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Hydoo 毅德控股

HYDOO INTERNATIONAL HOLDING LIMITED

毅德國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1396)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND IN LIUZHOU**

ACQUISITION OF LAND

The Company is pleased to announce that on 24 December 2015, Hydoo Liuzhou, an indirect wholly-owned subsidiary of the Company, has successfully bid for the land use rights to the Land (the “**Acquisition**”) with a total site area of approximately 155,558 sq.m for a total consideration of RMB201,400,000 (equivalent to approximately HK\$240,673,000) at the Auction. The Land will be used for the development of the Liuzhou Project.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the acquisition of the Land is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement but exempt from the shareholders’ approval requirement under Chapter 14 of the Listing Rules.

BACKGROUND INFORMATION

The Company is pleased to announce that on 24 December 2015, Hydoo Liuzhou, an indirect wholly-owned subsidiary of the Company, has successfully bid for the land use rights to the Land with a total site area of approximately 155,558 sq.m for a total consideration of RMB201,400,000 (equivalent to approximately HK\$240,673,000) (the “**Consideration**”) at the Auction. An auction confirmation has been entered into between Liujiang Land Resources Bureau (柳江縣國土資源局) and Hydoo Liuzhou in respect of the Acquisition on 24 December 2015 (the “**Auction Confirmation**”). The Land will be used for the development of the Liuzhou Project.

It is a condition precedent of the Acquisition that Hydoo Liuzhou shall enter into the Land Transfer Contract with Liujiang Land Resources Bureau and pay the Consideration according to the terms and conditions of the Land Transfer Contract.

THE ACQUISITION

Date of the Auction and the Auction Confirmation

24 December 2015

Parties

- (i) Hydoo Liuzhou
- (ii) Liujiang Land Resources Bureau (柳江縣國土資源局)

To the best of the knowledge, information and belief of the Board having made all reasonable enquiries, Liujiang Land Resources Bureau is an independent third party of the Company and its connected persons.

The Land

The Land was located at Liujiang Town, Liuzhou City, Guangxi Zhuang Autonomous Region, the PRC, with a total site area of approximately 155,558 sq.m. The term of the land use rights to the Land shall be 40 years for commercial use commencing from the delivery of the Land to Hydoo Liuzhou.

Consideration

The Consideration is RMB201,400,000 (equivalent to approximately HK\$240,673,000), which was the bid price made by Hydoo Liuzhou with reference to the market price of comparable land, the prevailing market conditions in Liuzhou as well as the location and development potential of the Land. The Consideration will be satisfied by the internal resources of the Group.

Payment terms

Hydoo Liuzhou is expected to enter into the Land Transfer Contract (國有建設用地使用權出讓合同) with Liujiang Land Resources Bureau on or before 7 January 2016. The payment arrangements of the Consideration shall be subject to the terms and conditions of the Land Transfer Contract.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Group is principally engaged in the development and operation of large trade and logistics centers in third and fourth-tier cities and selected second-tier cities in the PRC.

In view of the development needs and future plans of the Group, the Land is well placed with huge development potential, and its consideration is fair and reasonable. The Directors consider that the Acquisition of the Land for the purpose of the Linzhou Project is in line with the overall development strategy of the Group, and has positive influence on the long-term development of the Company.

On the basis of the foregoing, the Board considers that the Acquisition is in the ordinary and usual course of business of the Group, and is in the interests of the Group and its Shareholders as a whole.

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DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Auction”	The auction held on 24 December 2015 in which the Land was put up for tender, auction and listing-for-sale by Liujiang Land Resources Bureau;
“Board”	the board of Directors;
“Company”	Hydoo International Holding Limited (stock code:1396), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Directors”	the director(s) of the Company;

“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hydoo Liuzhou”	Liuzhou Hydoo Commercial and Trade Center Co., Ltd* (柳州毅德商貿物流城有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Liuzhou Project”	the construction and development of a large-scale integrated trade center and logistics project in Liujiang Town, Liuzhou City, Guangxi Zhuang Autonomous Region, the PRC by the Company;
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of the shares of the Company;
“sq.m.”	square metres;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Land”	the piece of land located in Liujiang Town, Liuzhou City, Guangxi Zhuang Autonomous Region, the PRC with a total site area of approximately 155,558 sq.m.;
“Land Transfer Contract”	the contract for the transfer of the land use rights of the Land to be entered into between Liujiang Land Resources Bureau and Hydoo Liuzhou.

* *Denotes English translation of a Chinese Company or entity or vice versa and is provide for identification purpose only.*

Unless otherwise specified in this announcement, translation of RMB into HK\$ is made in this announcement, for illustration purpose only, at the rate of RMB1 to HK\$1.1950. No representation is made that any amount in RMB could have been or could be converted at such rate or any other rates.

By order of the Board
Hydoo International Holding Limited
Wang Jianli
Chairman and Executive Director

Hong Kong, 29 December 2015

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Jianli, Mr. Wang Dewen and Mr. Huang Dehong; the non-executive Directors of the Company are Mr. Yuan Bing and Mr. Wang Wei; and the independent non-executive Directors of the Company are Mr. Zhao Lihua, Mr. Wang Lianzhou and Mr. Lam, Chi Yuen Nelson.