRC.

Our Group obtained a compliance certificate from the Construction Bureau of Yancheng City dated September 1, 2010 which confirmed that the PRC Operational Entity has not violated any laws or regulations from the date of its incorporation to the issuing date of the compliance certificate.

On May 4, 2009, shareholders of the PRC Operational Entity approved the transfer of the 600,000 shares in the PRC Operational Entity held by Mr. Sun to Ms. Zhou, so that Mr. Liu may exert a more consolidated control over the trust arrangement through re-arranging the trust agreement from between himself and an employee of our Group to between himself and his wife. Such transfer was registered with the Administration for Industry and Commerce of Yancheng City, Jiangsu Province on July 16, 2009. Following such transfer, Mr. Liu and Ms. Zhou held 38,715,800 shares (98.47%) and 600,000 shares (1.53%) in the PRC Operational Entity, respectively. Since such transfer and up to the Latest Practicable Date, Ms. Zhou has been holding the said 600,000 shares of the PRC Operational Entity as trustee on Mr. Liu's behalf pursuant to the terms of a shareholding confirmation, dated July 12, 2010, between Mr. Liu and Ms. Zhou. The trust was originally created by oral agreement. Mr. Liu intended and Ms. Zhou agreed to memorialize their oral agreement to writing in order to ensure that the parties' rights and obligations would be expressly and clearly protected and provided for.

On February 21, 2011, the PRC Operational Entity was converted from a joint stock limited company into a limited liability company. The registered shareholdings of Mr. Liu and Ms. Zhou in the PRC Operational Entity remained the same, and Ms. Zhou continued to hold such equity interest in the PRC Operational Entity as the trustee of Mr. Liu.

We have been advised by our PRC Legal Advisers and it is the view of our PRC Legal Advisers that:

- (a) we have obtained from the relevant government authorities the registration required for the transfer of the equity interest in the registered capital of the PRC Operational Entity disclosed above;
- (b) the registered capital and the increase in the registered capital of the PRC Operational Entity comprising our Group were duly paid up within the required timeframe; and
- (c) given that the oral trust agreements and the shareholder confirmations fall within the category of civil relationships and do not violate any PRC laws or regulations, (i) the oral trust agreement and the shareholder confirmation between Mr. Sun and Mr. Liu under which Mr. Sun held the 600,000 shares of the PRC Operational Entity as trustee of Mr. Liu were validly and legally existing under PRC laws and constituted a valid and legally binding obligation of the parties thereto during their term and (ii) the oral trust agreement and the shareholder

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confirmation between Ms. Zhou and Mr. Liu under which Ms. Zhou holds the 600,000 shares of the PRC Operational Entity as trustee of Mr. Liu are validly and legally existing under PRC laws and constitute a valid and legally binding obligation of the parties thereto.

REORGANIZATION

Prior to Listing, our Group underwent the Reorganization to rationalize our Group's structure, which involved the following steps:

- (a) on May 31, 2010, our Company was incorporated in the Cayman Islands as an exempted company under the Companies Law with an authorized share capital of HK\$200,000 divided into 2,000,000 Shares having a par value of HK\$0.10 each. On May 31, 2010, one subscriber Share having a par value of HK\$0.10 was transferred by its subscriber to Mr. Liu at nil consideration and an aggregate of 999,999 nil-paid Shares were allotted and issued by us to Mr. Liu;
- (b) on June 11, 2010, Xiangyu PRC was established as a wholly foreign-owned enterprise in the PRC with Power Wealth HK being its sole equity-holder. The total investment amount and the registered capital of Xiangyu PRC on its establishment were US\$2,000,000 and US\$2,000,000, respectively, and were subsequently approved to be increased to US\$29 million and US\$15 million, respectively, on July 14, 2010;
- (c) on May 17, 2010, Power Wealth BVI was incorporated in BVI as the intermediate holding company of our Group, and its authorized share capital was US\$50,000 divided into 50,000 shares having a par value of US\$1.00 each. On June 18, 2010, Power Wealth BVI allotted and issued one share to Mr. Liu;
- (d) on June 30, 2010, Power Wealth BVI, the intermediate holding company of our Group, acquired from Mr. Liu an aggregate of 100,000 shares having a par value of HK\$1.00 each in Power Wealth HK, representing its entire issued share capital, in consideration of and in exchange for which Power Wealth BVI allotted and issued, credited as fully paid, an aggregate of 9,999 new shares having a par value of US\$1.00 each in its share capital to Mr. Liu;
- (e) on August 18, 2010, (i) Mr. Liu transferred the entire issued share capital of our Company (being 1,000,000 nil-paid Shares) to Wangji Limited in consideration of which one share having a par value of US\$1.00 was allotted and issued by Wangji Limited to Mr. Liu and (ii) Mr. Liu transferred the entire issued share capital of Power Wealth BVI (being 10,000 shares having a par value of US\$1.00 each) to Wangji Limited in consideration of which 99 shares having a par value of US\$1.00 each were allotted and issued by Wangji Limited to Mr. Liu;
- (f) on September 18, 2010, Wangji Limited injected HK\$200.0 million to subscribe for 10,000 shares having a par value of US\$1.00 each in Power Wealth BVI. Immediately following such allotment of 10,000 shares, Power Wealth BVI had 20,000 shares having a par value of US\$1.00 each in issue, all of which were owned by Wangji Limited;

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- (g) on April 19, 2011, all the agreements constituting the Contractual Arrangements were entered into between Xiangyu PRC, the PRC Operational Entity, Mr. Liu and Ms. Zhou (as the case may be); and
- (h) on April 19, 2011, our Company acquired from Wangji Limited an aggregate of 20,000 shares having a par value of US\$1.00 each in the share capital of Power Wealth BVI, being its entire issued share capital in consideration of and in exchange for which our Company (i) allotted and issued, credited as fully paid, 99,000,000 Shares to Wangji Limited; and (ii) credited as fully paid at par an aggregate of the 1,000,000 nil-paid Shares then held by Wangji Limited.

Upon completion of the Reorganization, our Company became the holding company of our Group.

Our PRC Legal Advisers advised that all requisite approvals, permits and licenses have been obtained for each stage of Reorganization within the PRC.

PRE-IPO INVESTMENTS

Pre-IPO Notes

By the HJ Pre-IPO Note Purchase Agreement dated as of September 7, 2010 (“**HJ Issuance Date**”) by and among Hong Jun, Mr. Liu and Wangji Limited, Hong Jun has agreed to advance to Wangji Limited a sum of HK\$230 million by way of issue and subscription of the HJ Pre-IPO Notes. The aggregate principal amount of the HJ Pre-IPO Notes (less an amount equal to HK\$8.9 million payable to Hong Jun as handling fee for its role as the original subscriber of the HJ Pre-IPO Notes (which in effect represents the aggregate interest on the principal amount of the HJ Pre-IPO Notes for the first six months from the HJ Issuance Date which full amount shall be released to Hong Jun on the first interest payment date (*i.e.*, March 7, 2011) subject to refund to Wangji Limited of a proportional amount thereof in case of early redemption of the HJ Pre-IPO Notes and is being held in an escrow account. The said amount of HK\$8.9 million was due on March 7, 2011 and was paid to Hong Jun in full) and certain amount of expenses to be borne by Wangji Limited) was received by Power Wealth HK on September 8, 2010 on behalf of Wangji Limited and was injected into our Group as capital on September 18, 2010.

Hong Jun is a wholly owned subsidiary of CCB International Asset Management Limited, or CCBIAM. CCBIAM, a company incorporated in Hong Kong, is a wholly owned subsidiary of CCB International (Holdings) Limited. The ultimate beneficial owner of CCBIAM is China Construction Bank Corporation, a company listed on the Main Board of the Stock Exchange (stock code: 939) and on the Shanghai Stock Exchange (stock code: 601939). CCBIAM has invested in a number of pre-IPO projects in the PRC and Hong Kong as well as Hong Kong listed companies, covering such sectors as healthcare, energy and resources, infrastructure consumer products, media and real estate. CCBIAM is an affiliate of the Sole Global Coordinator.

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Pursuant to the AA Pre-IPO Note Purchase Agreement dated as of October 4, 2010 (“**AA Issuance Date**”) by and among Apex Ally, Mr. Liu and Wangji Limited, Apex Ally agreed to advance to Wangji Limited a sum of HK\$153 million by way of issue and subscription of the AA Pre-IPO Notes. The aggregate principal amount of the AA Pre-IPO Notes, less an amount equal to HK\$5.8 million payable to Apex Ally as handling fee (which in effect, represents the aggregate interest on the principal amount of the AA Pre-IPO Notes for the first six months from the AA Issuance Date which full amount shall be released to Apex Ally on the first interest payment date (*i.e.*, April 4, 2011) subject to refund to Wangji Limited of a proportional amount thereof in case of early redemption of the AA Pre-IPO Notes and is being held in an escrow account. The HK\$5.8 million handling fee was due on April 4, 2011 and was paid in full to Apex Ally.) and certain amount of expenses to be borne by Wangji Limited was received by Wangji Limited on October 4, 2010.

Apex Ally is a wholly owned subsidiary of ICBC International Investment Management Limited, being member of ICBC International Holdings Limited, which is wholly owned by Industrial and Commercial Bank of China Limited, an Independent Third Party and independent of the other Pre-IPO Investor.

The principal terms of the Pre-IPO Notes are set out below:

Holder of the Pre-IPO Notes and principal amount of Pre-IPO Notes:	(a) the HJ Pre-IPO Notes in the principal amount of HK\$230 million registered under the name of Hong Jun
	(b) the AA Pre-IPO Notes in the principal amount of HK\$153 million registered under the name of Apex Ally
Interest:	annual rate of 7 per cent above the Hong Kong Interbank Offer Rate for Hong Kong dollars payable semi-annually
Maturity date:	(a) for the HJ Pre-IPO Notes: the second anniversary of the HJ Issuance Date
	(b) for the AA Pre-IPO Notes: the second anniversary of the AA Issuance Date
Use of proceeds:	(a) for the HJ Pre-IPO Notes: for the purchase of two dredgers and other business corporate purposes
	(b) for the AA Pre-IPO Notes: for construction-related business of Wangji Limited and Mr. Liu

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Collateral:

- (a) for the HJ Pre-IPO Notes: (i) a personal guarantee provided by Mr. Liu; (ii) pledges over 60% of the issued share capital of each of Wangji Limited, our Company, Power Wealth BVI and Power Wealth HK; (iii) pledge over 60% of the registered capital of Xiangyu PRC; and (iv) a charge over the 30% interest held by Xiangyu PRC in each of the dredgers, namely, Kaijin No. 1 and Kaijin No. 3 (“**Pledged Dredgers**”)

A deed of discharge dated May 27, 2011 (“**HJ WFOE Discharge**”) was entered into between Power Wealth HK and Hong Jun. Pursuant thereto, Hong Jun agreed to discharge the pledge over 60% of the registered capital of Xiangyu PRC. Under PRC law, the discharge will become effective upon the HJ WFOE Discharge being registered with the relevant local office of the Administration for Industry and Commerce (“**AIC**”). As of the Latest Practicable Date, the HJ WFOE Discharge was in the process of being registered with the relevant office of AIC and is expected to be completed before Listing.

In consideration of Hong Jun agreeing to execute the HJ WFOE Discharge, Mr. Liu and Wangji Limited has each, by a letter of undertaking dated May 27, 2011, undertaken to Hong Jun that (i) if the Listing does not occur, or (ii) as soon as it becomes aware that the Listing will not occur for any reason whatsoever, on or before June 30, 2011 (or such later date as may be agreed by Hong Jun in writing), it will (and/or it will procure Power Wealth BVI to) among others, procure Power Wealth HK to effect, on a date no later than July 15, 2011 (or such later date as may be agreed by Hong Jun in writing), the re-charge and/or re-pledge to Hong Jun of the said 60% registered capital in Xiangyu PRC on substantially the same terms as the share pledge originally executed.

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- (b) for the AA Pre-IPO Notes: (i) a personal guarantee provided by Mr. Liu; (ii) pledges over 40% of the issued share capital of each of Wangji Limited, our Company, Power Wealth BVI and Power Wealth HK; (iii) pledge over 40% of the registered capital of Xiangyu PRC; and (iv) a charge over the 20% interest held by Xiangyu PRC in each of the Pledged Dredgers

A deed of discharge dated May 27, 2011 (“**AA WFOE Discharge**”) was entered into between Power Wealth HK and Apex Ally. Pursuant thereto, Apex Ally agreed to discharge the pledge over 40% of the registered capital of Xiangyu PRC. Under PRC law, the discharge will become effective upon the AA WFOE Discharge being registered with the relevant local office of the AIC. As the Latest Practicable Date, the AA WFOE Discharge was in the process of being registered with the relevant office of AIC and is expected to be completed before Listing.

In consideration of Apex Ally agreeing to execute the AA WFOE Discharge, Mr. Liu and Wangji Limited has each, by a letter of undertaking dated May 27, 2011, undertaken to Apex Ally that (i) if the Listing does not occur, or (ii) as soon as it becomes aware that the Listing will not occur for any reason whatsoever, on or before June 30, 2011 (or such later date as may be agreed by Apex Ally in writing), it will (and/or it will procure Power Wealth BVI to) among others, procure Power Wealth HK to effect, on a date no later than July 15, 2011 (or such later date as may be agreed by Apex Ally in writing), the re-charge and/or re-pledge to Apex Ally of the said 40% registered capital in Xiangyu PRC on substantially the same terms as the share pledge originally executed.

Redemption of
the Pre-IPO Notes:

- (i) on the respective maturity dates of the Pre-IPO Notes or upon the occurrence of a sale by Mr. Liu of all or substantially of his interests in Wangji Limited or our Group to a publicly-traded entity or the sale by Mr. Liu of any equity interests held by him in any member of our Group if immediately following such sale, Wangji Limited would hold less than 50% of the equity interests in our Group, Wangji Limited shall redeem the Pre-IPO Notes in whole at the outstanding principal amount thereof plus all accrued and unpaid interest

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- (ii) immediately prior to the completion of the Global Offering (or completion of an initial public offering of the shares of a member of our Group in other internationally recognized stock exchange as stipulated in the relevant Pre-IPO Note Purchase Agreement) (and conditional upon such event shall become unconditional), Wangji Limited shall have the option to redeem the Pre-IPO Notes in whole at the outstanding principal amount thereof plus all accrued and unpaid interest

As at the Latest Practicable Date, the exchange rights attaching to all the HJ Pre-IPO Warrants and the AA Pre-IPO Warrants were exercised in full, the Exercise Price (as defined below) payable by each of the Pre-IPO Investors will be off-set against the loans constituted under the Pre-IPO Notes on a dollar-to-dollar basis. In such connection, the entire loans constituted under the Pre-IPO Notes owing by Wangji Limited to Pre-IPO Investors under the Pre-IPO Note Purchase Agreements will be discharged in full before the Listing.

- (iii) upon the occurrence of either of (a) an event of default as stipulated in the terms and conditions of the Pre-IPO Notes; (b) a change of control of a member of our Group (*i.e.*, which involves a change of more than 50% of the voting rights or the change of the rights to appoint and/or remove all or the majority of the members of the board of directors); or (c) a material adverse change as stipulated in the terms and conditions of the Pre-IPO Notes, the Pre-IPO Investors (being the holders of the Pre-IPO Notes) shall have option to require Wangji Limited to redeem part or all of the Pre-IPO Notes at the principal amount of the Pre-IPO Notes to be redeemed plus a redemption premium (exclusive of any interest previously paid or payable under the Pre-IPO Notes) representing an internal rate of return equal to 25% per annum on the principal amount of the Pre-IPO Notes to be redeemed

Transferability:

The Pre-IPO Notes are generally transferrable in whole or in part, and the rights and obligations of Wangji Limited and the holder(s) of the Pre-IPO Notes shall be binding upon and benefit the transferee(s) of the parties

Pursuant to the Pre-IPO Note Purchase Agreements, the Pre-IPO Investors were granted certain rights with respect to: (i) board representation in our Company; (ii) access to due diligence materials and information of our Group and (iii) refusal to certain acts proposed to be performed by our Group, including but not limited to amendment to constitutional documents, change of dividend policy, and other matters and affairs related to the business operation and management of our Group. All the above rights shall be discontinued upon Listing.

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Mr. Liu's equity interest in the PRC Operational Entity was not pledged to the Pre-IPO Investors for the following reasons: (i) the loans were advanced to Wangji Limited and the equity interest of Wangji Limited and its subsidiaries at the time of entering into the Pre-IPO Investment Agreements, being our Company, Power Wealth BVI, Power Wealth HK and Xiangyu PRC, were pledged to the Pre-IPO Investors as collateral at their request. The PRC Operational Entity was not a subsidiary of Wangji Limited at the material time; and (ii) personal guarantee was provided by Mr. Liu to the Pre-IPO Investors, whose personal properties included but were not limited to the equity interest in the PRC Operational Entity.

The investment cost per Share was HK\$3.33, indicating a discount of approximately 9% to HK\$3.63, being the mid-point of the indicative Offer Price range.

Pre-IPO Warrants

By the HJ Pre-IPO Warrant Agreement dated as of September 7, 2010 and made between Wangji Limited and Hong Jun, Wangji Limited has agreed to issue the HJ Pre-IPO Warrants (whose terms are summarized below) to Hong Jun, pursuant to which Hong Jun is entitled to purchase from Wangji Limited, Shares which represent about 11.50% of our Company's Shares in issue on the Listing Date (without taking account any Shares issued to the public or professional, institutional or other investors under the Global Offering).

Pursuant to the AA Pre-IPO Warrant Agreement dated as of October 4, 2010 between Wangji Limited and Apex Ally, Wangji Limited has agreed to issue the AA Pre-IPO Warrants (whose terms are summarized below) to Apex Ally, pursuant to which Apex Ally is entitled to purchase from Wangji Limited, Shares which represent about 7.65% of our Company's Shares in issue on the Listing Date (without taking account any Shares issued to the public or professional, institutional or other investors under the Global Offering).

The principal terms of the Pre-IPO Warrants are set out below:

- | | |
|--|---|
| Holder of the Pre-IPO Warrants and exercise price (“ Exercise Price ”): | (a) the HJ Pre-IPO Warrants in the aggregate exercise price of HK\$230 million registered under the name of Hong Jun |
| | (b) the AA Pre-IPO Warrants in the aggregate exercise price of HK\$153 million registered under the name of Apex Ally |
| Target coverage (“ Target Coverage ”): | (a) for HJ Pre-IPO Warrants: rights to purchase up to an aggregate of Shares representing approximately 11.50% of our Company's Shares in issue on the Listing Date (without taking into account any Shares issued to the public or professional, institutional or other investors under the Global Offering) |

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- (b) for AA Pre-IPO Warrants: rights to purchase up to an aggregate of Shares representing approximately 7.65% of our Company's Shares in issue on the Listing Date (without taking into account any Shares issued to the public or professional, institutional or other investors under the Global Offering)
- Exercise period (“**Exercise Period**”):
- (a) for the HJ Pre-IPO Warrants: commencing on the issuance date of the HJ Pre-IPO Warrants (*i.e.*, September 7, 2010) and expiring on the earlier of the date of the Exit (as defined below) or the third anniversary of the issuance date of the HJ Pre-IPO Warrants
- (b) for the AA Pre-IPO Warrants: commencing on the issuance date of the AA Pre-IPO Warrants (*i.e.*, October 4, 2010) and expiring on the earlier of the date of the Exit or the third anniversary of the issuance date of the AA Pre-IPO Warrants
- Optional exchange (“**Optional Exchange**”):
- upon or prior to the occurrence of the Mandatory Exchange (as defined below), the holders of the Pre-IPO Warrants shall have the option to receive from Wangji Limited, for an amount equal to the relevant Exercise Price, such number of fully-paid shares (“**Warrant Shares**”) of our Company or other member of our Group as represent the Target Coverage
- Mandatory exchange (“**Mandatory Exchange**”):
- on the date immediately prior to an Exit (and conditional upon such event shall become unconditional in all respects), (a) the Warrant Shares previously delivered to the holders of the Pre-IPO Warrants (upon the exercise by such holders the Optional Exchange) shall be automatically exchanged into Shares, and (b) any unexercised Pre-IPO Warrants (if any) shall be cancelled

As at the Latest Practicable Date, the exchange rights attaching to all the HJ Pre-IPO Warrants and the AA Pre-IPO Warrants were exercised in full, the Exercise Prices payable by the Pre-IPO Investors will off-set on a dollar-to-dollar basis against the loans constituted under Pre-IPO Notes, thereby the outstanding amount of the loans constituted under the Pre-IPO Notes will be discharged in full before the Listing.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Settlement of the Pre-IPO Warrants:	at the holders of the Pre-IPO Warrants' election, all or a portion of the Exercise Price may be paid in cash, through the cancellation of all or a portion of the outstanding principal amount of the Pre-IPO Notes held by the relevant holder and/or via a set-off against the Performance Compensation (as defined below) in respect of the profit shortfall (where applicable) payable by Wangji Limited on the applicable settlement date
Guarantee:	personal guarantee provided by Mr. Liu
Tag-along right:	during the relevant Exercise Period, the holder of the Pre-IPO Warrants shall have the right to participate in a tag-along sale (<i>i.e.</i> , the sale by Mr. Liu of any equity interests held by him in any member of our Group if immediately following such sale, Wangji Limited would hold less than 50% of the equity interests in our Group) on a pro rata basis
Lock-up:	in the event that each of Wangji Limited, Mr. Liu and Mr. Dong (or his investment vehicle) is subject to restrictions on his/its trading of the Shares for a period of not less than six months from the Listing Date, the holders of the Pre-IPO Warrants undertake not to trade any Warrant Shares at any time during the period of six months from the Listing Date
Transferability:	the Pre-IPO Warrants and Warrant Shares (subject to the lock-up under the Pre-IPO Warrant Agreements) are generally transferrable in whole or in part, the rights and obligations of Wangji Limited and the holder(s) of the Pre-IPO Warrants shall be binding upon and benefit the transferee(s) of the parties

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Cash collection rights under the Pre-IPO Warrant Agreements:

(i) *Performance compensation (“Performance Compensation”)*

Pursuant to the Pre-IPO Warrant Agreements, if there are any profit shortfall and/or any valuation shortfall, the holders of the Pre-IPO Warrants shall be entitled to collect from Wangji Limited an amount of cash compensation to be calculated as follows:

- (i) **Profit shortfalls.** It is expected that the consolidated net profit of our Group for the year ending December 31, 2011 (“**Actual Profit**”) will not be less than RMB300 million (being an agreed amount between parties of net profits of our Group for the purpose of calculation of the Performance Compensation, but not a profit forecast). In the event of a profit shortfall, Wangji Limited shall pay an aggregate amount equal to the following:

the relevant amount attributable to each relevant Pre-IPO Investor is as follows:

Hong Jun: HK\$230,000,000

Apex Ally: HK\$153,000,000

$$\frac{(\text{RMB}300,000,000 - \text{Actual Profit})}{\text{RMB}300,000,000} \times \text{relevant amount for the relevant Pre-IPO Investor}$$

- (ii) **Valuation shortfalls.** It is expected at the time of entering into the Pre-IPO Investment Agreements that the Actual Valuation (as defined below) of our Group will not be less than HK\$2,600 million (if the Exit is consummated on or before the first anniversary of the respective issuance dates of the Pre-IPO Warrants) or not less than HK\$3,500 million (if the Exit is consummated after the first anniversary of the respective issuance dates of the Pre-IPO Warrants). In the event of a valuation shortfall, Wangji Limited shall pay, in addition to any amounts that it may be obligated to pay under item (i) above, an aggregate amount equal to either (but not both) of the following:

the relevant amount attributable to each of the Pre-IPO Investors is as follows:

Hong Jun: HK\$230,000,000

Apex Ally: HK\$153,000,000

- (1) if the Exit is consummated on or before the first anniversary of the respective issuance dates of the Pre-IPO Warrants:

$$\frac{(\text{HK}\$2,600,000,000 - \text{Actual Valuation})}{\text{HK}\$2,600,000,000} \times \text{relevant amount for the relevant Pre-IPO Investor}$$

or

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

- (2) if the Exit is consummated after the first anniversary of the respective issuance dates of the Pre-IPO Warrants and on or before the second anniversary of the respective issuance dates of the Pre-IPO Warrants;

$$\frac{(\text{HK\$}3,500,000,000 - \text{Actual Valuation})}{\text{HK\$}3,500,000,000} \times \text{relevant amount for the relevant Pre-IPO Investor}$$

For the purpose of the Pre-IPO Warrant Agreements;

“**Actual Valuation**” means the valuation of our Group calculated as follows: (x) in the case of an Exit in the form of an initial public offering of a member of our Group, the valuation of our Group shall equal the multiple of (1) the total number of shares of the relevant member of our Group that are issued and outstanding on a Fully-diluted Basis immediately prior to the Exit (and for the avoidance of doubt, such number shall not include any shares issuable by the relevant member of our Group in the Exit but shall include all shares issuable by the relevant member of our Group in any free distribution or bonus issue to all of its shareholders or any subdivision of shares immediately prior to the Exit) and (2) the Current Market Price per Warrant Share; and (y) in all other cases, the valuation of our Group shall equal the fair market value of the consideration receivable for all of the equity interests in our Group in the Exit, on the assumption that the fair market value of any publicly traded securities that form all or part of the consideration shall be computed based on their Current Market Price, whether or not they are Warrant Shares.

“**Current Market Price**” in respect of the Warrant Shares, means the arithmetic average of the closing sales price of the Warrant Shares for the 30 consecutive trading days beginning on the trading day that begins immediately after the Mandatory Exchange (or if the holders of the Pre-IPO Warrants are subject to a lock-up period, on the trading day that begins immediately after the expiration of such lock-up period).

“**Exit**” means the earliest of the following to occur: (i) the initial public offering of the shares of a member of our Group (whether established on or before the relevant issuance date of the Pre-IPO Warrants) and the listing of its shares on the main board of the Stock Exchange (or other internationally recognized stock exchange as stipulated in the relevant Pre-IPO Warrant Agreement) or (ii) the sale by Mr. Liu of all or substantially of his interests in Wangji Limited or our Group to a publicly traded entity or (iii) the sale by Mr. Liu of any equity interests held by him in any member of our Group if immediately following such sale Wangji Limited would hold less than 50% of the equity interests in our Group.

“**Fully-diluted Basis**” is calculated based on the assumption that all options, warrants (excluding the Pre-IPO Warrants) or other convertible securities or instruments or other rights to acquire the shares of our Company (or other member of our Group which is to be listed) or any other existing or future classes of capital stock have been exercised or converted, as applicable, in full, regardless of whether any such options (but excluding any option granted under any share option scheme adopted by our Company (or other

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

member of our Group which is to be listed) prior to the respective issuance dates of the Pre-IPO Warrants), warrants, convertible securities or instruments or other rights are then vested or exercisable or convertible in accordance with their terms.

(ii) *Compensation for delay in Global Offering*

It is expected that the Exit will occur on or prior to the second anniversary of the respective issuance dates of the Pre-IPO Warrants. If there is any delay in the timetable, the holders of the Pre-IPO Warrants shall be entitled to collect from Wangji Limited an amount of cash that will represent an internal rate of return equal to 25% per annum on the Exercise Price for all of the Pre-IPO Warrants registered under their respective names (regardless of whether any exchange right has been exercised), exclusive of any interest previously paid and interest to be paid by Wangji Limited in accordance with the terms of the Pre-IPO Notes.

(iii) *Default compensation*

Upon the occurrence of a default in the performance of any of the key warrant obligations as stipulated in the Pre-IPO Warrant Agreements, the holders of the Pre-IPO Warrants shall be entitled to collect from Wangji Limited an aggregate amount of cash that will represent an internal rate of return equal to 25% per annum on the Exercise Price for the Pre-IPO Warrants registered under their respective names in which the exchange right has not been exercised, exclusive of any interest previously paid and interest to be paid by Wangji Limited in accordance with the terms of the Pre-IPO Notes.

Pursuant to the Pre-IPO Warrant Agreements, the Exercise Period of Pre-IPO Warrants shall expire on the earlier of the date of the Exit or the third anniversary of the respective issuance date of the Pre-IPO Warrants. Further, where the exchange rights attaching to the Pre-IPO Warrants have been exercised, on the date immediately prior to an Exit, the Warrants Shares shall be automatically exchanged into the Shares of our Company and any unexercised Pre-IPO Warrants (if any) shall be cancelled. Accordingly, as all Warrants Shares will be automatically exchanged into Shares immediately prior to Listing and no unexercised Pre-IPO Warrants shall subsist on or after Listing, the Pre-IPO Warrant Agreements and the terms thereof (including those special rights granted to the Pre-IPO Investors except the Performance Compensation in relation to profit shortfalls and/or valuation shortfalls) shall cease to be effective and be discontinued upon Listing.

It is a term of the Pre-IPO Investment Agreements that the collateral in relation to all the shares or registered capital (as the case may be) of our Company, Power Wealth BVI, Power Wealth HK and Xiangyu PRC and the 50% equity interest in the Pledged Dredgers owned by Xiangyu PRC shall be released on the Listing Date. The collateral over the equity interest in Wangji Limited shall be released upon the entire loans constituted under the Pre-IPO Notes owing by Wangji Limited to Pre-IPO Investors under the Pre-IPO Note Purchase Agreements being discharged in full. The personal guarantee provided by Mr. Liu shall be released upon all obligations (including but not limited to the payment of the Performance Compensation) to be performed on the part of Mr. Liu under the Pre-IPO Investment Agreements being performed and discharged in full.

Subject to and immediately before the Listing, all of the loans evidenced by the Pre-IPO Notes and owed by Wangji Limited to the Pre-IPO Investors under the Pre-IPO Note Purchase Agreements have been agreed to be repaid in full, the collateral over the equity interest in Wangji Limited and each

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

member of our Group as well as the Pledged Dredgers has been agreed to be released in full and the personal guarantee provided by Mr. Liu for performance of his obligations under the Pre-IPO Note Purchase Agreements has been agreed to be discharged and released in full. The personal guarantee of Mr. Liu and the Shares held by Mr. Liu in Wangji will be released only upon the performance in full and subsequent discharge of all obligations to be performed by Mr. Liu under the Pre-IPO Warrant Agreements (including but not limited to the payment of the Performance Compensation).

On June 1, 2011, we were informed by Wangji Limited that each of Hong Jun and Apex Ally has in accordance with the terms of the Pre-IPO Warrant Agreements issued an irrevocable notice to Wangji Limited, in effect requiring Wangji Limited to transfer to each of Hong Jun and Apex Ally 69.0 million Shares and 45.9 million Shares, respectively, of our Company (which will represent approximately 8.63% and 5.74% of the entire issued share capital of our Company immediately upon completion of the Global Offering, taking no account of the Offer Shares which may be issued upon exercise of the options which may be granted under the Share Option Scheme and on the assumption that 25% of the entire issued share capital of our Company immediately upon completion of the Global Offering will be held by the public). Since the Exercise Price payable by each of the Pre-IPO Investors has been agreed to be off-set on a dollar-to-dollar basis against the loans evidenced by the Pre-IPO Notes, the outstanding amount of the loans evidenced by the Pre-IPO Notes has been discharged in full. Each of such transfers will take place on the Listing Date.

On October 22, 2010, Hong Jun transferred (i) HJ Pre-IPO Notes in the principal amount of HK\$40 million and (ii) HJ Pre-IPO Warrants of aggregate exercise price of HK\$40 million to Dornbirn Inc. (an Independent Third Party and independent of each of the other Pre-IPO Investors) at a transfer price of HK\$40 million. Following discussions between Hong Jun and Dornbirn Inc., it was agreed that the above said transfers would be unwound by way of Hong Jun's purchase from Dornbirn Inc. on February 25, 2011 of all such Pre-IPO Notes and Pre-IPO Warrants then held by Dornbirn Inc. at a transfer price of HK\$40 million. No other agreement, whether written or otherwise, has been entered into between Hong Jun, Wangji Limited and/or any members of our Group, on the one hand, and Dornbirn Inc., on the other, in relation to the issuance and subscription of the Pre-IPO Notes and Pre-IPO Warrants by Dornbirn Inc. and the above transfer from Dornbirn Inc. to Hong Jun.

As a result of the above transactions and up to the Latest Practicable Date, (i) Hong Jun remained the holder of the HJ Pre-IPO Notes of aggregate principal amount of HK\$230 million and HJ Pre-IPO Warrants with an aggregate exercise price of HK\$230 million and (ii) Apex Ally remained the holder of the AA Pre-IPO Notes of aggregate principal amount of HK\$153 million and AA Pre-IPO Warrants with an aggregate exercise price of HK\$153 million.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

Assuming that the above exercise of the Pre-IPO Warrants proceeds to completion, the shareholdings in our Company on the Listing Date (immediately after such completion and assuming that the Over-allotment Option and any options that may be granted under the Share Option Scheme are not exercised at all and without taking account of any arrangement effected pursuant to the Stock Borrowing Agreement) is set out below:

<u>Name of Shareholders</u>	<u>No. of Shares held as at the Latest Practicable Date</u>	<u>Shareholding as at the Latest Practicable Date (%)</u>	<u>No. of Shares held immediately after the completion of the Global Offering and upon exercise of the Pre-IPO Warrants in full</u>	<u>Shareholding immediately after the completion of the Global Offering and upon exercise of the Pre-IPO Warrants in full (%)</u>	<u>Remarks</u>
Wangji Limited	73,333,333	73.30%	325,100,000	40.64%	Solely owned by Mr. Liu
Shen Wang Limited . . .	26,666,667	26.70%	160,000,000	20.00%	Solely owned by Mr. Dong; subject to Stock Borrowing Agreement and the Over-allotment Option
Public Shareholders:					
The Pre-IPO Investors:					
(a) Hong Jun	—	—	69,000,000	8.63% ⁽¹⁾	
(b) Apex Ally	—	—	45,900,000	5.74% ⁽¹⁾	
Other public Shareholders	—	—	200,000,000	25.00%	
Total:	<u>100,000,000</u>	<u>100.0%</u>	<u>800,000,000</u>	<u>100.0%</u>	

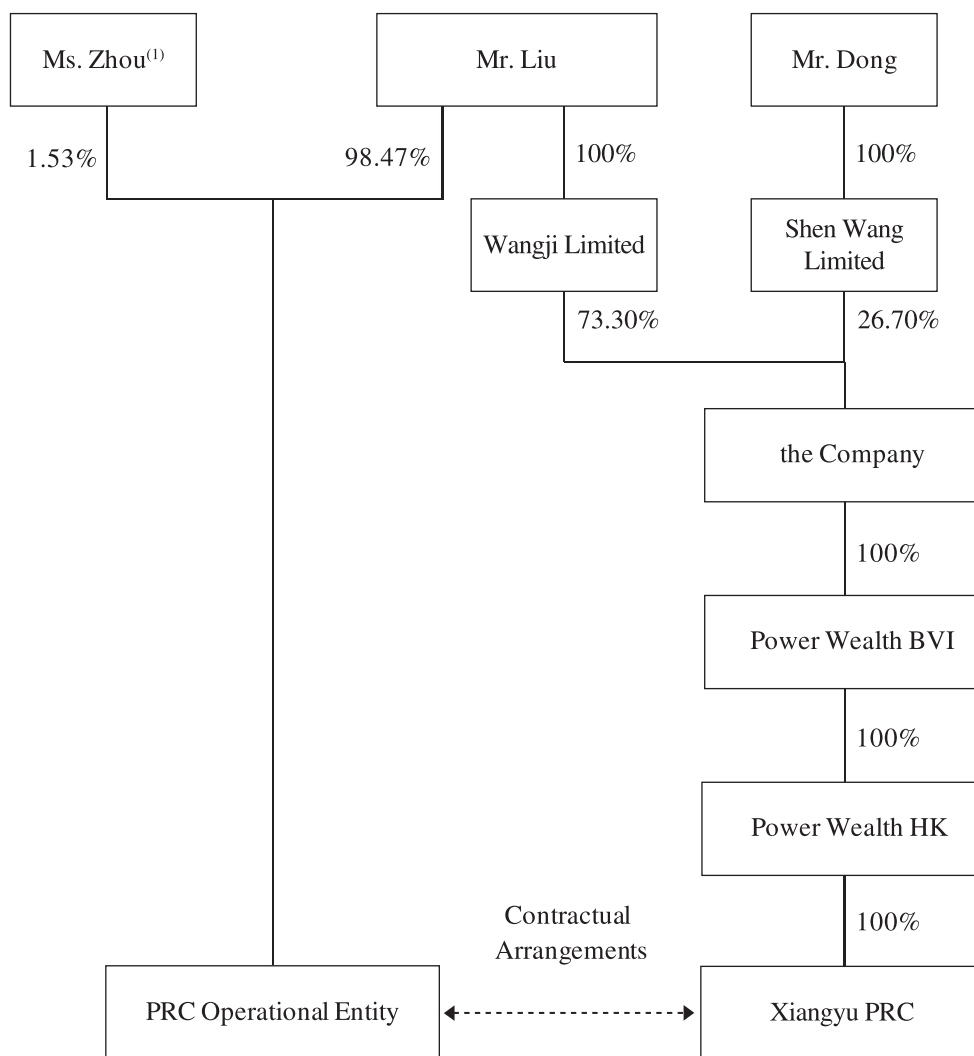
Note:

- (1) Subject to the terms of the Pre-IPO Warrant Agreements, the Shares held by the Pre-IPO Investors are subject to lock-up of six months from the Listing Date.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

GROUP STRUCTURE

The corporate structure of the members of our Group as at the Latest Practicable Date immediately after completion of the Reorganization but prior to the Capitalization Issue and the Global Offering is set out below:

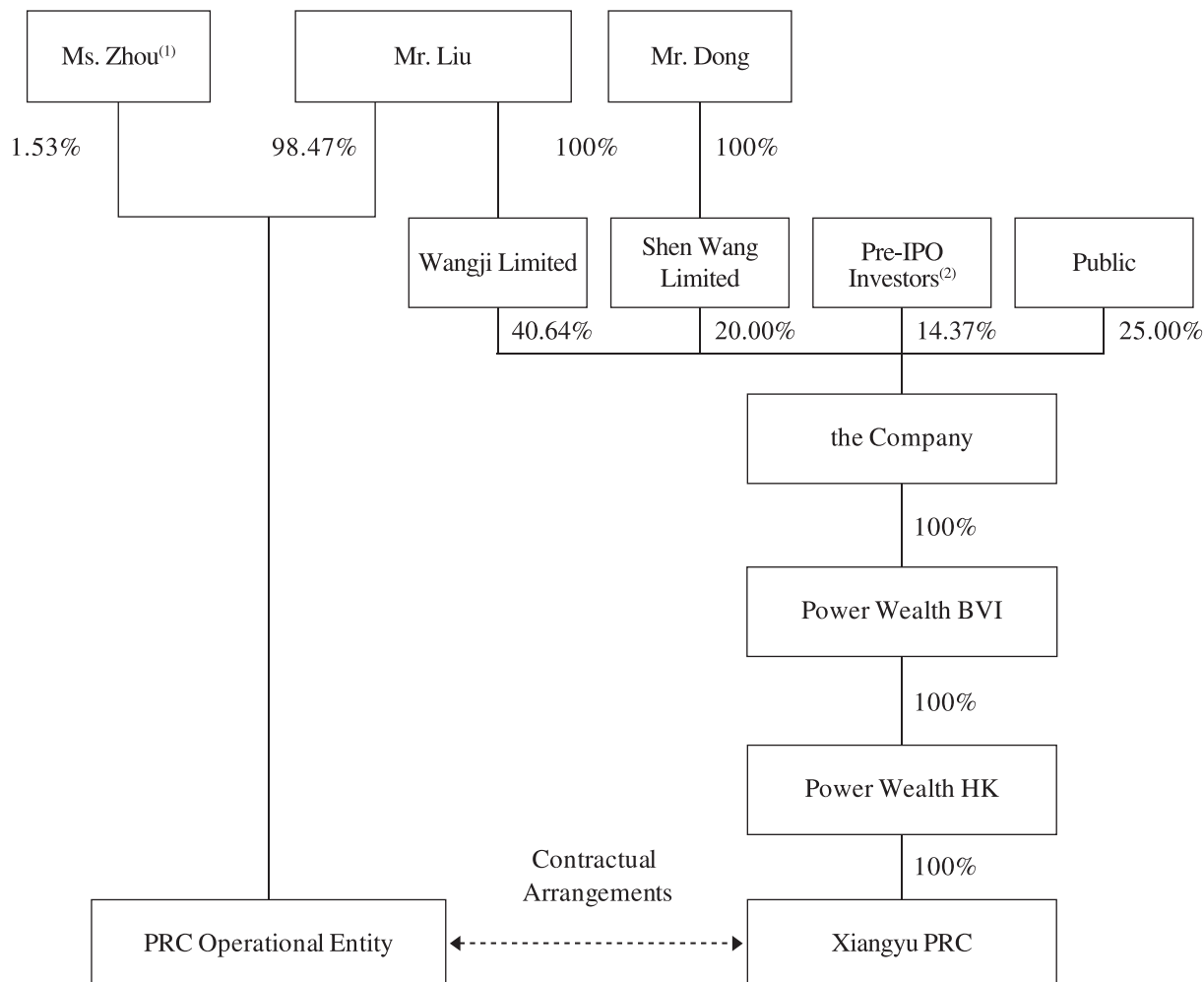


Note:

(1) Ms. Zhou holds the 1.53% equity interest in the PRC Operational Entity as trustee on behalf of Mr. Liu.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

The corporate structure of the members of our Group immediately following completion of the Reorganization, the completion of the exercise of the Pre-IPO Warrants in full, the Capitalization Issue and the Global Offering (assuming the Over-allotment Option and any options that may be granted under the Share Option Scheme are not exercised at all) is set out below:



Notes:

- (1) Ms. Zhou holds the 1.53% equity interest in the PRC Operational Entity as trustee on behalf of Mr. Liu.
- (2) Hong Jun and Apex Ally will hold approximately 8.63% and 5.74% of the total issued share capital of our Company respectively immediately upon completion of the Global Offering, taking no account of the Offer Shares which may be issued upon exercise of the options which may be granted under the Share Option Scheme.