You should consider carefully the following risk factors, together with all other information contained in this prospectus and, in particular, the following risks in connection with an investment in our Company. Our business can be materially and adversely affected by any of these risks. The trading price of the Shares can decline due to any of these risks and you may lose all or part of your investment.

RISKS RELATING TO OUR BUSINESS

We depend heavily upon the performance of the PRC residential property market, which in turn is subject to fluctuations in market conditions, economic performance and governmental policies introduced from time to time.

Our business and prospects depend heavily upon the performance of the PRC property market. As of the Latest Practicable Date, substantially all of our completed projects or projects under development were located in Beijing, Shanxi Province, Jiangxi Province, Hunan Province and Hubei Province. We concentrate on the development of residential developments, especially comfortable and eco-friendly properties in the PRC. Therefore, if the property market, particularly the residential property market in the PRC, performed badly, it would have a direct negative impact upon us.

The PRC property market is affected by many factors, including changes in the PRC's social, political, economic and legal environment, changes in the PRC Government's fiscal and monetary policy, the lack of a mature and active secondary market for residential and commercial properties and the limited availability of mortgage loans to individuals in the PRC. Demand for residential properties in the PRC has been growing rapidly in the past few years. However, such growth is often coupled with volatility in market conditions and fluctuations in housing prices. Therefore, we cannot guarantee that the property development projects and prices will continue to grow at past levels or will not decline. A number of potential factors which may affect the PRC's economic development and hence growth of property market, are:

- Appreciation of the Renminbi.

- Concerns that the PRC property market has been overheating and may become a property "bubble". While the PRC Government has taken measures to prevent the overheating of the PRC's property market and control the high level of inflation in the PRC, these measures may lead to changes in market conditions, including price instability and an imbalance between supply of, and demand for, properties in the PRC.

- The global financial crisis in 2008 which resulted in extreme volatility in the global capital market. As a result, banks and other credit providers restrict the availability of new credit facilities and require more collateral and higher pricing upon the renewal of existing credit facilities. As the PRC's economy increasingly relies upon the global economy, the availability and cost of financing in the PRC is also affected by the global downturn and recessions in major economies around the world.

Any fall in property sales or property prices in the PRC, particularly in regions where we have property developments, could have a material negative impact upon us. Factors such as inflation, rise in unemployment and decrease in consumer confidence may affect demand for our products and will have a negative impact upon our financial condition. We cannot guarantee that there will be no further measures implemented by the PRC Government to control the growth of the property market, or that there will be no major negative changes in the PRC's economy and property sector as a result of such a "bubble" or as a result of the PRC Government's policies. Any such changes can have a material adverse effect upon our revenue and profitability.

We face risks relating to the use or application of eco-friendly technology which may delay our design and on-site work progress and increase our costs.

We have deployed a number of new eco-friendly, energy-saving technologies and have integrated them into our projects. Some of these technologies are based on international experiences adapted to local situation, and are formed from critical examination, theoretical proof and practical application with a view to saving energy and adding value to our products. For these purposes, in order to minimize the risk in using new technologies, we have imposed a high standard for the choice of techniques, control of quality management and follow-up valuation reporting. However, as the deployment of these new eco-friendly technologies are still brief in terms, and in the relatively early stage of their adaptation application to current building environment construction skills and materials and with other new technical know-how, there are risks involving the process of implementation and other related risks.

The scope of regulations on construction techniques changes with the development of the PRC economy and technical level of the construction industry. As new regulations are examined and interpreted further stage by stage, during the initial stage of their enforcement, they may delay our design and on-site work progress because of non-compliance. On the other hand, to meet the requirement of the new regulations, the original plans for work progress and purchase may need to be re-adjusted. These re-adjustments may increase development costs and cause further delays.

Further, we specialize in developing comfortable and eco-friendly properties in the PRC, while the concept of eco-friendly and sustainable development is relatively new in the PRC property market. As it takes time for the market to grow and mature, we cannot guarantee that we will not encounter any difficulties during this period.

Our actual development costs of a property project may deviate from our initial estimations.

We have developed a set of detailed and standardized operating procedures in our property development. At the beginning of property project, we estimate the relevant total development costs which comprise, amongst others, land premium, construction and other development costs, capitalized borrowing costs, etc. Our operating procedures are designed to enable real-time monitoring and supervision of each stage of our development process to help us to identify and resolve potential problems as early as possible during the project cycle, and to minimize material deviations from pre-approved budgets at each stage of our development process. Our total development costs are subject to fluctuations as a result of factors which may or may not be within our control. For example, construction material costs have experienced periods of fluctuation in recent years, with prices of many commodity materials, in particular steel and cement, rising significantly in recent years. Our construction costs have also been affected by gradually rising labor costs in China in recent years, and we expect labor costs in China to continue to increase in the future. Furthermore, the PRC property market is highly affected by the policy and regulatory measures introduced by the PRC Government from time to time which may affect various aspects of our property development including without limitation our cost of financing as well as schedule of development of our property project which in turn may result in deviation from our initially estimated development costs. If the actual development costs of our projects deviate materially from our initial estimations, our business, financial conditions and results of operations may be affected.

We may not be able to obtain sufficient funding on commercially reasonable terms for land acquisitions or property developments to finance future development projects, which will affect our revenue and restrict our growth.

Property development is a capital intensive business while returns cannot be achieved until cash is received from pre-sales, sales or leases of properties. We derive our capital from bank loans, internally generated cash flows (including proceeds from pre-sales, sales and leases of properties) and other financing. There is no guarantee that we could obtain sufficient funding in the future. Our ability to obtain adequate funding depends on various factors, some of which are beyond our control, including the overall economic climate and property sector in the PRC, our financial strength and performance, the availability of credit from financial institutions and the PRC Government's regulatory measures.

The PRC Government has, in recent years, enforced a number of policies to further tighten the requirements on lending to property developers. For example, commercial banks are banned from providing loans in any form for a property development project that has not yet obtained the State-owned Land Use Rights Certificate, Construction Land Planning Permit, Construction Works Planning Permit and Construction Commencement Permit and the portion of the real estate developer's own capital among the total project investment shall be no less than 35%. Please refer to "Laws and Regulations – Regulations on the Real Estate Project Development – Loan for real estate developer" in this prospectus for further details. Banks and other financial institutes may tighten or even suspend their financing to property developers in the PRC in view of the austerity measures promulgated by the PRC Government and the associated risks of property development business. As a result, we cannot guarantee that we can secure sufficient funding from banks or other borrowings including those from trust companies at commercially reasonable costs or at all. This, in turn, increases our borrowing costs and restricts our ability to develop new projects and continue with our existing projects. We also cannot guarantee that the PRC Government will not introduce further measures which may affect our ability to raise funds.

We may fail to obtain, or experience delays in obtaining, necessary government approvals for any property development.

The PRC's property market is strictly regulated by the PRC Government. Property developers in the PRC must abide by various laws and regulations, including rules stipulated by local governments to enforce these laws and regulations. To develop and complete the development of a property project, we must apply to relevant governmental departments for various licenses, permits, certificates and approvals, including land use rights certificates, construction land planning permits, construction work planning permits, permits for commencement of construction work and pre-sale permits. Before obtaining these, we must first meet certain specific conditions.

We cannot guarantee that we will not encounter any serious delays or difficulties in the process of applying for certificates, licenses, approvals and permits in the future, or fulfilling the conditions precedent to them, or that we will be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the PRC property industry in general or the particular processes with respect to the granting of all necessary certificates, licenses, permits and approvals by the PRC Government. There may also be delays on the part of the administrative bodies in reviewing our applications and granting approvals. If we fail to obtain or renew the necessary PRC governmental approvals for any of our major property projects, or if a serious delay occurs in the PRC Government's examination and approval process, we will not be able to keep up with our development schedule and our business, financial condition and results of operations may be materially and adversely affected. Further, we cannot guarantee that the implementation, interpretation or enforcement of the laws and regulations by the relevant authorities will not require us to incur additional costs, which could have a material adverse effect on our business, financial condition and results of operations.

We have not been in compliance with the obligations under the land grant contracts of some of our projects.

As of the Latest Practicable Date, construction of one of our projects under development, namely Phase 2 of Wan Guo Cheng MOMA (Taiyuan), had been delayed for more than one year from the prescribed construction commencement date under the relevant land grant contracts. We have not been subject to any penalty and no action has been taken by the governmental authorities in relation to our delays in commencement of construction. Construction of Phase 2 of Wan Guo Cheng MOMA (Taiyuan) has commenced and is under development. Pursuant to the confirmations obtained from and consultations conducted with the relevant competent authorities, our PRC legal advisor is of the view that we will not be subject to payment of idle land fees and/or forfeiture of lands with respect to our delays in commencement of construction in respect of these projects.

As of the Latest Practicable Date, construction of four of our projects, namely Changsha Kaifu Mantingchun MOMA, Phase 3 of Wan Guo Cheng MOMA (Taiyuan), Xiantao Mantingchun MOMA and Nanchang Mantingchun MOMA, all of which have commenced construction and are under development, had been delayed for less than one year from the prescribed commencement date under the relevant land grant contracts. We have never been imposed any default payment in relation to our delays in commencement of construction.

Hubei Wanxing had not made timely payment of the land grant premium in accordance with the relevant land grant contracts. As of the Latest Practicable Date, we had not received any claims of liquidated damages in this regard from the relevant land administrative departments. Furthermore, Hubei Wanxing had fully paid the land grant premium in May 2011, and obtained the State-owned Land Use Rights Certificates. The delay in payment of land grant premium was due to the failure of land resettlement on time and lack of municipal facilities. Our Directors consider that the risk that we will be subject to further liquidated damages and/or termination of the land grant contracts with respect thereto is remote.

We cannot assure you that we will be able to fully comply with the obligations under the land grant contracts in the future including delays in the commencement of construction or the development of our properties due to factors which are out of our control, or that our developments will not be subject to idle land penalties or be taken back by the government as a result of such delays. The imposition of substantial idle land penalties could have a material and adverse affect on our business, results of operations and financial condition. If any of our land is taken back by the government, we would not only lose the opportunity to develop the property, but we would also lose our prior investments in the development, including land premiums paid and costs incurred prior to the date in connection with such land.

We may not be able to successfully complete projects on time or at all.

Property development projects require substantial capital expenditures prior to and during the construction period, and construction of a property project may take longer than a year before the development generates positive cash flow through pre-sale or sale. The progress and costs of a development project may be materially and adversely affected by many factors, including:

- delays in obtaining necessary certificates, licenses, permits or approvals from government agencies and authorities;
- changes in market conditions;
- delays in or increased costs of relocation of existing residents and/or demolition of existing structures;
- shortages or increased costs of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents;

- natural catastrophes; and
- adverse weather conditions.

At any point in the planning or development of a project, we can face, among other things, regulatory changes, financing difficulties, an inability or difficulties in obtaining the required government approvals or government-mandated changes in our project development practice, any of which could delay, increase the cost of, or prevent the completion of any such project. We may also delay or revise our plans for property developments due to a variety of factors, including changes in market conditions, a shortage or increase in the prices of construction materials, equipment or labor, labor disputes or disputes with our contractors and subcontractors. We may commit significant time and resources to a project before determining that we are unable to complete it successfully, which could result in a loss of some or all of our investment in such project. We may also be required to pay damages to customers who bought our properties at the pre-sale stage if we fail to complete our projects within the stipulated deadlines. Our inability to complete projects as planned may have a material adverse effect on our business, financial condition, results of operations, reputation and prospects.

We face risks relating to pre-sale of properties, including risks of failure to complete the project.

Property developments typically require substantial capital outlays during the construction period, and it may take months or years before positive cash flow, if any, can be generated from the pre-sale of properties under development or the sale of completed properties. The time and costs required to complete a property development may increase substantially due to many factors beyond our control. In the event that there is any delay in, or failure of, the completion of a property development, there may be costs substantially exceeding those originally budgeted for, which may materially and adversely affect our financial condition and results of operations. We face contractual risks relating to the pre-sale of properties. For example, if we fail to complete a fully or partially pre-sold property development and fail to deliver the property, we could find ourselves liable to purchasers of pre-sold units for losses suffered by them. In addition, if we fail to meet the delivery time of properties as stated in the pre-sale contracts, purchasers of the pre-sold units have the right to claim damages under the pre-sale contracts. If the delay extends beyond the grace period stipulated in the contracts, the purchasers may even be entitled to terminate the pre-sale contracts and also claim damages. We cannot guarantee that we will not experience any significant delays in completion or delivery of our property developments or that we will not be subject to any liabilities for any such delays in the future.

The proceeds from pre-sale of our properties are an important source of funds for our property developments and have an impact on our liquidity position. Under current PRC laws and regulations, property developers must fulfill certain conditions before they can commence pre-sale of properties and may only use the proceeds of pre-sale of properties in a development to finance the relevant development. We cannot guarantee that the PRC Government will not ban or impose material limitations on the pre-sale of uncompleted properties in the PRC in the future. The future implementation of any restrictions on our ability to pre-sell our properties, including any requirements to increase the amount of up-front expenditure we must incur prior to obtaining a pre-sale permit, would extend the time required for recovery of our capital outlay and would force us to seek alternative means to finance the various stages of our property developments including increasing borrowings which would in turn increase our interest payments. This can have a material adverse effect on our business, cash flow, financial condition and results of operations.

We guarantee mortgage loans of our customers and may be liable to the mortgagee banks if our customers default on their mortgage payments.

The purchasers of our properties may need to obtain mortgage loans to fund the purchase of our properties, and we typically arrange for various banks to provide these mortgage loans. In accordance with market practice, the mortgagee banks require us to guarantee our customers' mortgage loans. Typically, our guarantee obligations for such customers' mortgage loans are released upon the earlier of (i) the satisfaction of the mortgage loan by the purchaser of the property; and (ii) the issuance of the property ownership certificate for the mortgaged property. If a purchaser defaults on a mortgage loan guaranteed by us, we may have to repay the mortgage loan. If we fail to do so, the mortgagee bank may foreclose the underlying property and recover any balance from us as the guarantor of the defaulted mortgage loan. In line with industry practice, we rely on the credit analysis performed by the mortgagee banks in respect of individual customers and we do not conduct any independent credit checks on them.

As of December 31, 2010, 2011 and 2012 and as of April 30, 2013, our outstanding guarantees for the mortgage loans of our customers amounted to approximately RMB1,427.0 million, RMB1,229.6 million, RMB1,434.7 million and RMB1,543.4 million (unaudited), respectively. If any material default by our customers occurs on such loans, we may be required to honor our guarantees and our results of operations and financial position may be materially and adversely affected.

We may not be able to obtain suitable land for development which will restrict our growth.

In order to maintain and grow our business in the future, we will be required to replenish and increase our land bank with suitable sites for development at commercially acceptable prices. Our ability to identify and acquire suitable land is subject to a number of factors, some of which are beyond our control. We must identify sites that have potential for future development ahead of our competitors. We cannot guarantee that we will be able to identify and acquire suitable land for our development and the land identified and acquired by us will be suitable for development or offer the return we desire.

The PRC Government controls all of the new land supply in the PRC and requires government departments and agencies to grant State-owned land use right for residential and commercial property developments through public tender, auction or listing-for-bidding. Many factors are considered in a government department's decision to grant such land, including price and the relevant experience of the proposed buyer. As most of the land in the PRC still comes from such public tenders, auctions and listings-for-bidding, we must be successful in obtaining land in such processes in order to be competitive as a property developer. The PRC Government also regulates land sales in the secondary market. As a result, the policies of the PRC Government towards land supply affect our ability to acquire land use rights and the costs of any such acquisitions. Further, the PRC Government also regulates the manner in which land can be developed. For details, please refer to "Laws and Regulations – Regulations on the Real Estate Project Development – Measures on Stabilizing Property Prices" in this prospectus for further details.

All these measures intensify competition for land in the PRC among property developers, which has contributed to the significant increase in land prices in the PRC in recent years. We expect our cost of acquiring land use right may increase in the future, which may materially and adversely affect our gross margin. Furthermore, recently in August 2011, the Beijing Land Resources Bureau had adopted a so-called "限地價，競房價" arrangement in the grant of land use rights of a piece of land in Beijing in which the said bureau had set a fixed price of the relevant land as well as the maximum sales price of the properties to be built on the land, and the bidder property developer with the lowest bid of sales price had been granted the land use rights of the relevant land. As of the Latest Practicable Date, the "限地價，競房價" arrangement had only been adopted by the Beijing Land Resources Bureau in the grant of the land use rights of the said piece of land. Nevertheless, it is possible that similar arrangement might be adopted by the land administrative departments in their grants of land use rights in the future which may affect the profitability of property developers in the PRC. If we fail to obtain suitable land for development at commercially acceptable prices that allow us to achieve reasonable returns upon sale of properties, our results of operations, financial condition and business prospects will be materially and adversely affected.

Our historical gross profit margin may not be sustained in the future.

Our gross profit margin, which is gross profit divided by revenue, was approximately 38.8%, 42.8% and 44.4% for the years ended December 31, 2010, 2011 and 2012, respectively. During the Track Record Period, most of our sales were attributable to our property projects in Beijing and belong to our "Wan Guo Cheng MOMA" product line such as Wan Guo Cheng MOMA, Modern MOMA and MOMA Forest Forever which target high-end customers. On the other hand, our projects under development are mainly projects outside Beijing and belong to our "Man Ting Chun MOMA" product line such as Changsha Mantingchun MOMA, Nanchang Mantingchun MOMA, Changsha Kaifu Mantingchun MOMA, Jiujiang Mantingchun MOMA and Xiantao Mantingchun MOMA which target general public and have relatively lower gross profit margins as compared to our "Wan Guo Cheng MOMA" product line. Furthermore, our gross profit margins may be affected by a number of factors some of which are beyond our control, such as the general market conditions, the market prices of the land and properties, as well as the costs of the construction and development. Therefore, our historical gross profit margins may not be sustained in the future.

An increase in the price of construction materials may increase our cost of sales and reduce our gross margins.

The cost of construction materials such as steel and cement, which constitutes a significant proportion of our contractual payments to our construction contractors, are subject to fluctuations. As part of our cost control measures, we capped the prices of such materials in our construction contracts with our contractors during the Track Record Period. However, we cannot assure that we can always enter into contracts with a cap fee of construction materials in the future. Any increase in the prices of the construction materials that we source on our own or that are sourced by our construction contractors if we cannot cap fee on construction materials with them could result in additional costs to us and may lead to future increases in construction contract costs, and reduce our gross margins to the extent that we are unable to pass these increased costs on to our customers. In such circumstances, increases in the prices of construction materials could have a material adverse effect on our results of operations, financial condition and business prospects.

We rely on external contractors and service providers and we may not be able to effectively control their quality, therefore we cannot guarantee the quality of our developments.

We engage independent contractors to provide various services, including design, construction and supervision of our property development projects. Since completion of our projects is subject to the performance of these external contractors, we may not be able to control timeliness of the completion schedule of our properties, and there is no guarantee that the quality will be of satisfactory standard. Further, if there are loopholes in our quality control system, our product quality may be affected as well. If the performance of any external contractor is unsatisfactory, or if they are in breach of any of their contractual obligations, we may need to replace them or take other actions to remedy the situation. This will in turn increase the cost and delay of the construction progress. We may even be fined by the PRC's regulatory authorities for sub-standard product quality and may face litigation claims from purchasers. This will in turn damage our reputation, brand image, increase our cost and affect our finance bring adverse effects on our reputation, brand name, and financial conditions.

In terms of after-sales, we are not involved in the after-sale property maintenance or repair. In the event that management companies, purchasers or tenants fail to maintain the properties in good condition, our brand image and reputation as the property developer might be affected. This in turn, might affect our sales and finance.

Our LAT provisions and prepayments may not be sufficient to meet our LAT obligations.

In accordance with the provisions of the Provisional Regulations of the People's Republic of China on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例》) and the related implementation rules, all entities and individuals that receive income from the sale or transfer of land use rights, buildings and ancillary facilities are subject to LAT at progressive rates ranging from 30% to 60% of the appreciated value of such properties. The PRC Government issues rules and regulations in respect of LAT, including rules and regulations relating to assessable rates, the deductibility of certain expenses and the collection and settlement of LAT. In addition, the PRC Government has determined that provincial and local tax bureaus may formulate their own implementing rules and determine how LAT will be settled in their jurisdiction. For more details, please see “Laws and Regulations – Regulations on Taxation – Land Appreciation Tax” in this prospectus. There is an exemption for the sale of ordinary residential properties if the appreciated value does not exceed 20% of the total deductible expense items allowed under the relevant LAT regulations. This exemption is not available for sales of luxury residential properties, villas and commercial properties. It is not clear whether the residential portion of our mixed residential and commercial developments will be eligible for the exemption available to ordinary residential properties.

We make LAT prepayments and provisions in respect of our property development activities. We cannot assure you that the relevant tax authorities will agree with our calculation of LAT liabilities nor can we assure you that the LAT provisions will be sufficient to cover our LAT obligations in respect of our past LAT liabilities. If the relevant tax authorities, in particular, the local tax bureau of Beijing and other cities and regions where we operate our business, determine that our LAT liabilities exceed our LAT prepayments and provisions, and seek to collect that excess amount immediately, our cash flow, results of operations and financial condition may be materially and adversely affected.

Our results of operations may vary significantly from period to period.

Our results of operations may vary significantly from period to period, due to a number of factors, including the timetables of our property development projects, the timing of the sale of properties that we have developed, our revenue recognition policies and any volatility in expenses such as raw material costs. The overall schedules of our property development and the number of properties that we can develop or complete during any particular period are limited as a result of the substantial capital required for the acquisition of land, demolition and resettlement and construction. The sale of properties we develop is subject to general market or economic conditions in the areas where we conduct our business and the level of acceptance of our properties by prospective customers. According to our accounting policy, we recognize revenue upon the completion and delivery of the properties to purchasers, which may generally take one to two years after the commencement of pre-sales. Therefore, in periods in which we pre-sell a large aggregate GFA, we may not generate a correspondingly high level of revenue if the properties pre-sold are not delivered within the same period. We will continue to experience significant fluctuations in revenue and profit from period to period in connection with our property development business. We therefore believe that period-to-period comparisons of our operating results may not be as meaningful as they would be for a company with more stable recurring revenue.

We have experienced net current liabilities in the past and may face the same problem in future.

We experienced net current liabilities as of December 31, 2011 of approximately RMB46.5 million, primarily due to the higher rate of increase in current liabilities compared to that of current assets given the increase in long-term bank and other borrowings that fall due within one year and therefore reclassified as a current liability item which continued to be utilized to fund non-current assets with no corresponding addition of current assets. As of April 30, 2013 (being the latest practicable date for determining our indebtedness), we recorded net current asset of approximately RMB783.8 million.

During the Track Record Period, we financed our long-term capital requirements, such as property development projects and land acquisitions, primarily through receipts in advance, trade payables, internally generated funds and bank and other borrowings. For further details, please refer to the paragraph headed "Liquidity and Capital Resources" in the section headed "Financial information" of this prospectus. Due to the difficulty of obtaining bank borrowings as a result of the austerity measures recently imposed on the PRC property market by the PRC Government, we enter into other borrowings with non-bank financial institutions in order to diversify our financing channels to expand our access to funds. In general, these non-bank financial institutions arrange for the financing of their loans advanced to us while we provide relevant securities usually by pledging our properties to them to secure our repayment obligation. As advised by our PRC legal advisor, the other borrowings comply with the relevant PRC laws and regulations and are legally enforceable. The interest rates of the borrowings with non-bank financial institutions are in general higher than bank borrowings which therefore increase our borrowing costs. If we are unable to increase the sales price of our properties to pass on such cost increase to customers, our profit margins may be adversely affected.

We cannot assure you that we will not experience net current liabilities in future. If we continue to have net current liabilities in the future, our business, financial condition and results of operation may be materially and adversely affected.

We depend on Mr. Zhang Lei, our Founder and Chairman, and other key management personnel, and our business may be adversely affected if we lose their services.

Our future success depends heavily upon the continuing services of our senior management team. In particular, we rely on the experience and strategic vision of Mr. Zhang Lei, executive Director, founder and chairman. Because competition for senior executives and key management personnel is intense and the pool of qualified candidates is limited, we may not be able to retain the services of our senior executives or key management personnel or attract and retain high-quality senior executives or key management personnel in the future. If Mr. Zhang Lei or any of our senior executives or key management personnel are unable or unwilling to continue in their present positions, we may not be able to replace them in a timely manner or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

We may not be able to successfully manage our growth.

We have been expanding our comfortable and eco-friendly property development business in recent years to integrate our development of energy-saving technologies, and we intend to continue to do so. We intend to expand our business into other markets in the PRC. This and any future expansion may place substantial strain on our managerial, operational and financial resources. We will need to manage our growth effectively, which may require additional efforts in recruiting, training and managing our workforce, managing our costs and implementing adequate controls and management systems in a timely and effective manner. We cannot assure you that we will be successful in managing our growth or in integrating and assimilating any acquired business with our existing operations.

In order to fund our ongoing operations and our future growth, we also require sufficient internal sources of liquidity or access to additional funding from external sources. Additionally, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, sales agents, property managers, lenders and other third parties. We cannot assure you that we will not experience issues such as capital constraints, construction delays, compliance errors, operational difficulties at new locations or difficulties in training an increasing number of personnel to manage and operate the expanded business. We also cannot assure you that our expansion plans will not adversely affect our existing operations and thereby have a material adverse effect on our results of operations, financial condition and business prospects.

We may not be successful in our future property development plans including our proposed expansion plan in the U.S.

We take into account a number of factors in selecting new markets for our expansion, including local market conditions, geography and climate and the ability to apply and integrate our technologies. As of the Latest Practicable Date, we have successfully expanded our operations to Taiyuan, Changsha, Nanchang, Jiujiang and Xiantao, the PRC. We intend to continue to customize our energy-efficient, eco-friendly properties in new markets according to local market conditions. We are also considering expanding our business geographically to the U.S. as part of our long term strategic plan to diversify our property development projects portfolio and revenue source geographically and expand land reserve for future development. The proposed expansion plan may involve the acquisition of land for mixed-use residential and retail/commercial property development with application of our energy-saving technologies in the U.S. In December 2012, we purchased a parcel of land with a site area of approximately 48.471 acres (or equivalent to approximately 196,155.35 sq.m.) located in Pearland, Texas, the U.S. for a consideration of US$4,550,000 which was settled by cash and funded by our internal resources. We are still in the stages of project planning and assessment, and as of the Latest Practicable Date, save for the purchase of the said parcel of land, we have not entered into any binding agreement in relation to our proposed expansion plan in the U.S. We do not anticipate to commence the proposed property development in the U.S. before December 31, 2013.

There is no guarantee that we will proceed with our proposed expansion plan in the U.S. Furthermore, as the U.S. is a new geographical market for us and we have no historical operating experience in that jurisdiction, there is no assurance that our proposed expansion plan in the U.S. can be successfully implemented including without limitation obtaining suitable land for project development and integration of our energy-saving technologies in our proposed project, and if we are unable to successfully implement our proposed expansion plan, our business and financial position may be adversely affected.

We may not be successful in our property development project in Yangquan city, Shanxi Province, the PRC.

In June 2011, we entered into a project management service agreement in relation to a property development project located in Yangquan city, Shanxi Province, the PRC with an independent third party that is the grantee of the parcel of land on which a project will be constructed under the relevant land grant contracts. The project has a total site area of approximately 89,502 sq.m. and planned total GFA of approximately 376,245 sq.m., subject to final approval of the relevant planning bureau, and will be developed into a multi-phases residential and commercial complex with underground carparks. The total investment size of the project is estimated to be approximately RMB1,391 million subject to final development scale of the project, and the funding for the investment will be arranged by the counterparty. Pursuant to the agreement, we shall be responsible for the overall management of the project including without limitation project planning and design, construction, quality and safety control and sales and marketing. Furthermore, we undertake to generate for the benefit of the counterparty a minimum investment return of 100% on the project or RMB213.0 million. In the event that there is any delay in the completion of the project, which is caused directly by the Group, we may be required to pay compensation to the counterparty in the amount equivalent to 25% of the minimum investment return (or equivalent to approximately RMB53.25 million) for each year it has caused to the delay in the completion of the development of the project. The compensation is not subject to the amount of the minimum investment return. We are required to bear the excess costs of the project, including but not limited to the construction costs and sales and marketing expenses incurred under the project which exceeded the predetermined budgeted amounts as agreed by the parties. Further, we are required to pay compensation to the counterparty so as to cover economic losses sustained by it as a direct result of the material work accidents, below national standard of the completed property development and payment of penalty caused directly by Group in connection with the project.

Given that the counterparty had not made prepayment according to the payment schedule stated in the agreement, among other things, we reasonably considered back then that the agreement had not been and would not be proceeded with. Recently, the counterparty would like to resume its cooperation with the Group with respect to the development of the project and in July 2012, paid us in full the prepayment amount. Further, the counterparty has obtained the relevant land use rights certificates and the relevant permits and in view of which, we have proceeded with the project in the second half of 2012. It is the intention of the parties to enter into a supplemental agreement setting out the terms and conditions for the development of the project given the notable delay in the progress and possible changes to the development scale of the project. As of the Latest Practicable Date, a supplemental agreement has not been entered into by the parties.

Please refer to "Business – Property development project in Yangquan city, Shanxi Province, the PRC" section for further details of the project.

There is no guarantee that we will proceed with the project and a supplemental agreement will be executed by the parties and if executed at all, with commercial terms in favor of us. Further, we may not be successful in carrying out our obligations stated in the supplemental agreement, and the completion of the project may fall behind schedule and if completed at all, the project may not be profitable. Should we fail to perform our responsibilities or deliver our obligations as stated in the supplemental agreement, we may be obliged to pay compensations to the counterparty and in which case, our business and financial performances may be adversely affected.

The appraised value of our properties may be different from the actual realizable value and is subject to change.

The appraised value of our properties as contained in the property valuation reports as set out in Appendix IIIA and Appendix IIIB to this prospectus, is based on multiple assumptions including elements of subjectivity and uncertainty. Therefore, the appraised value of our properties should not be taken as their actual realizable value or a forecast of their realizable value. Unforeseeable changes to the development of our property projects as well as national and local economic conditions may affect the value of our property holdings.

We cannot prevent our competitors from engaging in similar development projects.

We believe that our specialty in the development of high quality comfortable and eco-friendly properties that deploy energy-saving technologies is one of the main reasons for our success. If competitors constructed similar development projects, or used similar concepts to advertise their products, this might affect customers' understanding of our products and brand. Further, demand for our development may fall as the market will be flooded with developments similar to ours. This will affect our business and results of operations.

Any failure to protect our brand, trademarks, patents and other intellectual property rights could have a negative impact on our business.

We believe our brands, trademarks, patents and other intellectual property rights are critical to our success and in our provision of comfortable and eco-friendly properties. Any unauthorized use of our brands, trademarks, patents and other intellectual property rights could harm our competitive advantages and business. Historically, the PRC has not protected intellectual property rights to the same extent as certain other countries, and infringement of intellectual property rights continues to pose a serious risk of doing business in the PRC. Monitoring and preventing unauthorized use is difficult. The measures we take to protect our intellectual property rights may not be adequate. Furthermore, the application of laws governing intellectual property rights in the PRC and abroad is uncertain and evolving. If we are unable to adequately protect our brand, trademarks, patents and other intellectual property rights, we may lose these rights and our business may suffer materially.

We may not have adequate insurance to cover all kinds of losses and claims in our operations.

We are of the view that the insurance coverage taken out by our Group is typical and in line with the industry practice for similar operations and is adequate for the operations of our Group. Property developers are not required under PRC laws and regulations to maintain insurance coverage with respect of their property development operations. In addition, we generally do not take out insurance against personal injuries that may occur during the construction of our properties. According to relevant PRC laws and regulations, general contractors and construction companies are responsible for safety control during the course of construction and are required to maintain accident insurance for their construction workers. The general contractors and construction companies will bear the risks and liabilities arising from tortuous acts committed on work sites under the terms of our construction contracts. As of the Latest Practicable Date, we have not experienced any material damage to our property developments nor have any material personal injury-related claims brought against us. However, there is a risk that we do not have sufficient insurance coverage for losses, damages and liabilities that may arise from our business operations. We may incur losses, damages or liabilities during any stage of our property development which are uninsured, and we may have insufficient fund to cover, rectify or replace any of our losses. Any payments we make in relation to this may materially affect us in terms of finance and operation.

Our profitability and results of operations are affected by changes in interest rates.

Changes in interest rates have affected and will continue to affect our financing costs and, ultimately, our results of operations. In April 2006, the PBOC raised the benchmark one-year lending rate from 5.58% to 5.85% and in August 2006 further increased such rate to 6.12%. The PBOC again increased the one-year lending rate six times in 2007 from 6.12% to 7.47% in December 2007. Beginning in 2008, the PBOC decreased the benchmark one-year lending rate five times, from 7.47% to 5.31% in December 2008, which remained unchanged until October 2010. The PBOC has raised the benchmark one-year lending rate several times in 2011. The one-year lending rate increased to 5.81% in December 2010 and to 6.56% in July 2011. In June 2012, the PBOC decreased the benchmark one-year interest rate to 6.31% effective from June 8, 2012 and further decreased to 6% with effect from July 6, 2012. As commercial banks in the PRC link the interest rates on their loans to benchmark lending rates published by the PBOC, any further increase in such benchmark lending rates will increase the interest costs for our developments.

A substantial portion of the interest expense has been capitalized as properties under development, which will then be recognized in the consolidated statements of comprehensive income as cost of sales upon the sale of properties. As a result, such capitalized interest expense may adversely affect our gross profit margin upon the sales of properties in future. In addition, increases in interest rates may affect our customers' ability to secure mortgages on acceptable terms, which in turn may affect their ability to purchase our properties. Our finance costs for the years ended December 31, 2010, 2011 and 2012 were approximately RMB96.3 million, RMB219.5 million and RMB209.5 million, respectively. If interest rates had been increased/decreased by 20 basis points in respect to variable rate bank borrowings and all other variables were held constant, our profit (net of interest capitalization effect) would decrease/increase by approximately RMB886,000, RMB811,000 and RMB397,000 for the years ended December 31, 2010, 2011 and 2012, respectively. If interest rates had been increased/decreased by 10 basis points in respect to bank balances and restricted cash and all other variables were held constant, our profit would increase/decrease by approximately RMB605,000, RMB253,000 and RMB655,000 for the years ended December 31, 2010, 2011 and 2012, respectively.

We may have to compensate our customers if we fail to meet all requirements for the delivery of completed properties and the issuance of property ownership certificates.

According to the relevant PRC law, property developers must meet various requirements as stated below within 90 days after the delivery of property or such other time period that may be provided in the relevant sales and purchase agreement to assist a purchaser in obtaining the individual property ownership certificate. We generally elect to specify the deadline to apply for an individual property ownership certificate in the sales and purchase agreement to allow sufficient time for the application and approval process. Within three months of the date of the completion certificate for a development, we must apply for a general property ownership certificate for the entire development. This involves, among other things, the submission of a number of documents, including land use rights documents, planning approvals and construction permits. Following the effective date of a sales and purchase agreement for one or more units in a development, we then assist the purchaser to apply for an individual property ownership certificate for each unit. This involves submission of other documents, including the sales and purchase agreement, identification documentation for the purchaser, evidence of payment of deed tax and a copy of the general property ownership certificate issued to us. Delay by a purchaser in providing the documents relating to the purchaser, or delay by the various administrative authorities in reviewing the relevant application document, as well as other factors beyond our control, may affect timely delivery of the relevant individual property ownership certificate. Under current PRC laws and regulations and under our sales and purchase agreements, we are required to compensate our customers for delays in delivery caused by us of individual property ownership certificates. We had compensation payable due to delay in delivery of properties to customers in the amount of RMB1.0 million, RMB5.1 million and nil for the years ended December 31, 2010, 2011 and 2012. We cannot assure you that delays in delivery of properties will not occur in the future. Significant delays with respect to one or more of our developments may materially and adversely affect our reputation, business, results of operations and financial condition.

We have pledged certain properties and pledged shares in a subsidiary to secure our borrowings.

We have pledged certain of our properties and shares in a subsidiary, Jiangxi Modern Green, to secure some of our banking and other facilities and loans granted to us. During the Track Record Period, we had not experienced any default on our borrowings. If we default on such banking facilities, the lenders may foreclose such properties we mortgage.

Any land resettlement operations which we may enter into in the future are subject to uncertainties.

We used to engage in land resettlement. We entered into contracts with the original land use rights owners to deal with land resettlement operations which include compensation and resettlement of residents in the affected area, destruction of existing structures and clearing of the land, construction of infrastructure and civil and public facilities, and construction of the water supply, drainage, power supply, roads, communications infrastructure, heat supply and natural gas supply. We engaged and supervised third party operators to carry out the land resettlement operations. Our total entitlements for the resettlement pursuant to our agreement with the original land use right owner comprised our investment costs (including our prepayments to the original land use rights owner as well as our expenses incurred in the resettlement operations) and any amount in excess of the agreed amount to be retained by the original land use rights owner. After completion of the necessary resettlement, the relevant lands will be put for public tenders, auctions or listings-for-bidding by the relevant land administrative departments. Before the relevant lands were put for public tenders, auctions or listing-for-bidding, qualified valuers would assess, among others, the amount of compensation payable to the original land use rights owner and submit the assessed amounts to the relevant land administrative departments for approval. The assessed and approved amount of compensation would be set out in the compensation agreement to be entered into between the successful bidder and the original land use rights owner as one of the conditions for the grant of the land use rights. If we participate in the relevant public tenders, auctions or listings-for-bidding and are successfully granted the land use rights, our total entitlements for the resettlement pursuant to our agreement with the original land use rights owner will be offset from the resettlement compensation payable to the original land owner. On the other hand, if we are not granted the land use rights, we would receive our total entitlements for the resettlement pursuant to our agreement with the original land use rights owner upon receipt of the assessed and approved amount of resettlement compensation by the original land use rights owner. During the Track Record Period, we had two land resettlement projects, namely Water Metre Plant Area Project and Qinghe Northern Warehouse Area Project, details of which are set out in "Business – Our Property Projects in the PRC and U.S." in this prospectus. We had completed all land resettlement operations with respect to the two projects and had no outstanding investment for our land resettlement operations. During the Track Record Period, there had been no historical income/loss attributable to the Qinghe Northern Warehouse Area Project. For the year ended December 31, 2012, we had received resettlement compensation of approximately RMB545.2 million and recorded other income of approximately RMB146.9 million (after deduction of business tax of approximately RMB26.1 million but before deduction of income tax estimated to be approximately RMB36.7 million on the basis of the application of an income tax rate of 25%) with respect to the Water Metre Plant Area Project. As of December 31, 2012, an amount of approximately RMB28.7 million of the Water Metre Plant Area Project remained unsettled which had been settled in February 2013. We have no current intention to engage in new land resettlement project and we had not encountered any material difficulties with respect to our land resettlement operations in the past. Nevertheless, if we decide to participate in any land resettlement project in the future, we could not guarantee the assessed and approved amount of compensation which may affect our income, if at all, with respect to the land resettlement operations. Furthermore, there may be other uncertainties in relation to the land resettlement projects such as refusal of dissenting owners and residents for relocation, and delay in public tenders, auctions or listing-for-bidding of the land use rights. Any occurrence of the above factors may adversely affect our cash flow, financial condition and results of operations.

RISKS RELATING TO THE PRC PROPERTY INDUSTRY

The real estate industry in the PRC is still at an early stage of development, and the property market and related infrastructure and mechanisms have not been fully developed.

Private ownership of property in the PRC is still in a relatively early stage of development. Although demand for private residential property in the PRC has been growing rapidly in recent years, it is extremely difficult to predict how much and when demand will develop, as many social, political, economic, legal and other factors, most of which are beyond our control, may affect the development of the property market. The level of uncertainty is increased by the limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC. The lack of a liquid secondary market for residential real estate may discourage investors from acquiring new properties. The limited amount of property mortgage financing available to PRC individuals, compounded by the lack of security of legal title and enforceability of property rights, may further inhibit demand for residential developments.

In addition, the property market in the PRC is rapidly changing due to factors such as fluctuations in regional economy, availability of competitive property developments, product quality as well as changes in customer preferences which may have a direct impact upon our sales. As property development projects take a long time and property market changes quickly, if we failed to respond in time to changes in the property market, our developments may not meet the market demand and may lead to poor sales. Further, if we position our developments incorrectly or our competitors supply a large number of properties in a very short period of time, this will also affect our sales. If we cannot respond to changes in market conditions in Beijing or elsewhere or changes in customer preferences as swiftly or as effectively as our competitors, our business, results of operations and financial condition could be materially and adversely affected. For details in relation to our existing and potential competitors, please refer to the section headed "Business – Competition" in this prospectus.

The regulatory measures adopted from time to time by the PRC Government to curtail the overheating of, and foreign investment in, the PRC property market may slow down the growth of the PRC property market or cause the PRC property market to decline.

In response to concerns over the extent of the increase in property investment and the overheating of the real estate sector in the PRC over the past few years, the PRC Government has introduced policies to stabilize property prices. Details of these policies have been set out in the paragraph headed "Measures on Stabilizing Property Prices" under the section headed

"Laws and Regulations" of this prospectus. These policies will increase the purchasing cost of real estate properties and is expected to have a material adverse impact on demand for properties in the PRC, which in turn could have a material adverse effect on our business, financial condition and results of operations. We cannot assure you that property development and investment activities in the PRC will continue at past levels or that there will not be an economic downturn in the property markets in the regions and cities of the PRC where we operate or intend to expand our operations.

We may be involved from time to time in disputes, administrative, legal and other proceedings arising out of our operations and may face significant liabilities as a result.

We may be involved in disputes with various parties involved in the construction, development and the sale of our properties, including contractors, suppliers, construction workers, original owners and residents, partners and purchasers. These disputes may lead to protests, legal or other proceedings and may result in damage to our reputation, incurrence of substantial costs and the diversion of resources and management's attention. As most of our projects are comprised of multiple phases, purchasers of our properties in earlier phases may file legal actions against us if our subsequent planning and development of the relevant project is perceived to be inconsistent with our representations and warranties made to such earlier purchasers. These disputes and legal and other proceedings may materially and adversely affect our reputation, business, results of operations and financial condition. See "Business – Legal Proceedings" in this prospectus. In addition, we may have compliance issues with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decrees that result in liabilities and cause delays to our property developments. If we fail to comply with any applicable PRC laws or regulations, our reputation and our business, results of operations and financial condition may be materially and adversely affected.

The construction business and the property development business are subject to claims under statutory quality warranties.

Under Regulations on the Administration of Quality of Construction Works (《建設工程質量管理條例》), all property development companies in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide these warranties to our customers. We may sometimes receive quality warranties from our third-party contractors with respect to our development projects. If a significant number of claims are brought against us under our warranties and if we are unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, we could incur significant expenses to resolve such claims or face delays in correcting the related defects, which could in turn harm our reputation and have a material and adverse effect on our business, financial condition and results of operations.

We face intense competition from other real estate developers. This may materially and adversely affect our business, results of operations and our financial position.

In recent years, a large number of property developers, including a number of leading Hong Kong property developers and other overseas developers, have begun undertaking property development and investment projects in the PRC. Some of these developers may have better track records and greater financial, land and other resources, broader name recognition and greater economies of scale than us.

Competition among property developers may result in an increase in acquisition costs of land for development, an increase in costs for raw materials, an over-supply of properties, a decrease in property prices in certain parts of the PRC or an inability to sell such properties, a slowdown in the rate at which new property developments are approved or reviewed by the relevant PRC Government authorities and an increase in administrative costs for hiring or retaining qualified personnel, any of which may adversely affect our business, financial position and results of operations. In addition, recent market downturns in the PRC may further decrease property prices. If we cannot respond to changes in market conditions in the markets in which we operate more swiftly and effectively than our competitors, our business, financial position and results of operations may be materially and adversely affected.

Mortgage loans may not be available on favorable terms, if at all, to purchasers of our residential properties and this in turn may affect our sales.

Many of the purchasers of our residential properties rely on mortgage loans to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing, thus reducing the attractiveness in some cases, and eliminating the availability, of mortgages as a source of financing for property purchases and materially and adversely affecting the affordability of residential properties. In addition, the PRC Government and commercial banks may also increase down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unattractive or unavailable to potential property purchasers.

In April 2010, the State Council also issued a notice to further increase the minimum down payment with respect to mortgage loans on purchases of second residential properties by individuals to 50% of the purchase price and provide that the applicable mortgage rate must be at least 1.1 times the relevant benchmark lending rate published by the PBOC. The minimum down payment with respect to mortgage loans on purchases of third or more residential properties by individuals may be substantially increased at the commercial bank's discretion and based on its risk control policies. The notice also specifies that the minimum amount of down payment for the purchase of properties with a GFA of more than 90 sq.m. by first time purchasers must be at least 30% of the purchase price. In September 2010, the PBOC and the CBRC issued a notice requiring commercial banks to suspend granting mortgage loans to buyers purchasing their third or more residential properties or to those non-local residents who cannot provide documentation evidencing their payment for over one year of tax or social security in the locality. If mortgage financing for property purchases becomes more difficult to obtain or if the costs of such financing increase, our prospective customers who rely on such mortgage financing may not be able to purchase our properties, which in turn may materially and adversely affect our business, liquidity and results of operations.

Acts of God, epidemics, including the recent outbreak of A/H1N1 influenza, and other disasters could affect our business.

Our business is subject to general and social conditions. Natural disasters, epidemics, acts of God and other events and disasters that are beyond our control may materially and adversely affect the economy, infrastructure and livelihoods of the people in the PRC. Some cities in the PRC are under the threat of flood, typhoon, earthquake or drought. For example, in the past, Hunan Province has been affected by flooding from time to time. Our business, financial condition and results of operations may be materially and adversely affected if natural disasters or other events occur. Certain areas of the PRC have experienced epidemics such as A/H1N1 influenza. There can be no assurance that this epidemic will not intensify or recur, or that other similar outbreaks or epidemic will not occur, in China. Any epidemic occurring in areas in which we operate, or even in areas in which we do not operate, may materially and adversely affect our business, financial condition and operating results.

RISKS RELATING TO THE PRC

Our results of operations and financial condition are highly susceptible to changes in PRC's economic, political and social conditions as well as government policies.

The economy of the PRC differs from the economies of most of the other developed countries in many respects, including but not limited to structure, level of government involvement, level of development, growth rate, foreign exchange and allocation of resources.

While the PRC economy has grown significantly in the past 20 years, growth has been uneven, both in terms of geography and also across the various sectors of the economy. The PRC Government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall PRC economy, but may also negatively affect our operations. For example, our business, financial condition, results of operations and prospects may be adversely affected by the PRC Government's control over property development, capital investments or any changes in tax regulations or foreign exchange controls that are applicable to us.

The PRC economy has been transitioning from a planned economy to a market-oriented economy. For the past two decades, the PRC Government has implemented economic reform measures emphasising utilization of market forces in the development of the PRC economy. Although we believe these reforms will have a positive effect on our overall and long-term development, we cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any adverse effect on our current or future business, financial condition, results of operations and prospects.

Restrictions imposed by the PRC Government on currency conversion and exchange rate fluctuation may limit our ability to remit dividends and affect our business.

Currently, Renminbi is not a freely convertible currency. We receive our revenue in Renminbi and will need to convert Renminbi to foreign currency for payment of dividends, if any, to holders of our Shares. Existing restrictions on the conversion of Renminbi into foreign currencies may affect our ability to convert Renminbi into foreign currencies (and thus restrict the subsequent repatriation of those funds). Under existing PRC foreign exchange regulations, payment of current account items, including profit distributions, can be made in foreign currency without prior approval from SAFE upon compliance with certain procedural requirements. However, individual payments of capital items, for example the conversion of RMB into foreign currency to repay foreign loans, requires prior approval from the appropriate government authority. In addition, any tightening of such restrictions, including but not limited to the future imposition of restrictions on foreign exchange transactions for current account items such as the payment of dividends, may limit our ability to use resources generated in Renminbi to fund our business activities outside the PRC.

Further, the proceeds to be raised from the Global Offering will be denominated in HK$. There is no guarantee that HK$ can be convertible into Renminbi at any time, and any restriction on such conversion may restrict our utilization of, or even render us unable to utilize, the proceeds from the Global Offering for implementation of our future plans.

As our revenue and operating costs are mostly denominated in Renminbi, our business and operating results may be materially and adversely affected in the event of a severe fluctuations in the value of Renminbi against other currencies. The value of Renminbi is subject to changes in the PRC governmental policies and to international economic and political developments. Any significant appreciation of Renminbi can affect the conversion of the proceeds from the Global Offering for our operations, and any material devaluation of Renminbi against the HK$ could adversely affect the amount of any cash dividends we declare on our Shares in HK$ terms.

PRC regulation on direct investments and loans by offshore holding companies to PRC entities may delay or limit our ability to use the proceeds of the Global Offering to make additional capital contributions or loans to our PRC operating businesses.

Any capital contributions or loans that we, as an offshore company, make to our PRC operating businesses are subject to PRC regulations. For example, any of our loans to our PRC operating businesses cannot exceed the difference between the total amount of investment our PRC operating businesses are allowed to make under relevant PRC laws and their respective registered capital, and must be registered with the local branch of the SAFE as a procedural matter. In addition, our capital contributions to our PRC operating businesses are subject to the approval of local PRC administrations for industry and commerce and other relevant local authorities. There is no guarantee that we will be able to obtain these approvals in time, or at all. If we fail to obtain such approvals, our ability to make equity contributions, provide loans to our PRC operating businesses or to fund their operations may be entirely prohibited or affected, which as a result, can affect their liquidity, their ability to fund their working capital and expansion projects, and meet their obligations and commitments.

Furthermore, the SAFE promulgated a new circular in August 2008 in relation to the administration of conversion of foreign exchange capital contribution by foreign invested enterprises into RMB. Pursuant to this new circular, RMB converted from foreign exchange capital contributions can only be used for activities within the approved business scope of such foreign invested enterprise, and cannot be used for domestic equity investments or acquisitions unless otherwise allowed by PRC laws or regulations. As a result, we may not be able to make additional capital contributions to our operating subsidiaries and convert such capital contributions into RMB for equity investments or acquisitions in the PRC.

We may be subject to restrictions introduced by the PRC Government on foreign investment in the PRC property market.

Since our Company is an offshore company, we may be subject to the restrictions introduced by the PRC Government on foreign investment in the PRC property market when we engage in new project development.

On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, the State Administration for Industry and Commerce and SAFE issued the Opinion on Regulating the Access and Management of Foreign Capital in the Real Estate Market (《關於規範房地產市場外資准入和管理的意見》) (the "171 Opinion"), which states that, among other things, a foreign entity or individual investing in the PRC property other than for self-use, must apply for the establishment of a Foreign Invested Real Estate Enterprise (the "FIREE") in accordance with the applicable PRC laws and can only conduct operations within the authorized business scope. The opinion attempts to impose additional restrictions on the establishment and operation of a FIREE by measures including regulating the amount of registered capital as a percentage of total investment in certain circumstances, limiting the validity of a FIREE or the transfer of its projects and prohibiting the borrowing of money from domestic and foreign lenders where, among other things, the registered capital is not paid up, land use rights are not obtained, or the capital fund is less than 35% of the total investment amount in the intended development project. In addition, the opinion also limits the ability of certain foreign individuals to purchase residential properties in China.

On May 23, 2007, MOFCOM and SAFE issued the Circular on Further Reinforce and Standardize the Examination and Supervision on Foreign Direct Investment in Real Estate Industry (《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》) (the "May Circular"), which states that, among other things, a foreign investor must apply to establish FIREE in accordance with PRC laws if it plans to develop or operate property business in the PRC. The May Circular states that foreign investors cannot bypass the examination and approval requirements applicable to foreign invested property businesses by changing the actual controllers of the domestic property enterprises in the PRC and the merger of or investment in domestic real estate enterprises by way of returning investment (返程投資) (including the same actual controller) shall be placed under strict control. If foreign-invested enterprises wish to engage in property development or operation business, or FIREEs wish to engage in new project development operations, they must apply to the relevant examination and approval authorities for their expansion of scope of business or scale of business operation. In addition, local examining and approving organs shall file the approval of the establishment of foreign-funded real estate enterprises with the Ministry of Commerce for record in a timely manner according to law.

On July 10, 2007, SAFE issued the Circular of the General Affairs Department of SAFE on the Distribution of the List of the First Batch of Foreign-Invested Real Estate Projects Filed with the Ministry of Commerce (《關於下發第一批通過商務部備案的外商投資房地產項目名單的通知》). According to this circular, local branches of SAFE must not register any foreign debt of a foreign-invested real estate enterprise if it obtained approval for its new establishment or capital increase from the local MOFCOM branches and filed with MOFCOM on or after June 1, 2007. The local SAFE must not process any foreign exchange registration (or amendment of registration) or foreign exchange settlement for capital account items for a foreign-invested real estate enterprise that has been approved by the relevant MOFCOM branches on or after June 1, 2007, but has not been filed with MOFCOM. This circular is another restrictive measure taken by the PRC Government to limit foreign investment in the PRC property market.

Pursuant to the above regulations, we must apply to the relevant authorities for approval if we plan to engage in new project development. We may not be able to obtain the required approval and filing with the MOFCOM, particularly, it is uncertain whether we will be considered as returning investment in the real estate industry and thus under strictly control. In the event that we are not able to make contributions, including without limitation remittance of the net proceeds from the Global Offering, to our PRC operations subsidiaries or new projects on a timely basis or at all due to the above-mentioned restrictions on foreign investment, our operations may be affected.

The PRC Labor Contract Law may cause our labor costs to increase and we may be liable for fines and penalties for any material breach of this law.

On June 29, 2007, the Standing Committee of the NPC adopted the PRC Labor Contract Law (《中華人民共和國勞動合同法》) which became effective on January 1, 2008. The PRC Labor Contract Law imposes requirements relating to, among others things, minimum wages, severance payments; non-fixed term employment contracts; establishes time limits for probation periods and the circumstances in which an employee can be placed on a fixed-term employment contract. It also provides that social insurance is required to be paid on behalf of employees, and employees are entitled to unilaterally terminate the labor contract if this requirement is not being satisfied.

Pursuant to this law, our PRC subsidiaries are required to enter into non-fixed term employment contracts with employees who have consecutively worked for them for more than 10 years or, unless otherwise provided under the new law, for whom a fixed-term employment contract has been concluded for two consecutive terms since January 1, 2008. We may not be able to efficiently terminate employment contracts under this law without demonstrating the cause. In addition, we are required to make severance payments to employees upon early termination of their employment contracts, unless the contract is terminated due to (i) the employee's misconduct, (ii) the employee voluntarily terminates the contract or (iii) the employee voluntarily rejects an offer to renew the contract in circumstances where the conditions offered by the employer are the same as or better than those stipulated in the current contract. The amount of severance payment is calculated based on monthly wage of the employee multiplied by the number of full years that the employee was employed by the employer. Unless the employee's monthly wage is three times greater than the average monthly wage in the relevant district or locality, in which case the calculation of the severance payment will be based on a monthly wage equal to three times the average monthly wage multiplied by a maximum of 12 years.

Compliance with the relevant laws and regulations may substantially increase our operating costs and may have a material impact on our results of operations. In particular, an increase in labor costs in the PRC will increase our service costs, and we may not be able to pass these extra costs onto our clients due to competitive pricing pressures. There is no guarantee that any employment disputes or strikes will not happen in the future. Increase in our labor costs and any future disputes with our employees can materially and adversely affect our business, financial condition or results of operations.

Interpretation of PRC laws and regulations involves uncertainty.

The PRC legal system is based on written statutes. Prior court decisions can only be used as a reference. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial law. However, as these laws and regulations have not been fully developed, and because of the limited volume of published cases and the non-binding nature of prior court decisions, interpretation of PRC laws and regulations involves a degree of uncertainty. Depending on the governmental agency or the presentation of an application or case to such agency, we may receive less favorable interpretations of laws and regulations than our competitors. Some of the laws and regulations, and the interpretation, implementation and enforcement thereof, are subject to policy changes. There is no guarantee that the introduction of new laws, changes to existing laws and the interpretation or application thereof, or delays in obtaining rulings, interpretations or approvals from the relevant authorities will not have an adverse impact on our business or prospects. In addition, any litigation in the PRC may be protracted and result in substantial costs as well as diversion of resources and management attention. The outcome of litigation and dispute resolutions may not be consistent or predictable as in other more developed jurisdictions and it may be difficult to obtain swift or equitable enforcement of the law in the PRC, or to obtain enforcement of a judgment by a court of another jurisdiction. All these uncertainties may cause difficulties in the enforcement of our entitlements under our licenses, and other statutory and contractual rights and interests.

Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under the EIT Law.

Under the Enterprise Income Tax Law (the "EIT Law"), PRC income tax at the rate of 10% is applicable to dividends payable to investors who are non-resident enterprises. Similarly, any gain realized on the transfer of shares by such investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC. If we are consider as a PRC resident enterprise by virtue of having our de facto management in the PRC, it is unclear as to whether the dividends we pay with respect to our Shares, or the gain realize from the sale of our Shares, will be treated as income derived from sources within the PRC and therefore become subject to the EIT Law. If we are required under the EIT Law to withhold PRC corporate income tax on our dividends payable to our foreign Shareholders, or if it is required to pay PRC income tax on the transfer of Shares, the value of investment in our Shares may be materially and adversely affected.

Any requirement to obtain a prior approval from the China Securities Regulatory Commission could delay this offering, and a failure to obtain such approval, if required, could have a material adverse effect on our business and results of operations.

On August 8, 2006, six PRC regulatory agencies, including the MOFCOM, the State Assets Supervision and Administration Commission, the State Administration of Taxation, the SAIC, CSRC and SAFE, jointly issued the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "M&A Rules"). The M&A Rules, which became effective on September 8, 2006 and were amended on June 22, 2009, require that, if an overseas company established or controlled by PRC domestic companies or citizens intends to acquire equity interest or assets of any other PRC domestic company affiliated with the PRC domestic companies or citizens, such acquisition must be submitted to the MOFCOM, rather than local regulators, for approval. In addition, the M&A Rules require that an offshore special purpose vehicle formed for the purpose of overseas listing of the equity interests in PRC companies by way of share swap and controlled directly or indirectly by PRC persons to obtain the approval of the CSRC, prior to the listing and trading of their securities on overseas stock exchanges. On September 21, 2006, the CSRC published a notice on its official website specifying the documents and materials required to be submitted by overseas special purpose companies seeking the CSRC's approval of their overseas listings.

Our PRC legal advisor has advised us that the M&A Rules do not applied to our Reorganization and we are not required to apply to MOFCOM for approval for our Reorganization as well as submit to the CSRC for its approval of the Listing and trading of our Shares given that:

(i) Modern Moma Project Management, the enterprise involved in our Reorganization, is a foreign investment company incorporated before the promulgation of the M&A Rules promulgated in 2006; and

(ii) Modern Moma Project Management has completed the required legal filing procedures for its acquisition in Modern Green Industrial and was not required to apply for approval in accordance with the M&A Rules by the competent authorities.

Our PRC legal advisor further advises that it does not exclude the possibility of new contrary regulations or the interpretation of the M&A Rules promulgated by MOFCOM or other relevant authorities.

However, there is no assurance that the MOFCOM and the CSRC will not promulgate any rules in the future or take a view that is contrary to the above opinion of our PRC legal advisor. If the CSRC requires that we obtain its approval prior to the completion of the Global Offering, the Listing will be delayed until we obtain the approval from the CSRC, which may take several months or longer. If a prior approval from the CSRC is required but not obtained, we may face regulatory actions or other sanctions from the CSRC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties on our operations in the PRC, limit our operating privileges in the PRC, delay or restrict the repatriation of the proceeds from the Global Offering into the PRC, or take other actions that could have a material adverse effect on our business, financial condition, results of operations as well as the reputation and prospects.

A failure by the beneficial owners of our Shares who are PRC residents to comply with certain PRC foreign exchange regulations could restrict our ability to distribute profits, restrict our overseas and cross-border investment activities and subject us to liability under PRC laws and regulations.

In October 2005, SAFE issued the "Notice on Relevant Issues concerning Foreign Exchange Administration for Domestic Residents to Engage in Financing and in Return Investment via Overseas Special Purpose Companies" (《關於境內居民通過境外特殊目的公司融資及返程投資外滙管理有關問題的通知》 (the "Circular 75"), requiring PRC residents, including both legal persons and natural persons, to register with an appropriate local SAFE branch before establishing or controlling any company outside of China, referred to as an "offshore special purpose company" for the purpose of acquiring any assets of or equity interest in PRC companies and raising fund from overseas. When a PRC resident contributes the assets or equity interests it holds in a PRC company into the offshore special purpose company, or engages in overseas financing after contributing such assets or equity interests into the offshore special purpose company, such PRC resident shall modify its SAFE registration in light of its interest in the offshore special purpose company and any change thereof. In addition, any PRC resident that is the shareholder of an offshore special purpose company is required to amend its SAFE registration with the local SAFE branch, with respect to that offshore special purpose company in connection with any increase or decrease of capital, transfer of shares, merger, division, equity investment or creation of any security interest over any assets located in China. If the PRC resident shareholder fails to comply with Circular 75, the PRC subsidiary may be prohibited from distributing their profits and proceeds from any reduction in capital, share transfer or liquidation to their offshore parent company and the offshore parent company may be restricted in its ability to contribute additional capital into its PRC subsidiary. Moreover, failure to comply with the above SAFE registration requirements could result in liabilities under PRC laws and regulations for evasion of foreign exchange restrictions.

All of our PRC resident shareholders or beneficiary owners have completed their initial or change of registrations with SAFE. We are committed to complying, and to ensuring that our Shareholders and beneficial owners, who are PRC residents, comply with the SAFE Circular 75 requirements. However, we may not at all times be fully aware or informed of the identities of all our beneficial owners who are PRC residents, and we may not always be able to compel our beneficial owners to comply with the SAFE Circular 75 requirements. As a result, we cannot assure you that all of our Shareholders or beneficial owners who are PRC residents will at all times comply with, or in the future make or obtain any applicable registrations or approvals required by, SAFE Circular 75 or other related regulations. Failure by any such Shareholders or beneficial owners to comply with SAFE Circular 75 could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our PRC Subsidiary's ability to make distributions or pay dividends or affect our ownership structure, which could adversely affect our business and prospects.

We may be subject to the PRC taxation if transfers of equity interests in PRC enterprises between related parties are not conducted at fair value.

Pursuant to the PRC Enterprise Income Tax Laws and its implementation rules, the transfer of equity interests in PRC enterprises between related parties are related party transactions which may need to be filed with local tax authorities and may be subject to audit and challenge by PRC tax authorities. If the tax authorities determine the transfer price does not represent fair value, the tax authority shall have the right to do tax adjustment within ten years as from the tax paying year since the transaction occurs, thus we may be required to make up the taxable amount between the equity interest transferred and the cost of investment. During the Track Record Period and up to the Latest Practicable Date, there were certain transfers of PRC enterprises between our Group and related parties.

There is uncertainty as to whether the PRC tax authorities will make adjustment to the taxable capital gains if the transfer prices are deemed not being determined to be fair value. It is currently unclear whether the relevant PRC tax authorities will deem that the transfer prices were not at fair value and hence the enterprise income tax on capital gains may be subject to any further change. In case we are required to make adjustment and to pay the enterprise income tax on capital gains by the relevant PRC tax authorities, and our tax provision is not sufficient, our business, financial condition and operating results may be materially and adversely affected.

RISKS RELATING TO PROPERTY DEVELOPMENT IN THE U.S.

Land use regulations and zoning laws may increase our expenses, delay the completion of planned projects or limit our ability to develop our property as planned.

We are subject to numerous local, state, federal and other laws, statutes, ordinances, rules and regulations concerning various matters which may affect our business including, but not limited to, zoning, development, building design, architectural design, construction, fire and safety, and other similar matters which impose restrictive zoning, density or other development controls and requirements that may limit our ability to develop our property for our intended use. We must obtain licenses, permits and approvals from various governmental agencies for any development activities, the granting of which are beyond our control. The process to change such regulations or the process to obtain approvals or waivers for such regulations may be costly, lengthy, can be opposed by consumer, environmental or other groups, and can cause significant delays and may ultimately be unsuccessful forcing us to permanently halt any planned development. Delays or a permanent halt in the development process can cause substantial increases to development costs, or may cause us to abandon any planned project and sell the subject property at a potential loss, any of which could harm our operating results.

Specifically, our property is subject to zoning ordinances of the City of Pearland, Texas which impose land use restrictions and development controls that limit our ability to develop our property for certain uses and restrict flexibility in creating a development plan. Our property is currently zoned primarily for non-residential use with certain portions designated for mixed-use multipurpose developments. Prior to commencing certain types of developments on our property, we would need to apply to the City of Pearland to have our property re-zoned so that it may be developed for its ultimate intended purpose. There is no assurance that the City of Pearland would approve the intended use, and the process can be costly and lengthy, and may be opposed by community groups or members of the public.

We are responsible for all ad valorem taxes and other fees on our subject property and the failure to pay such taxes and fees may result in liens or other adverse consequences.

Our subject property will be subject to ad valorem taxes that may increase as tax rates change and as our subject property is assessed and reassessed by taxing authorities. Our property may also be subject to fees and taxes associated with certain Municipal Utility Districts in the State of Texas. As the owner of this property, we will be ultimately responsible for the payment of all taxes and fees to the applicable government authorities. Taxes on our subject property are administered by each of the Brazoria County Tax Assessor-Collector and the Harris County Tax Assessor-Collector, and are based on the annual assessed value of our subject property. These assessments are made by each of the Brazoria County Appraisal District and the Harris County Appraisal District, and may not correctly reflect the value of the subject property. If we fail to pay any such taxes, the applicable taxing authority may place a lien on the property and the property may be subject to a forced sale at public auction.

We are subject to various environmental laws and regulations which may increase costs, limit our ability to develop on our property and may delay completion of planned projects.

We are also subject to a variety of local, state and federal statutes, ordinances, rules and regulations concerning the protection of health and the environment. These include, but are not limited to, the Clean Water Act, the Clean Air Act and the Endangered Species Act and comparable state and local laws and regulations. We must comply with laws regulating the release of hazardous substances and other emissions into the air, soil and water including, among other things, air emissions, wastewater discharges and the handling and disposal of wastes. We must also comply with laws governing the protection of endangered or threatened species and other environmental laws that may limit or prevent development in certain environmentally sensitive areas. We must comply with any flood plain restrictions, native plant regulations, cultural resource protections and view restrictions. We may be subject to environmentally sensitive land ordinances that mandate open space areas with public elements in any development and prevent development on hillsides, wetlands or other protected areas.

The subject property may be contaminated by hazardous materials and we may be responsible for the remediation and cleanup of such hazardous materials even if we weren't responsible for the contamination.

Pursuant to federal, state and local environmental laws and regulations, we may be required to investigate, remove and/or remediate a release of hazardous substances or other regulated materials at, or emanating from, our property. Under certain circumstances, we may be held liable for property damage, personal injury and/or natural resource damage resulting from or arising in connection with such releases. Certain of these laws have been interpreted to lead to joint and several liability unless the harm is divisible and there is a reasonable basis for allocation of responsibility. We may also be liable under certain laws for contamination and damage that occurred prior to our ownership of our property. Such laws often impose liability regardless of whether we knew, or were responsible for, the presence of the hazardous materials or toxic substances that caused the contamination. The failure to remediate a contaminated property may adversely affect our ability to develop, lease, sell or rent the property or borrow funds using the property as collateral.

We may be subject to additional regulations related to addressing concerns over climate change and these regulations may increase our cost to develop the subject property.

There are a variety of new legal requirements being enacted, or considered for enactment, at the federal, state and local levels relating to energy and climate change. These include, but are not limited to, new efficiency standards for heating and cooling equipment, new building codes and possible carbon emissions taxes or other initiatives. New building code requirements that impose stricter energy efficiency standards could significantly increase our cost to develop our property. As climate change concerns continue to grow, legislation and regulations of this nature are expected to continue and may result in increased costs. Similarly, energy-related initiatives affect a wide variety of companies in the United States and the world. These initiatives could have an indirect adverse impact on our operations and profitability to the extent that they affect our costs.

Our business and property may be subject to damage and interruptions from adverse weather and any insurance requirements related to this weather may adversely affect us.

Our property in the United States is located near the Gulf of Mexico which makes us particularly vulnerable to risk associated with hurricanes and tropical storms. In addition to the risk of damage to our property, once developed, and the potential for business interruptions, we must obtain insurance coverage commensurate with such risks. We cannot predict whether we will continue to be able to obtain insurance for hurricane-related damages or, if obtainable and carried, whether this insurance will be adequate to cover our liabilities. We may also be subject to future federal, state and local laws, regulations and other requirements related to the potential risk associated with operating in this region, including potential requirements regarding insurance coverage, and we are unable to accurately predict whether such measures would adversely affect our business.

We may be required to make expenditures related to compliance with the Americans with Disabilities Act.

We are also required to comply with the provisions of the Americans with Disabilities Act. This act requires places of public accommodation to meet certain federal requirements related to access and use by disabled persons. Noncompliance could result in the imposition of fines by the federal government or the award of damages to private litigants. If we are required to make unanticipated expenditures to comply with the Americans with Disabilities Act, including removing access barriers, our business or profitability may be negatively affected. Additionally, the requirements may change or new requirements may be imposed that could require significant unanticipated expenditures by us that may affect our cash flows and results of operations.

We are subject to the Fair Housing Amendment Act of 1988 and the failure to comply with this law could result in litigation, fines or other penalties.

We are also subject to the Fair Housing Amendment Act of 1988. This law, its state law counterparts and regulations promulgated by the U.S. Department of Housing and Urban Development and various state agencies prohibit the discrimination in housing on the basis of race or color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women and people securing custody of children under the age of 18) or disability and, in some states, financial capability. A failure to comply with these laws in our operations could result in litigation, fines, penalties or other adverse claims, or could result in limitations or restrictions on our ability to operate, any of which could materially and adversely affect us.

We may be subject to certain federal and state housing programs which may place additional compliance requirements on our business.

We may also be subject to additional federal and state laws and regulations administered by numerous federal and state government agencies. These include eligibility and other requirements for participation in programs offered by the Federal Housing Administration, the Department of Veteran Affairs, Government National Mortgage Association (Ginnie Mae), Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and the United States Department of Agriculture (USDA). These laws and regulations require compliance with consumer lending laws and other regulations governing disclosure requirements, prohibitions against discrimination and real estate settlement provisions. These laws would subject our operations to examination by the applicable agencies.

RISKS RELATING TO THE GLOBAL OFFERING

We are incorporated under Cayman Islands law which may not offer the same protections to minority shareholders as the laws of other jurisdictions.

Our corporate affairs are governed by our Articles of Association, the Cayman Companies Law and the common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of interests of minority shareholders differ in some respects from those established under statutes or judicial precedent in existence in Hong Kong and other jurisdictions. Such differences may mean that our minority shareholders may have different remedies and may not be offered the same protections as they would have under the laws of other jurisdictions. A summary of the Companies Law is set out in Appendix IV to this prospectus.

There has been no prior public market for our Shares, and the liquidity and market price of our Shares may be volatile.

Prior to the Global Offering, there has been no public market for our Shares. The Offer Price range was the result of negotiations among us and the Joint Global Coordinators (on behalf of the Underwriters), and the Offer Price may differ significantly from the market price for our Shares following the Global Offering. We have applied to list and trade our Shares on the Stock Exchange. However, we cannot guarantee that the Global Offering will result in the development of an active, liquid public trading market for our Shares. In addition, the price and trading volumes of our Shares may be volatile. Factors such as variations in our revenue, earnings and cash flows, announcements of new investments, fluctuations in real estate prices in the PRC, changes in laws and regulations in the PRC or any other developments may affect the volume and price at which our Shares will be traded.

Any future issuance of shares by us may dilute shareholding and future sales of a substantial number of Shares may adversely affect the price of the Shares.

Any future capital issuances to expand our business or otherwise may lead to the dilution of investors' shareholding in our Company. Purchasers of our Shares may experience dilution in the net tangible asset book value per share of their Shares if we issue additional Shares or securities convertible into Shares in the future at a price which is lower than the net tangible asset book value per Share.

Future sales of a substantial number of our Shares, or the possibility of such sales, can have a negative impact upon the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. The Shares held by our Controlling Shareholders are subject to certain lock-up undertakings. Upon the expiry of the lock-up period, there may be a sale of a large number of our Shares. We cannot predict what effect, if any, any perception or actual occurrence of such significant future sales will have on the market price of our Shares.

Historical dividends are not indicative of future dividends.

No dividends have been paid or declared by our Company during the Track Record Period. Nevertheless, (i) during the year ended December 31, 2010, dividends of RMB110,000,000 and RMB242,000,000 were declared at March 28, 2010 and December 22, 2010 respectively by Modern Green Industrial to its shareholders, Modern Group and Modern Great Trade, and dividends amounting to RMB26,892,000 were declared by certain subsidiaries to their non-controlling shareholders; (ii) during the year ended December 31, 2011, dividends of RMB291,347,000 were declared by Modern Green Industrial to its shareholders, Modern Group and Modern Great Trade prior to the Reorganization; and (iii) during the financial year ended December 31, 2012 dividends of RMB6.72 million were declared by Modern Green Industrial to its shareholders. In the second half of 2012, the Directors reviewed and determined the dividend policy that the dividend distribution ratio for the Company's subsidiaries situated in the PRC should be around 20% of profit after tax for the respective years since January 1, 2008. Thus, a reversal of deferred tax relating to withholding tax of approximately RMB49.0 million was made in 2012 based on the changes in the proportion of profits to be distributed in the foreseeable future. There can be no assurance that the dividend policy will not be changed again in future. Such dividends should not be used by potential investors as a guide to the future dividend policy of our Group. There is no assurance that dividends will be declared or paid in the future, at a similar level or at all. The past dividend rates should not be used as a reference or basis to determine the amount of dividends in the future. The amount of any dividends to be declared in the future will be subject to, among other factors, the discretion of our Directors, having considered the working capital requirements in the future, the availability of distributable profits, our results of operation, working capital, capital and funding requirements, tax requirements, the applicable laws and other relevant factors.

We cannot guarantee the accuracy of official government publications and statistics with respect to the PRC, the PRC economy and the PRC property industry contained in this prospectus.

Estimates and other statistics in this prospectus relating to the PRC, the PRC economy and the PRC property industry have been derived from various official government publications generally believed to be reliable. However, we cannot guarantee the quality or reliability of such source materials. They have not been prepared or independently verified by us, the Sole Sponsor, the Joint Global Coordinators, the Underwriters or any of our or their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such estimates and statistics, which may not be consistent with other information compiled within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between official government publications and market practice and other problems, the official government publications and statistics provided herein relating to the PRC, the PRC economy and the PRC property industry may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot guarantee that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

In all cases, investors should give consideration as to how much weight or importance they should attach to, or place on, such estimates or statistics.

Investors should not place any reliance on any information contained in press articles or other media coverage regarding our Group and the Global Offering.

Prior to the publication of this prospectus, there were certain press articles and media coverage regarding us and the Global Offering appearing in Oriental Daily News, Hong Kong Economic Journal, Hong Kong Daily News, Hong Kong Economic Times, Wen Wei Po, Apply Daily, AM730, Ta Kung Pao, Sing Tao Daily, Ming Pao Daily News and The Sun on June 18, 2013 which may include certain information about us and our listing application such as the proposed offer size and the listing timetable. We have not authorized the disclosure of any such information in the press or media. We do not accept any responsibility for any such press articles or media coverage or the accuracy or completeness of any such information. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information appearing in publications other than this prospectus is inconsistent or conflicts with the information contained in this prospectus, we disclaim it. In making the decision as to whether to invest in our Shares, investors should rely solely on the information included in this prospectus and the Application Forms and not place any reliance on any other information.