

SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. You should read the whole document before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read this section carefully before you decide to invest in the Offer Shares.

OUR BUSINESS

We are an integrated commercial and residential property developer, owner and operator with a proven track record in China. We focus on developing projects in Jiangsu and Hunan provinces that are physically connected or in close proximity to metro stations or other transportation hubs. Examples of such projects are our Golden Wheel International Plaza, Golden Wheel Time Square, Golden Wheel New Metro and Golden Wheel Star Plaza, which, together, accounted for approximately 55.1% of the total GFA of all of our completed properties and properties under development as of 30 September 2012.

Our business model comprises (i) the sale of our commercial and residential properties and (ii) the leasing and operational management of commercial properties owned by us or third-parties. We strategically retain long-term ownership of selected shopping malls for recurring rental income and long-term financial strength and sell a mix of offices, residential properties and hotel-style apartments for capital growth. In terms of the total GFA of our completed properties and properties under development as of 30 June 2012, our property development business and property leasing and operational management business accounted for 55.2% and 44.8%, respectively. In terms of our total revenue for the six months ended 30 June 2012, our property development business and property leasing and operational management business accounted for 92.8% and 7.2%, respectively.

The following table sets forth a breakdown of our total GFA sold/leased by property type for the periods indicated:

	Year ended 31 December						Six months ended 30 June	
	2009		2010		2011		2012	
	sq.m.	%	sq.m.	%	sq.m.	%	sq.m.	%
Property Development								
Commercial	28,152	51.0%	11,471	11.8%	3,727	3.3%	16,528	12.4%
Residential	—	—	55,834	57.7%	58,834	51.4%	56,928	42.8%
	28,152	51.0%	67,305	69.5%	62,561	54.7%	73,456	55.2%
Property Leasing and Operational Management								
Commercial	27,095	49.0%	29,530	30.5%	51,887	45.3%	59,706	44.8%
Total	55,247	100.0%	96,835	100.0%	114,448	100.0%	133,162	100.0%

Note: Commercial properties include retail, office, hotel-style apartments with 40- or 50-year land use right and car parks. The hotel-style apartments of Golden Wheel International Plaza have 50-year land use right and those of Golden Wheel Waltz have 40-year land use right.

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The following table sets forth a breakdown of our revenue by property type for the periods indicated:

	Year ended 31 December						Six months ended 30 June	
	2009		2010		2011		2012	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
Property Development								
Commercial	458,577	92.9%	202,534	41.9%	91,993	17.5%	290,037	43.8%
Residential	—	—	238,734	49.4%	352,959	67.3%	324,449	49.0%
	458,577	92.9%	441,268	91.3%	444,952	84.8%	614,486	92.8%
Property Leasing and Operational Management								
Commercial	35,223	7.1%	42,256	8.7%	79,543	15.2%	47,865	7.2%
Total	493,800	100.0%	483,524	100.0%	524,495	100.0%	662,351	100.0%

Note: Commercial properties include retail, office, hotel-style apartments with 40- or 50-year land use right and carparks. The hotel-style apartments of Golden Wheel International Plaza have 50-year land use right and those of Golden Wheel Waltz have 40-year land use right.

Our flagship project, Golden Wheel International Plaza, situated on top of the Xinjiekou metro station on Hanzhong Road in Nanjing with a total GFA of 98,031 sq.m., has become a well-recognized commercial development of shopping malls and office in Nanjing. During the Track Record Period, we sold the office premises and we also leased the shopping mall units to international and domestic brands such as H&M, Sephora and Dou Lao Fang (豆捞坊) as major tenants. We also sold or leased the units of two other shopping malls and integrated commercial and residential developments, namely Golden Wheel Waltz in Nanjing and Golden Wheel Time Square in Zhuzhou.

In addition to leasing our own properties, we are also engaged in the leasing and operational management of shopping malls owned by third parties. We currently lease and manage Xinjiekou Metro Mall, which is owned by Nanjing Metro. We have established a proven successful platform to “outsource” our expertise in this segment. We will, through a joint venture company, lease and manage another commercial complex close to transportation hub and owned by Nanjing Qin Huai River Construction and Development Company Limited (南京秦淮建設開發有限公司), which is expected to be completed in 2014.

The following table sets forth a summary of our property projects as of 30 September 2012:

Project	City	Primary Use	Site area	Actual/estimated construction commencement date	Actual/estimated pre-sale commencement date	Actual/estimated construction completion date	Total GFA/Total planned GFA
				sq.m.	month/year	month/year	sq.m.
Completed properties							
Golden Wheel International Plaza	Nanjing	Retail (shopping mall) and office	11,341	Jul-04	Dec-06	Jan-09	98,031
Golden Wheel Waltz	Nanjing	Retail (retail shops) and hotel-style apartments	2,046	Jan-08	Oct-09	Feb-10	7,995
Golden Wheel Building	Nanjing	Retail (retail shops) and residential	4,918	May-01	Jan-02	Feb-03	27,000
Golden Wheel Green Garden	Nanjing	Residential	10,334	Aug-01	Oct-01	Sep-02	24,147
Golden Wheel Star City (Phase I)	Yangzhou	Residential	42,803	Aug-08	Oct-08	Mar-12	88,933
Golden Wheel Star City (Phase II Building No. 11, 12, 13, 15, 16 and 17)	Yangzhou	Residential	27,423	Oct-09	Oct-09	Aug-12	84,288
Golden Wheel Time Square	Zhuzhou	Retail (shopping mall) and residential	13,501	May-09	Oct-09	Apr-12	134,096
Subtotal			112,366				464,490

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Project	City	Primary Use	Site area	Actual/estimated construction commencement date	Actual/estimated pre-sale commencement date	Actual/estimated construction completion date	Total GFA/Total planned GFA
			<i>sq.m.</i>	<i>month/year</i>	<i>month/year</i>	<i>month/year</i>	<i>sq.m.</i>
Properties under development							
Nanjing Jade Garden	Nanjing	Residential	7,212	Jan-11	Jul-12	Jun-13	29,976
Golden Wheel Star Plaza	Nanjing	Retail (retail shops), office and hotel-style apartments	29,540	Nov-11	Jan-13	Sep-13	70,396
Golden Wheel New Metro	Nanjing	Retail (shopping mall), office and hotel-style apartments	9,218	Aug-11	Nov-12	Jun-13	59,912
Golden Wheel Star City (Phase II Building No. 10 and 18)	Yangzhou	Residential	11,389	Jun-10	Nov-12	Dec-13	33,084
Subtotal			57,359				193,368
Total			169,725				657,858

Note: Our Directors confirm that, as of the Latest Practicable Date, save for Nanjing Jade Garden and Golden Wheel Star Plaza, the progress of the construction work of our properties under development was in accordance with our development schedule. For details of the construction progress of Nanjing Jade Garden and Golden Wheel Star Plaza, please refer to the section headed "Business — Regulatory Compliance — Late Completion of Nanjing Jade Garden and Golden Wheel Star Plaza" in this prospectus. For information relating to our investment properties completed and under development, please refer to the section headed "Business — Our Property Projects" in this prospectus.

The following table sets forth an overview of our completed investment properties:

Project	Total GFA held for investment	Leasable area as of 30 June 2012	Effective leased area as of 30 June 2012	Occupancy rate as of 30 June 2012 ⁽¹⁾	Land certificate expiry date	Completion date	Attributable independent valuation as of 30 September 2012	Weighted average lease expiry term as of 30 September 2012	Total rental income for the six months ended 30 June 2012 ⁽²⁾	Effective average rental price for the six months ended 30 June 2012 ⁽³⁾	Operating lease commitment as of 30 June 2012 ⁽⁴⁾		
											Within one year	In the second to the fifth year (inclusive)	After the fifth year
	<i>sq.m.</i>	<i>sq.m.</i>	<i>sq.m.</i>	<i>%</i>	<i>month/year</i>	<i>month/year</i>	<i>RMB million</i>	<i>years</i>	<i>RMB million</i>	<i>RMB/sq.m. per month</i>	<i>RMB million</i>		
Golden Wheel International Plaza	28,056	18,308	18,128	99%	Oct-2044	Jan-2009	1,740.0	4.3	24.0	221	43.8	89.3	31.4
Golden Wheel Waltz	2,444	2,203	2,203	100%	Feb-2046	Feb-2010	156.0	2.8	3.7	279	5.3	9.2	0.4
Golden Wheel Building ⁽⁵⁾	1,216	1,216	1,216	100%	Dec-2040	Feb-2003	18.9	8.3	0.2	28 ⁽⁶⁾	0.3	1.3	1.2
Golden Wheel Green Garden ⁽⁵⁾	1,021	1,021	1,021	100%	Apr-2041	Sep-2002	34.0	1.5	0.4	68 ⁽⁷⁾	0.6	0.5	—
Golden Wheel Time Square	31,205	18,858	15,877	84%	Feb-2048	Apr-2012	1,029.0	4.0	15.6	164	12.1	47.8	1.0
Total	63,942	41,606	38,445				2,977.9		43.9		62.1	148.1	34.0

Notes:

- (1) Occupancy rate is calculated by dividing the effective leased area (which is the leasable area of a project subject to the relevant lease agreements) by the total leasable area (which is determined by us to be leasable and does not include the public or service areas used in common as a whole or those areas used for ancillary purposes) of the project.
- (2) Xinjiekou Metro Mall is not included in the table above as it is not owned by our Group. We generated property leasing and operational management-related revenue of RMB4.56 million from Xinjiekou Metro Mall for the six months ended 30 June 2012.
- (3) Effective average rental price is calculated by dividing the rental income of a project by its effective leased area.
- (4) Xinjiekou Metro Mall is not included in the table above as it is not owned by our Group. The operating lease commitment of the Xinjiekou Metro Mall as of 30 June 2012 was approximately 8.9 million (within one year) and 7.8 million (in the second to fifth year (inclusive)), respectively.
- (5) The result of operations of Golden Wheel Building and Golden Wheel Green Garden are not included in our financial statements during the Track Record Period.
- (6) The effective average rental of Golden Wheel Building is relatively lower because this project was completed in 2003 and all the leasable area of this project has been leased by one tenant with a term of ten years.
- (7) The effective average rental of Golden Wheel Green Garden is relatively lower because this project was completed in 2002 and it is located in a less popular area as compared to our other projects.

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The following table sets forth an overview of our investment properties under development as of 30 September 2012:

Project name	Total planned GFA held for investment	Land certificate expiry date	Construction commencement date	Expected completion date	Estimated ⁽¹⁾ total development costs	Total ⁽²⁾ development costs incurred	Land costs incurred	Other construction costs incurred	Estimated future development costs	Attributable Independent Valuation
	<i>sq.m.</i>	<i>month/year</i>	<i>month/year</i>	<i>month/year</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Golden Wheel New Metro	18,437	Jul-2049	Aug-2011	Jun-2013	156.1	98.6	62.4	36.2	57.5	260.0

Notes:

(1) "Estimated total development costs" represents the sum of "total development costs incurred" and "estimated future development costs".

(2) "Total development costs incurred" represents the sum of "land costs incurred" and "other construction costs incurred".

The following table sets forth the average selling prices and the effective average annual rental price per square meter for our projects and the Xinjiekou Metro Mall that we lease from Nanjing Metro, respectively, for the periods indicated:

	Average selling price				
	Year ended 31 December			Six months ended 30 June	
	2009	2010	2011	2011	2012
	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>
Golden Wheel International Plaza	16,289	18,002	25,366	24,245	29,280
Golden Wheel Waltz	—	17,227	18,627	16,617	—
Golden Wheel Star City	—	4,276	5,999	4,677	7,404
Golden Wheel Time Square	—	—	—	—	7,632

	Effective average annual rental price				
	Year ended 31 December			Six months ended 30 June	
	2009	2010	2011	2011	2012
	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB/sq.m.</i>
Golden Wheel International Plaza (Commercial)	2,178	2,202	2,532	2,574	2,649
Golden Wheel Waltz (Commercial)	—	2,342	3,289	3,203	3,343
Golden Wheel Time Square (Commercial)	—	—	2,023	1,578	1,966
Xinjiekou Metro Mall (Commercial)	—	—	6,637	—	7,650

For details of our strengths and business strategies, please refer to the sections headed "Business — Our Competitive Strengths" and "Business — Our Business Strategy", respectively, in this prospectus.

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OUR LAND BANK AND LAND ACQUISITION STRATEGY

Our current land bank as of 30 September 2012 is as follows:

	Total GFA		Appraised value	
	sq.m.	%	RMB '000	%
Completed properties				
Unsold				
Commercial ⁽¹⁾	30,829	10.9%	426,600	8.2%
Residential ⁽²⁾	35,887	12.6%	275,700	5.3%
Subtotal	66,717	23.5%	702,300	13.5%
Held for Investment	63,942	22.5%	2,977,900	57.5%
Subtotal for completed properties	130,659	46.0%	3,680,200	71.0%
Properties under development				
Unsold				
Commercial ⁽¹⁾	85,140	30.0%	790,000	15.2%
Residential ⁽²⁾	49,828	17.5%	453,000	8.8%
Subtotal	134,968	47.5%	1,243,000	24.0%
Held for Investment	18,437	6.5%	260,000	5.0%
Subtotal for properties under development	153,405 ⁽³⁾	54.0%	1,503,000	29.0%
Total for completed properties and properties under development	284,064	100.0%	5,183,200	100.0%

Notes:

- (1) Commercial properties include retail, office, hotel-style apartments with 40- or 50-year land use right and carparks. The hotel-style apartments of Golden Wheel Star City Phases I & II have 40-year land use right.
- (2) Residential properties also include hotel-style apartments with 65-year land use right. The hotel-style apartments of Golden Wheel Star Plaza and Golden Wheel New Metro have 65-year land use right.
- (3) GFA of certain underground civil defense area used as car parking spaces and other ancillary facilities, which is not saleable, is not included.

As of the Latest Practicable Date, all of our land bank either had been developed or was under development. Other than our existing property development projects, we currently do not hold any other land for further development.

Since 2007, due to the substantial amount of capital expenditure involved and the volatility of the PRC real estate market, we prudently acquired one piece of land per year to ensure efficient capital deployment and enhance investment return. We have entered into several non-binding letters of intent (together, the “**Letters of Intent**”) with certain local governmental authorities or third parties to demonstrate our early commitment to develop these potential development projects. Taking into account these projects under the Letters of Intent and the on-going development of metro systems in second and third-tier cities that creates potential for metro-linked shopping malls in these cities (details of which are set out in the section headed “Industry Overview” in this prospectus), we expect to acquire more than one piece of land in 2013 and 2014, subject to the availability of our then financial resources, in order to retain sufficient land bank for future development. However, we are required to go through the public tender, auction, or listing-for-sale procedures under the relevant PRC rules and/or obtain relevant government approvals before we can obtain the land use right with respect to the land parcels under these Letters of Intent. As such, there is no assurance that these Letters of Intent will lead to our acquisition of any land use right. Please also refer to the section headed “Risk Factors — We do not hold any other property for future development other than our existing property development projects, and we may not be able to locate or acquire suitable sites for our future projects at reasonable costs, or at all” in this prospectus.

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We have not set a specific size of land as target to pursue each year. In addition to future land acquisition under the Letters of Intent, we will also explore other opportunities taking into account the following:

- the macro-social economic trends and development of metro systems in China;
- government policies and regulations in relation to the development of the PRC property industry;
- our financial resources;
- project location and whether it is connected or close to the local metro stations and other transportation hubs; and
- whether the potential development project has a total planned GFA of not more than 300,000 sq.m. and a total expected investment amount of not more than RMB1 billion.

The following table sets forth a summary of our potential development projects under the Letters of Intent:

No.	Project	Planned GFA	Expected total investment	Payment made	Expected payment arrangement			Expected construction commencement date
		sq.m.	RMB'000	2012 RMB'000	2013 ⁽²⁾ RMB'000	2014 ⁽⁶⁾ RMB'000	2015 ⁽³⁾ RMB'000	
1	Shuanglong Road Project (雙龍大道項目) ⁽¹⁾	55,324	420,000	42,376	98,624	169,000	110,000	Third quarter of 2013
2	Shengtai Road Project (勝太路項目)	161,212	1,000,000	—	75,000	325,000 ⁽⁴⁾	250,000	Second quarter of 2014
3	China Pharmaceutical University Metro Station Project (中國藥科大學地鐵站項目)	128,173	600,000	—	140,000	170,000 ⁽⁵⁾	150,000	Second quarter of 2014
4	Nanjing Tuo Ban Qiao Project (南京拖板橋項目)	22,000	160,000	—	62,500	82,500	10,000	First quarter of 2014
5	Zhuzhou Yunlong Project (株洲雲龍項目) ⁽⁷⁾	250,000	850,000	60,000	60,000	250,000	250,000	First quarter of 2014
Total		616,709	3,030,000	102,376	436,124	996,500	770,000	

Notes:

- (1) We won the bid for the land acquisition of this project in late October 2012. We did not enter into the relevant land use right grant contract as of the Latest Practicable Date, but we expect to enter into such contract in the first quarter of 2013. We plan to commence the construction work for this project by the third quarter of 2013 and commence pre-sale by the second quarter of 2014. The expected total investment of RMB420 million for this project comprises land acquisition cost of RMB141 million and expected construction cost of RMB279 million. For the land acquisition, we already made a deposit of RMB42,376,000 by 2012, and we expect to make a further payment of RMB28,124,000 in the first quarter of 2013 before entering into the land use right grant contract (the deadline of which is early May 2013) and pay the remaining balance of RMB70,500,000 in accordance with the terms to be determined in the land use right grant contract and before our expected construction commencement date in the third quarter of 2013. We expect to finance the total investment of this project by our operating cash inflow (mainly pre-sale proceeds of our projects), proceeds from the Global Offering and, if required, bank loans. For details, please refer to the section headed "Business — Our Property Projects — Potential Development Projects — Shuanglong Road Project" in this prospectus.
- (2) Represents expected land acquisition costs only.
- (3) Represents expected construction costs only.
- (4) Represents the sum of expected land acquisition costs of RMB275 million and expected construction costs of RMB50 million.
- (5) Represents the sum of expected land acquisition costs of RMB140 million and expected construction costs of RMB30 million.
- (6) Save for the expected land acquisition cost mentioned in notes (4) and (5) above, all of the other payments represent expected construction costs.
- (7) We made a deposit of RMB60.0 million for the potential acquisition of land for this project. According to the letter of intent for this project, we are entitled to a full refund of such deposit if we fail to obtain the relevant land use right. We expect to pay the remaining RMB60.0 million land acquisition costs in 2013 and to incur construction costs of approximately RMB250.0 million in 2014 and RMB250.0 million in 2015 for this project.

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We plan to fund these potential development projects with our operating cash inflow (mainly pre-sale proceeds from our existing properties under development and these potential development projects), proceeds from the Global Offering and, if required, bank loans. For details of our strategy for entering into letters of intent in relation to potential development projects, please refer to the section headed “Business — Our Property Projects — Potential Development Projects” in this prospectus.

RISK FACTORS

There are certain risks involved in our operations and many of these risks are beyond our control. These risks can be characterized as: (i) risks relating to our business and our industry; (ii) risks relating to China; and (iii) risks relating to the Global Offering.

We believe that the following are some of the major risks that may have an adverse effect on us: (i) fair value gains on our investment properties represented a substantial portion of our net profit during the Track Record Period, and the fair value of our investment properties is likely to fluctuate from time to time. The fair value gains of our investment properties for the year ending 31 December 2012 are not expected to increase significantly, or might even decrease, as compared to the year ended 31 December 2011. Any significant decrease in the fair value gains of our investment properties would materially and adversely impact our profitability; (ii) we were not in full compliance with the applicable PRC laws and regulations during the Track Record Period; and (iii) we had net cash outflows from operating activities for the six months ended 30 June 2012.

As different investors may have different interpretations and standards for determining materiality of a risk, you should carefully read the section headed “Risk Factors” in this prospectus.

COMPETITION

We compete in a highly competitive industry. The property market in China is very scattered and the market share of most property developers is not significant in their target markets. Our major competitors comprise both national and regional property developers, some of whom have a better track record, greater financial, marketing and land resources, larger sales networks and stronger brand names. In particular, we face competitions arising from an increasing number of new and recently launched real estate projects in our principal markets, Jiangsu and Hunan provinces, which will compete with our projects and may have an adverse impact on the sales and/or rental pricing of our property units. In particular, our property leasing and operational management business operates in a highly competitive market due to the relatively lower barrier of entry in terms of capital resources needed for such business.

For more information on competition, please also refer to the section headed “Risk Factors — Risks Relating to Our Business and Our Industry — The PRC real estate market is highly competitive and the intense competition in our property development business and property leasing and operational management business may materially and adversely affect our business, financial condition and results of operations” in this prospectus.

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PRC GOVERNMENTAL AUSTERITY MEASURES IN THE PROPERTY MARKET

The PRC government has recently introduced certain new policies which are intended to control the substantial increases in property prices in the PRC. These policies can be classified into four categories: (i) restrictions on speculation activities of real estate developers; (ii) limitations on financing land grant consideration payment; (iii) restrictions on speculation activities of residential property buyers; and (iv) encouragement of the PRC government in the purchase of small-size units and construction of affordable housing. For details of the aforesaid regulations, please refer to the section headed “Regulation — Impact of the PRC Governmental Austerity Measures” in this prospectus.

Our Directors are of the view that these policies did not and would not have any material adverse impact on our business operations on the basis that (i) there was no adverse impact on the average contract prices for the pre-sale of our residential properties at Golden Wheel Star City and our commercial properties at Golden Wheel Time Square during the year ended 31 December 2011 and the six months ended 30 June 2012; (ii) we had not encountered any difficulty in obtaining bank loans during the year ended 31 December 2011 and the six months ended 30 June 2012; and (iii) the residential units within our integrated commercial projects are positioned for mass market home buyers in Jiangsu and Hunan provinces. As of 30 September 2012, approximately 29,347 sq.m., or 81%, of the total GFA available for sale of our residential properties (completed and under development) were categorized as small to medium-sized ordinary commodity houses under the relevant PRC laws and regulations, which will remain as our focus for residential property development. We believe this particular residential market segment has more stable and consistent demand, higher affordability attributable to a lower purchase price in our target markets as compared to luxury residential developments which target higher income households and property investors in these markets.

However, it is difficult to ascertain the full extent of the impact of these measures on the performance of our Group or to accurately estimate the sales volume and turnover of our Group as if such measures had not been introduced. Our Directors confirm that we had not experienced any material cancellation of sales during the Track Record Period and up to the Latest Practicable Date. As advised by our PRC legal advisors, Jun He Law Offices, there has been no material changes in the PRC laws and regulations, regardless at state level or in Nanjing, Yangzhou and Zhuzhou, in the recent months to increase regulation over pre-sale activities of property developers, or to tighten measures to limit bank financing including buying-off plan pre-financing.

HISTORICAL NON-COMPLIANCE INCIDENTS

We failed to fully comply with certain applicable PRC laws and regulations, which had resulted in certain non-compliance incidents during the Track Record Period, including (i) late completion of Nanjing Jade Garden and Golden Wheel Star Plaza, (ii) delivery of certain property units of Golden Wheel Time Square before passing the construction completion examination, (iii) failure to complete lease registration for certain leased properties of Golden Wheel Time Square, (iv) failure to make housing fund contributions for certain employees, and (v) granting loans to Nanjing Golden Wheel Real Estate, our then related company (which became our wholly-owned subsidiary on 18 June 2012). We had rectified all the other non-compliance incidents as of the Latest Practicable Date, except for the late completion of Nanjing Jade Garden and Golden Wheel Star Plaza. As a result, we may be subject to a maximum fine of approximately RMB22.4 million and the relevant authorities may forfeit part of the land on which the constructions has not been completed by their respective deadlines without any payment to us. For details of the reasons for these non-compliance incidents and the corresponding remedial and preventive measures, please refer to the sections headed “Risk Factors — We may not be able to meet our project development schedules and complete our projects on time, or at all” and “Business — Regulatory Compliance” in this prospectus.

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SUMMARY FINANCIAL INFORMATION

We maintained a profitable operation during the Track Record Period. In 2011, our net profit was RMB513.2 million, representing an increase of 74.9% from RMB293.4 million in 2010. We also had a prudent net debt to equity ratio of 15.0% as of 30 June 2012 as a result of our strict financial disciplines over all aspects of our operations from land acquisition to construction. We intend to continue maintaining a disciplined financial strategy.

The fair value gains of investment properties accounted for a substantial portion of our net profit during the Track Record Period, which may, however, fluctuate from time to time. For details, please refer to the section headed “Risk Factors — Fair value gains on our investment properties represented a substantial portion of our net profit during the Track Record Period, and the fair value of our investment properties is likely to fluctuate from time to time and may decrease significantly in the future, which may materially and adversely impact our profitability” in this prospectus.

Selected Consolidated Statements of Comprehensive Income and Statements of Financial Position Line Items

	Year ended 31 December			Six months ended 30 June	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue	493,800	483,524	524,495	167,230	662,351
Gross profit	206,154	140,992	241,061	70,068	321,781
Changes in fair value of investment properties	250,183	306,900	539,919	229,579	75,000
Profit and total comprehensive income attributable to:					
Owners of the Company	263,403	280,744	498,488	187,892	198,767
Non-controlling interests	15,033	12,632	14,705	8,134	7,916
	<u>278,436</u>	<u>293,376</u>	<u>513,193</u>	<u>196,026</u>	<u>206,683</u>
Profit and total comprehensive income (excluding fair value gains and the relevant deferred taxes) attributable to:					
Owners of the Company	83,274	58,894	103,446	22,554	145,443
Non-controlling interests	7,525	4,307	4,808	1,288	4,990
	<u>90,799</u>	<u>63,201</u>	<u>108,254</u>	<u>23,842</u>	<u>150,433</u>

	As of 31 December			As of 30 June	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current assets	1,058,443	1,421,378	1,175,695		1,125,256
Current liabilities	975,153	1,249,910	1,178,662		756,582
Net current assets (liabilities)	<u>83,290</u>	<u>171,468</u>	<u>(2,967)</u>		<u>368,674</u>
Net assets	<u>1,354,631</u>	<u>1,635,894</u>	<u>2,077,334</u>		<u>2,640,968</u>
Total assets	<u>3,039,726</u>	<u>3,800,116</u>	<u>4,254,543</u>		<u>4,477,322</u>

Selected Consolidated Statements of Cash Flows Line Items

	Year ended 31 December			Six months ended 30 June	
	2009	2010	2011	2011	2012
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Net cash from (used in) operating activities	26,684	261,480	134,012	118,520	(75,434)
Net cash (used in) from investing activities	(10,793)	(158,269)	(99,997)	(94,034)	16,586
Net cash from (used in) financing activities	158,503	75,693	(225,540)	(108,518)	(45,404)
Net increase (decrease) in cash and cash equivalents	174,394	178,904	(191,525)	(84,032)	(104,252)
Cash and cash equivalents at beginning of year/period	34,868	209,262	388,166	388,166	196,641
Cash and cash equivalents at end of year/period	<u>209,262</u>	<u>388,166</u>	<u>196,641</u>	<u>304,134</u>	<u>92,389</u>

SUMMARY

We had net cash outflow from operating activities of RMB75.4 million for the six months ended 30 June 2012, which was mainly attributable to a decrease in deposits and prepayments received from pre-sale of properties of RMB472.5 million due to reduced pre-sale activities during this period as the pre-sale of Nanjing Jade Garden started in July 2012 and the pre-sale of Golden Wheel Star Plaza is expected to start in January 2013, as well as an increase in prepayment for acquisition of leasehold land held for development for sale of RMB60.0 million in connection with our Zhuzhou Yunlong Project. During the six months ended 30 June 2012, we pre-sold 2,828 sq.m. residential properties of Golden Wheel Star City at an average contract price of RMB8,521 per sq.m., and 3,025 sq.m. residential properties of Golden Wheel Time Square at an average contract price of RMB7,893 per sq.m. During the six months ended 30 June 2011, we pre-sold 10,377 sq.m. residential properties of Golden Wheel Star City at an average contract price of RMB8,442 per sq.m., and 4,030 sq.m. residential properties of Golden Wheel Time Square at an average contract price of RMB6,241 per sq.m. For details of analysis, please refer to the section headed “Financial Information — Liquidity and Capital Resources — Net cash generated from operating activities” in this prospectus.

RECENT DEVELOPMENT

Our business, financial condition and results of operations are influenced by, among other things, the general macroeconomic condition and the market and regulatory measures undertaken by the PRC government. For the six months ending 31 December 2012, our revenue and net profit is expected to decrease by more than 50% from the six months ended 30 June 2012. During the six months ended 30 June 2012, a substantial portion of our revenue was derived from the sale of Golden Wheel Time Square and a major portion of its total saleable GFA had been sold during such period. Given that only a small portion of the total saleable GFA of Golden Wheel Time Square is expected to be sold after 30 June 2012 and that a substantial portion of the current properties under development are expected to be sold after 2012, we expect that our sales and revenue for the six months ending 31 December 2012 will decrease. Further, we do not expect there will be any gain in the fair value of our investment properties for the six months ending 31 December 2012. For the second half of 2012 and the year ending 31 December 2013, we expect to generate our revenue, profit and cash flows primarily from the sales and/or pre-sales of properties units at Golden Wheel New Metro, Golden Wheel Star Plaza, Nanjing Jade Garden and Phase II of Golden Wheel Star City and, to a lesser extent, from the rental income from Golden Wheel International Plaza, Golden Wheel Time Square and Golden Wheel Waltz. Our pre-sale proceeds for the six months ending 31 December 2012 are expected to be approximately RMB375.9 million. There is no assurance that our property development and property leasing and operational management business will continue to grow at the levels that we achieved during the Track Record Period.

As far as we are aware, there was no material change in the general economic and market conditions in the PRC that had materially and adversely affected our business operations or financial conditions since 30 June 2012 and up to the Latest Practicable Date. During this period, the average contract price per sq.m. for the pre-sale of our properties remained relatively stable. During the three months ended 30 September 2012, we pre-sold 1,035.93 sq.m. residential properties of Golden Wheel Star City at an average contract price of

SUMMARY

RMB8,469 per sq.m., as compared to RMB8,521 per sq.m. during the six months ended 30 June 2012. During the three months ended 30 September 2012, we pre-sold 1,638 sq.m. residential properties of Golden Wheel Time Square at an average contract price of RMB8,311 per sq.m., as compared to RMB7,632 per sq.m. during the six months ended 30 June 2012.

During the six months ended 30 June 2012, we prepaid RMB60.0 million as a deposit for the potential acquisition of leasehold land held for development in connection with our Zhuzhou Yunlong Project, one of the potential property development projects under the relevant Letter of Intent. In addition, we made a deposit of approximately RMB42.0 million for the potential acquisition of land for Shuanglong Road Project and have won the bid for such land acquisition in October 2012. We will comply with all required procedures under applicable PRC laws and regulations and expect to enter into the land use right grant contract in the first quarter of 2013.

The total amount of listing expenses, commissions together with brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fee in connection with the Global Offering is estimated to be approximately HK\$57.8 million, of which HK\$35.5 million is expected to be capitalized after the Listing. The remaining HK\$22.3 million was or is expected to be charged to our profit and loss accounts, of which approximately HK\$1.8 million and HK\$9.2 million were charged in the year ended 31 December 2011 and the six months ended 30 June 2012, respectively, and HK\$7.6 million and HK\$3.7 million are expected to be charged in the six months ending 31 December 2012 and in the year of 2013, respectively.

Our Directors confirm that, up to the date of this prospectus, there has been no other material adverse change in our financial or trading position or prospects since 30 June 2012, being the date to which our latest audited financial statements were prepared.

OFFERING STATISTICS

Offer Price per Share:	HK\$1.38 per Offer Share to HK\$1.72 per Offer Share
Market capitalization at Listing:	HK\$2,484 million (based on an Offer Price of HK\$1.38 per Offer Share) to HK\$3,096 million (based on an Offer Price of HK\$1.72 per Offer Share)
Offer Size:	Initially 450,000,000 Shares (excluding Shares to be offered pursuant to the exercise of the Over-allotment Option)
Over-allotment Option:	Up to 15% of the Shares initially being offered under the Global Offering

SUMMARY

Use of proceeds (assuming the Over-allotment Option is not exercised and assuming an Offer Price of HK\$1.55 per offer share (being the mid-point of the indicative Offer Price range):

Net proceeds of HK\$639.70 million to the Company from the Global Offering:

- 50%, representing approximately HK\$319.85 million, to finance new projects, including the land acquisition and preliminary construction costs of potential development projects for which we have entered into letters of intent. For more details of these potential development projects, see “Business — Our Property Projects — Potential Development Projects”. If we cannot obtain the land use right of, or we decide not to proceed with, any of these potential development projects, we will continue to explore other potential development projects and utilize the proceeds from the Global Offering to expand our operations;
- 40%, representing approximately HK\$255.88 million, to finance the development of our projects under development, including:
 - (a) HK\$108.93 million for the construction of Golden Wheel Star Plaza;
 - (b) HK\$73.53 million for the construction of Phase II of Golden Wheel Star City;
 - (c) HK\$61.21 million for the construction of Golden Wheel New Metro; and
 - (d) HK\$12.21 million for the construction of Nanjing Jade Garden; and
- 10%, representing approximately HK\$63.97 million, for working capital and other general corporate purposes.

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2012

Forecast consolidated net profit attributable to the owners of our Company before fair value change (net of deferred tax) on investment properties for the year ending 31 December 2012	Not less than RMB213.93 million
Add: fair value gain (net of deferred tax) on investment properties for the year ending 31 December 2012	RMB56.25 million
Forecast consolidated net profit attributable to the owners of our Company	Not less than RMB270.18 million
Unaudited pro forma forecast basic earnings per Share ⁽¹⁾	RMB0.15

Note:

- (1) The unaudited pro forma forecast basic earnings per Share is based on (i) the forecast consolidated net profit attributable to owners of our Company for the year ending 31 December 2012, the bases and assumptions of which are summarized in Section A of Appendix III to this prospectus, and (ii) the weighted average of 1,799,968,832 Shares in issue and outstanding during the year ending 31 December 2012.

The calculation of the weighted average number of 1,799,968,832 Shares has taken into account the Shares issued and outstanding for the period from 1 January 2012 up to the date of the prospectus, 450,000,000 Shares to be issued pursuant to the Global Offering and 1,348,000,000 Shares to be issued pursuant to the Capitalization Issue, assuming that the Global Offering, Capitalization Issue and Reorganization had been completed on 1 January 2012, and does not take into account any Shares that may be issued pursuant to the Share Option Scheme or Issuing Mandate or the exercise of the Over-allotment Option, or any Shares which may be repurchased pursuant to the Repurchase Mandate.

SUMMARY

The forecast consolidated net profit attributable to the owners of our Company for the year ending 31 December 2012 has not taken into account any interest income that would have been earned if the proceeds from the Global Offering had been received by the Company on 1 January 2012.

- (2) In view of the uncertainty and uncountable possibilities of actual fair value change of our Group's investment properties, the following unaudited pro forma financial information has been prepared by excluding fair value change of our Group's investment properties during the year ending 31 December 2012. The basis and assumptions of the calculation are the same as those set out in note (1) above except that the numerator is the forecast consolidated net profit attributable to the owners of our Company before fair value change (net of deferred tax) on investment properties for the year ending 31 December 2012.

Forecast consolidated net profit attributable to the owners of our Company before fair value change
(net of deferred tax) on investment properties for the year ending 31 December 2012

Not less than RMB213.93 million

Unaudited pro forma forecast basic earnings before fair value change (net of deferred tax) on investment
properties for the year ending 31 December 2012 per Share

RMB0.12

The table below summarizes the sensitivity analysis of the impact of the change in the fair values of investment properties on our forecast net profit:

Change in fair values of investment properties	-5%	-10%	+5%	+10%
	RMB'000	RMB'000	RMB'000	RMB'000
(Decrease) increase in fair value of investment properties	(161,530)	(323,060)	161,530	323,060
(Decrease) increase in net profit	(121,148)	(242,295)	121,148	242,295
% of (decrease) increase in net profit	(44.8%)	(89.7%)	44.8%	89.7%

Note: Our Directors adopt a 5% and 10% range of increment/decrement to the base case in the sensitivity analysis above in respect of the change of fair value of our Group's investment properties (including Golden Wheel International Plaza, Golden Wheel Waltz and Golden Wheel Time Square) during the Track Record Period. In respect of Golden Wheel International Plaza and Golden Wheel Waltz, which were completed projects during the Track Record Period, we made reference to their CAGR of approximately 6.0% and 5.4%, respectively, from 2009 to 2011 and the growth rate of approximately 10.4% and 7.7%, respectively, between 30 June 2011 and 30 June 2012. For Golden Wheel Time Square, a project completed after 31 December 2011, we made reference to its growth rate of approximately 2.3% between 31 December 2011 and 30 June 2012. In addition, we take into account certain factors which may impact the fair value of our investment properties including the change of historical rental and selling price of our projects, the historical real estate market growth in Nanjing and Zhuzhou, the prevailing market rental price of nearby comparable properties and the overall economic and regulatory environment in China.

Our Directors consider that it is not meaningful to present the sensitivity analysis of the impact of the changes in the average selling price and GFA to be sold as all properties to be delivered by 31 December 2012 have been pre-sold, and the selling prices and GFA to be sold have been fixed in the pre-sale contracts entered into between our Group and our customers.

UNAUDITED PRO FORMA NET TANGIBLE ASSETS

	Audited consolidated net tangible assets of our Group attributable to owners of our Company as at 30 June 2012	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of our Group attributable to owners of our Company	Unaudited pro forma adjusted consolidated net tangible assets of our Group attributable to owners of our Company per Share	
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB)	(HK\$)
Based on an Offer Price of HK\$1.38 per Offer Share	2,640,968	468,808	3,109,776	1.73	2.13
Based on an Offer Price of HK\$1.72 per Offer Share	2,640,968	587,816	3,228,784	1.79	2.20

Note: Please see "Appendix II — Unaudited Pro Forma Financial Information" for further details regarding the assumptions used and the calculation method.

DIVIDEND POLICY

In the absence of circumstances which might affect the amount of available distributable reserves, whether by losses or otherwise, our Board currently intends to distribute to our Shareholders as dividends no less than 30% of our distributable profit (excluding net fair value gains or losses on investment properties) for each of the years ending 31 December 2012 and 2013, respectively. For details of our dividend policy, please refer to the section headed "Financial Information — Dividend Policy" in this prospectus.