This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Hong Kong Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Hong Kong Offer Shares are set out in the section entitled "Risk Factors" beginning on page 32 of this prospectus. You should read that section carefully before you decide to invest in the Hong Kong Offer Shares. Various expressions used in this section are defined or explained in the section entitled "Definitions" beginning on page 14 of this prospectus.

BUSINESS OVERVIEW

We are a property developer in the PRC focusing on the residential property market, and our products are primarily targeted at first-time homebuyers and upgraders. In 2012, we were ranked as the 46th-largest property developer in the PRC by sales.[1] We have developed residential property projects in 11 cities in economically prosperous and emerging regions of the PRC, such as Guangdong and Guangxi Provinces, the Chengdu-Chongqing economic region and Hainan Province.

Our land bank comprises land we have acquired at competitive prices, and we strive to build our land bank by establishing and expanding our presence in economic regions which we believe hold high growth potential. As of October 31, 2013, we had 70 projects at various stages of development in 11 cities and a land bank with an aggregate GFA of 11.2 million sq.m., primarily comprising residential property projects with ancillary retail shops, as well as an office property project where our headquarters is located. For details of our property projects, please see the section entitled "Business—Our Property Projects" beginning on page 153 of this prospectus. We believe our current land bank will be sufficient to meet our development needs for the next five to six years, based on our current projections and our historical sales and land development records.

We have established a replicable property development process, which is supported by our in-house departments and subsidiaries specializing in design and planning, construction, decoration, procurement, sales, customer services and each other major step in the property development process. We leverage our ability to build projects through our own construction subsidiary, centralized and strategic procurement, quick development operation model and cost control over the whole property development process to optimize our costs, shorten development cycles, improve cash flow and maintain profitability. In 2010, 2011 and 2012 and the six months ended June 30, 2013, we achieved net profit margins (excluding changes in fair value of investment properties and the relevant deferred taxes) of 14.5%, 17.7%, 17.9% and 12.3%, respectively.

As of October 31, 2013, our Group and, prior to the commencement of the Reorganization, our predecessors had completed a total of 54 projects with a total GFA of over 7,160,000 sq.m. Over the past 17 years, we have established ourselves as one of the leading developers focusing on residential properties in Guangdong and Guangxi Provinces. Leveraging our success and valuable experience in Guangdong Province, in 2006 we expanded into Guangxi Province through the launch of Provence (普羅旺斯) in Nanning, which is expected to have a total GFA of 1,867,094 sq.m. upon completion. For details, please see the section entitled "Business—Our Property Projects—Description of Our Projects—Provence" beginning on page 183 of this prospectus. In 2011, we were recognized as the second-largest property developer in Nanning by turnover, according to China Real Estate Information Corporation. In the same year Logan Real Estate, one of our predecessors, was recognized as one of

Note:

(1) The ranking is based on China Index Academy's evaluation of the largest property developers in the PRC by sales in 2012.

the "Top 10 Real Estate Brands in Southern China," according to the China Real Estate Top 10 Research Group. As of the Latest Practicable Date, we were also developing properties in Sichuan and Hainan Provinces, comprising our Chengdu Sky Palace and Seaside Dragon Bay developments. We believe that our track record, together with the strength of our "Logan" (龍光) brand and the leadership and vision of our management team, positions us well to expand into other cities in the PRC.

We have developed a diversified product portfolio which includes high-rise residential apartments and low-rise garden apartments, among others, catering to the residential property markets. We have developed two distinctive product styles, namely neoclassical and art deco, each of which comprises standardized designs for facades, interior designs and landscaping, as well as standardized parts and materials. Apart from Logan Century Center, which is our only commercial property and where our corporate headquarters is located, and other retail units ancillary to our residential properties, we have no intention to develop, sell or operate any properties other than residential properties.

Our Property Development Process

We use a decentralized operations management structure between our headquarters and regional offices, where our headquarters is responsible for planning and strategic decisions and our regional offices are responsible for the day-to-day operations of projects within their respective regions. Our headquarters and regional offices work together to implement our replicable property development process, covering project selection and land acquisition, planning and design, pre-construction, construction, marketing and delivery and after-sales services. We act as general contractor for most of our projects through our subsidiary, Logan Construction, which was appointed as general contractor for a majority of our projects as of the Latest Practicable Date, and outsource the property management of our completed properties. Throughout the property development process, we place particular emphasis on cost management and achieving a quick development operation model, where we efficiently complete the development of our property projects through the use of standardized product designs and centralized and strategic procurement, to ensure product and service quality and maintain and improve our future development and profitability.

During the Track Record Period and up to the Latest Practicable Date, (i) we had not experienced any cancellation of sales contracts or any return of delivered properties, and (ii) we encountered 40 incidents of default by purchasers for whom we had guaranteed mortgage loans, which involved an aggregated default payment of RMB1.4 million. For more information, please see the section entitled "Business—Our Property Development Process" beginning on page 223 of this prospectus. In addition, we did not acquire any land requiring us to resettle the original occupants during the Track Record Period and up to the Latest Practicable Date.

SELECTED OPERATING INFORMATION

Our Land Bank

As of October 31, 2013, our land bank consisted of 70 strategically located property projects in 11 cities in the PRC. The table below sets forth a breakdown of our total land bank for our property projects by city as of October 31, 2013:

	Completed and unsold GFA[1]	Under development	Held for future development	Contracted to be acquired	Total
	(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*
Total land bank by city:					
—Guangzhou	194,537	—	—	—	194,537
—Shantou	53,339	1,127,242	221,336	—	1,401,917
—Shenzhen	192,373	—	—	—	192,373
—Huizhou	106,619	1,891,873	3,390,685	—	5,389,177
—Foshan	43,633	602,148	358,798	—	1,004,579
—Zhongshan	20,008	377,860	—	174,212	572,080
—Zhuhai	24,240	—	—	—	24,240
—Dongguan	—	208,779	69,201	—	277,980
—Nanning	180,426	1,104,688	182,054	—	1,467,168
—Lingshui	—	—	426,142	—	426,142
—Chengdu	—	235,834	—	—	235,834
Total land bank	815,175	5,548,424	4,648,217	174,212	11,186,028

Note:

(1) Figures in the table equal total GFA less (i) total saleable GFA sold and (ii) GFA attributable to car parks sold.

The table below sets forth a breakdown of our total saleable/leasable GFA (net of saleable GFA sold) of our 70 property projects by planned use as of October 31, 2013:

	Completed	Under development	Held for future development	Contracted to be acquired	Total
	(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*
Properties for sales					
Residential	84,143	3,934,599	3,536,542	123,445	7,678,729
Retail	26,326	250,199	112,337	22,094	410,956
Office	1,492	—	—	—	1,492
Sub-total	111,962	4,184,799	3,648,879	145,539	8,091,179
Properties held for investment					
Retail	28,020	23,607	—	—	51,627
Office	42,090	—	—	—	42,090
Others	2,714	19,950	—	—	22,664
Sub-total	72,824	43,557	—	—	116,381
Total saleable/leasable GFA (net of saleable GFA sold)	184,786	4,228,356	3,648,879	145,539	8,207,560

Note:

(1) Figures in the table do not take GFA attributable to car parks into consideration.

The table below sets forth the status of our property development projects as of the Latest Practicable Date:

Project status	Number of projects	Actual / expected completion and delivery date	Actual / expected pre-sale date
Completed	32	Oct - 2005 to Sep - 2013	Dec - 2004 to Jul - 2012
Under development	28	Dec - 2013 to Sep - 2016	Dec - 2010 to Nov - 2013
Held for future development	10[1]	N/A	N/A
Contracted to be acquired	0	N/A	N/A

Note:

(1) The Zhongshan Parcel was classified as a project contracted to be acquired as of October 31, 2013, and we have subsequently paid the land premium in full and obtained the land use rights certificate for the Zhongshan Parcel. As a result, Zhongshan Parcel was re-classified as a project held for future development as of the Latest Practicable Date.

In addition, in October 2013, we won the bid through participation in the government land grant process with respect to a land parcel with a total site area of 71,451 sq.m. located in the Gaoxin District of Nanning, Guangxi Province. For detailed information about our property development projects, see the section entitled "Business—Our Property Projects" beginning on page 153 of this prospectus.

Contracted Sales

The table below sets forth a breakdown of our total contracted sales and contracted ASP for the periods indicated:

	For the year ended December 31,			For the six months ended
	2010	2011	2012	June 30, 2013
Contracted sales attributable to:				
Saleable GFA (RMB million)	2,993.8	4,413.9	9,519.9	5,718.7
Car parks (RMB million)	38.1	52.7	217.3	68.9
Total (RMB million)	3,031.9	4,466.6	9,737.2	5,787.6
Contracted saleable GFA (sq.m.)	432,204	591,842	1,150,798	758,703
Contracted ASP of saleable GFA (RMB/sq.m.)	6,927	7,458	8,272	7,537

Our contracted ASP of saleable GFA increased by 7.7% from RMB6,927 per sq.m. in 2010 to RMB7,458 per sq.m. in 2011, and further increased by 10.9% to RMB8,272 per sq.m. in 2012, despite the downward pricing pressures in the PRC property market in the second half of 2011 and early 2012. For the six months ended June 30, 2013, our contracted ASP of saleable GFA amounted to RMB7,537 per sq.m., primarily due to contracted saleable GFA attributable to Logan City constituting a sizable proportion of our total contracted saleable GFA during the same period, and units of Logan City contracted for sales during such period had lower ASP.

OUR RESULTS OF OPERATIONS

Summary Consolidated Income Statements[(1)(2)]

We have experienced significant growth in recent years. The table below sets forth our summary consolidated income statements for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2010	2011	2012	2012	2013
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Turnover	2,851,659	3,447,474	6,587,660	1,566,418	3,332,205
Direct costs	(2,070,466)	(2,062,001)	(4,027,359)	(941,799)	(2,307,004)
Gross profit	781,193	1,385,473	2,560,301	624,619	1,025,201
Profit from operations	1,306,177	1,921,239	2,945,505	853,614	761,697
Finance costs	(5,047)	(96,284)	(170,218)	(86,251)	(63,501)
Profit before taxation	1,301,130	1,824,955	2,775,287	767,363	698,196
Income tax	(361,509)	(561,801)	(958,318)	(251,938)	(255,937)
Profit for the year/period	939,621	1,263,154	1,816,969	515,425	442,259
Attributable to:					
—Equity shareholders of the Company	926,251	1,247,583	1,794,068	512,185	435,386
—Non-controlling interests	13,370	15,571	22,901	3,240	6,873
Profit for the year/period	939,621	1,263,154	1,816,969	515,425	442,259
Profit for the year/period (excluding changes in fair value of investment properties and the relevant deferred taxes)[(3)]	413,141	611,061	1,178,136	218,331	408,572
Net profit margin (excluding changes in fair value of investment properties and the relevant deferred taxes)[(4)]	14.5%	17.7%	17.9%	13.9%	12.3%

Notes:

(1) We extracted the summary consolidated income statements from the Accountants' Report included as Appendix I to this prospectus. You should read the entire Accountants' Report, including the notes to the financial information included in Appendix I, before making your investment decision about our Company.

(2) The Accountants' Report included in Appendix I to this prospectus does not include financial information relating to two project companies holding two property development projects, namely Lake City and Foshan Royal Castle, which formed part of the business of and contributed revenues to our predecessors' group, as the two project companies do not form part of our Group. For further information, please see the sections entitled "Relationship with Our Controlling Shareholders" and "Financial Information—Key Factors Affecting Our Results of Operations—Project Companies Not Included in Our Financial Information" beginning on page 254 and page 283, respectively, of this prospectus.

(3) The calculation of profit for the year/period (excluding changes in fair value of investment properties and the relevant deferred taxes) is based on profit for the year/period less net increase in fair value of investment properties plus deferred tax recognized on the revaluation of investment properties for that year/period.

(4) The calculation of net profit margin (excluding changes in fair value of investment properties and the relevant deferred taxes) is based on profit for the year/period (excluding changes in fair value of investment properties and the relevant deferred taxes) divided by turnover for such year/period and multiplied by 100%.

Our turnover grew at a CAGR of 52.0% from 2010 to 2012, driven primarily by increases in total saleable GFA delivered and ASP per sq.m. sold. Our turnover grew by 112.7% from the six months ended June 30, 2012 to the six months ended June 30, 2013, primarily due to an increase in total saleable GFA delivered. Our turnover represents revenue received from the sales of properties, rental income and construction income, attributable to our property development, property leasing and construction contracts business segments, respectively, net of business tax and other sales-related taxes and discounts. The table below sets forth our turnover by business segment for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2010	**2011**	**2012**	**2012**	**2013**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Turnover					
Sales of properties					
—Residential	2,177,054	2,840,517	5,034,435	1,224,728	2,604,755
—Retail	294,066	281,085	1,072,734	231,658	231,588
—Others	44,280	51,075	189,569	12,577	131,137
	2,515,400	3,172,677	6,296,738	1,468,963	2,967,480
Rental income	1,442	25,692	55,384	28,953	28,619
Construction income	334,817	249,105	235,538	68,502	336,106
Total	2,851,659	3,447,474	6,587,660	1,566,418	3,332,205

Sales of properties represent income generated from the sales of residential properties and retail shops. We do not recognize any revenue from the pre-sales of our properties until such properties are delivered, even though the purchase price for a property is usually paid in stages prior to the delivery of the property.

The table below sets forth a breakdown of our total saleable GFA delivered and ASP per sq.m. by type for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2010		**2011**		**2012**		**2012**		**2013**	
	Total saleable GFA delivered	**ASP per sq.m.(1)**	**Total saleable GFA delivered**	**ASP per sq.m.(1)**	**Total saleable GFA delivered**	**ASP per sq.m.(1)**	**Total saleable GFA delivered**	**ASP per sq.m.(1)**	**Total saleable GFA delivered**	**ASP per sq.m.(1)**
	sq.m.	*RMB*	*sq.m.*	*RMB*	*sq.m.*	*RMB*	*sq.m.*	*RMB*	*sq.m.*	*RMB*
Residential	438,627	4,963	502,460	5,653	813,622	6,188	242,177	5,057	402,547	6,471
Retail	17,385	16,914	8,227	34,166	25,297	42,405	9,152	25,315	10,191	22,725
Total	456,012		510,687		838,919		251,329		412,738	

Note:

(1) ASP per sq.m. is calculated as the amount of revenue from the sales of properties derived from the relevant amount of total saleable GFA delivered, which does not include car parks, after deducting sales and other taxes, divided by the relevant amount of total saleable GFA delivered.

Rental income represents recurring income generated from our investment properties, which has been historically generated from operating leases relating to the office units and retail shops developed and held by us as part of our property development projects. Construction income represents income from the construction of residential and non-residential projects, such as office buildings and public facilities, the majority of which is related to non-residential projects undertaken for various of our predecessors' businesses. For further information on our historical operating results, please refer to the section entitled "Financial Information" beginning on page 272 of this prospectus.

Our gross profit grew at a CAGR of 81.0% from 2010 to 2012, driven primarily by growth in our turnover, as well as an increasing proportion of our sales of properties arising from properties with higher gross profit margins. Our gross profit grew by 64.1% from the six months ended June 30, 2012 to the six months ended June 30, 2013. Our gross profit margin amounted to 27.4% in 2010, 40.2% in 2011, 38.9% in 2012, 39.9% for the six months ended June 30, 2012 and 30.8% for the six months ended June 30, 2013. We were able to achieve such gross profit margins during the Track Record Period primarily because (i) we followed a careful project selection and land acquisition process to acquire competitively priced land and (ii) we acted as general contractor for a majority of our projects, which helped lower our construction costs. Our average land cost per sq.m. of GFA sold (excluding car parks) in 2010, 2011 and 2012 and the six months ended June 30, 2013 accounted for 19.8%, 16.5%, 13.7% and 16.3%, respectively, of our ASP per sq.m. for the corresponding period. Our construction costs per sq.m. of GFA sold in 2010, 2011 and 2012 and the six months ended June 30, 2013 accounted for 46.7%, 38.3%, 41.8% and 45.7%, respectively, of our ASP per sq.m. for the corresponding period. The table below sets forth our gross profit margins and the extent to which land premiums and development costs affect our gross profit margins for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2010		2011		2012		2012		2013	
	RMB'000	*As percentage of total direct costs*	*RMB'000*	*As percentage of total direct costs*	*RMB'000*	*As percentage of total direct costs*	*RMB'000* *(Unaudited)*	*As percentage of total direct costs*	*RMB'000*	*As percentage of total direct costs*
Land premium	(493,481)	23.8%	(517,619)	25.1%	(856,365)	21.3%	189,084	11.3%	(474,043)	20.5%
Development costs	(1,177,708)	56.9%	(1,220,886)	59.2%	(2,664,472)	66.2%	645,629	68.6%	(1,371,463)	59.5%
Other direct costs	(399,277)	19.3%	(323,496)	15.7%	(506,522)	12.6%	107,086	20.1%	(461,498)	20.0%
Total direct costs	(2,070,466)		(2,062,001)		(4,027,359)		(941,799)		(2,307,004)	
Gross Profit	781,193		1,385,473		2,560,301		624,619		1,025,201	
Turnover	2,851,659		3,447,474		6,587,660		1,566,418		3,332,205	
Gross profit margin	27.4%		40.2%		38.9%		39.9%		30.8%	

Our net profit increased at a CAGR of 39.1% from 2010 to 2012, primarily driven by increases in total saleable GFA delivered and ASP per sq.m. sold. Our net profit decreased by 14.2% from the six months ended June 30, 2012 to the six months ended June 30, 2013, primarily due to (i) a greater proportion of total saleable GFA delivered in the six months ended June 30, 2013 being attributable to lower profit-margin units, and (ii) a lower net increase in fair value of our investment properties.

Net Increase in Fair Value of Investment Properties

Under HKFRS, gains or losses arising from changes in the fair value of our investment properties are included in our consolidated income statements in the period in which they arise. Net increases in the fair value of our investment properties amounted to RMB695.8 million in 2010, RMB863.7 million in 2011 and RMB836.7 million in 2012, which represent unrealized capital gains, and were primarily attributable to net increases in the fair value of Logan Century Center, which were, in turn, primarily due to (i) its completion in June 2010, (ii) the start of a lease for a majority of the leasable area and the commencement of two nearby subway lines in 2011, and (iii) the opening of a department store in its vicinity in 2012. We had net increase in the fair value of our investment properties of RMB40.5 million in the six months ended June 30, 2013, primarily attributable to the increase in the fair value of Nanning Grand Riverside Bay.

We adopted the income capitalization method for the valuation of our completed investment properties, and the direct comparison approach for the valuation of our investment properties under development. For detailed information on the key assumptions used in these valuations, see "Financial Information—Description of Selected Income Statement Line Items—Net Increase in Fair Value of Investment Properties" beginning on page 291 of this prospectus.

Excluding the effects from net increase in fair value of investment properties, our adjusted profit from operations amounted to RMB610.4 million, RMB1,057.5 million, RMB2,108.9 million, RMB721.2 million in 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively, and our adjusted net profit amounted to RMB413.1 million, RMB611.1 million, RMB1,178.1 million and RMB408.6 million for the same periods, respectively. Our net profit margins (excluding changes in fair value of investment properties and the relevant deferred taxes) in 2010, 2011 and 2012 and the six months ended June 30, 2013 were 14.5%, 17.7%, 17.9% and 12.3%, respectively. For illustrative purposes only, the following table shows the sensitivity of our net profit during the Track Record Period with regard to changes in the net increase in fair value of investment properties, assuming all other variables held constant:

	Changes in net profit			
Changes in net increase in fair value of investment properties	**For the year ended December 31,**			**For the six months ended June 30, 2013**
	2010	**2011**	**2012**	
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
+30%	208,734	259,115	250,996	12,152
+20%	139,156	172,743	167,330	8,101
+10%	69,578	86,372	83,665	4,051
-10%	(69,578)	(86,372)	(83,665)	(4,051)
-20%	(139,156)	(172,743)	(167,330)	(8,101)
-30%	(208,734)	(259,115)	(250,996)	(12,152)

See "Risk Factors—Risks relating to Our Business—Changes in the fair value of our investment properties may have a significant impact on our results of operations" beginning on page 37 of this prospectus.

Land premium recognized on our consolidated income statement accounted for 27.5%, 28.1%, 22.4% and 23.4% of our costs of properties sold in 2010, 2011, 2012 and the six months ended June 30, 2013, respectively. In addition, our average land cost in 2010, 2011 and 2012 and the six months ended June 30, 2013 amounted to RMB1,493 per sq.m., RMB1,442 per sq.m., RMB1,803 per sq.m. and RMB1,788 per sq.m., respectively, calculated by dividing the land premium we paid in such period by the GFA we acquired in the same period. There is no assurance that we will be able to acquire land at costs comparable to our historical land costs. Our land premium may rise in the future due to factors beyond our control, and in such event our gross profit margin may be materially and adversely affected. See "Risk Factors—Risks relating to Our Business—We may not be able to obtain land that is suitable for property development or maintain our land bank at a cost comparable to our historical cost level" beginning on page 39 of this prospectus.

COMPETITIVE STRENGTHS

We believe that our success and future prospects are supported by a combination of the following key competitive strengths:

- We have a land bank comprising land we acquired at competitive prices, which provides a solid foundation for our future growth and profitability;

- Effective cost control over the entire property development process;
- Leveraging our considerable strength in various cities in southern China, we can readily expand into nearby cities;
- Our ability to develop quality living communities that enhance the image and value of the surrounding area; and
- We have a well-experienced management team and have established comprehensive human resources policies to support our rapid development.

BUSINESS STRATEGIES

We intend to grow and strengthen our business through the implementation of the following core business strategies:

- Consolidate our market position in Guangdong and Guangxi Provinces, while accelerating our expansion into other high-growth regions, including the Chengdu-Chongqing economic region and additional major cities in Guangdong Province and Guangxi Province;
- Maintain the competitiveness of our products by focusing on producing high-quality, value-added properties for first-time homebuyers and upgraders;
- Continue to align the interests of our senior management with those of our Shareholders to cultivate leadership and entrepreneurial qualities among our senior management team;
- Continue implementing a high-efficiency operating philosophy to achieve a quick development operation model, further enhancing our operating results; and
- Monitor and research opportunities to invest in senior housing and leisure property industries to foster new business growth.

LIQUIDITY AND CAPITAL RESOURCES

Borrowings

The table below sets forth a breakdown of our bank loans as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans				
—secured	3,585,509	4,861,225	4,690,011	7,189,138
—unsecured	1,292,716	874,285	1,324,224	164,377
Total	4,878,225	5,735,510	6,014,235	7,353,515

In addition, we had other loans of RMB302.1 million, RMB288.6 million, RMB604.1 million and RMB695.0 million as of December 31, 2010, 2011 and 2012 and June 30, 2013, respectively, accounting for 5.8%, 4.8%, 9.1%, and 8.6% of our total indebtedness as of such dates, respectively. Such loans were provided by non-banking financial institutions for the purpose of funding our general operations. Although we intend to primarily rely on internally generated cash flows and bank loans to finance our operations going forward, we may continue to obtain other loans to diversify our financing sources if we are presented with commercially favorable opportunities.

Key Financial Metrics

		As of December 31,			As of June 30,
	Formula	2010	2011	2012	2013
Current ratio	Current assets ÷ current liabilities	1.7	1.4	1.4	1.4
Net debt to equity ratio	Net debt[1] ÷ total equity	2.5	2.2	1.0	1.2
Gearing ratio	Bank and other loans ÷ total equity	3.1	2.6	1.6	1.8

Note:

(1) Net debt is defined as all borrowings net of cash and cash equivalents.

Financing Resources and Requirements

Property development requires substantial capital investment for land acquisition and construction. During the Track Record Period, we primarily used internal funds (including proceeds from the pre-sales and sales of our projects) to acquire land for our project, and a combination of internal funds and bank loans to fund the construction of our projects. The sales process of our properties generally begins with pre-sales, and purchasers of our pre-sale properties are generally required to settle the purchase prices either with lump sum payments or mortgage loan proceeds before the properties are delivered. Proceeds from our pre-sales and sales amounted to RMB3,131.3 million, RMB4,500.7 million, RMB8,348.2 million and RMB5,643.9 million in 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. To fund our property developments, our bank loans increased steadily over the Track Record Period, amounting to RMB4,878.2 million, RMB5,735.5 million, RMB6,014.2 million and RMB7,353.5 million as of December 31, 2010, 2011 and 2012 and June 30, 2013, respectively. Our policy is to finance our property developments with internal resources to the extent practicable so as to reduce our level of external funding.

During the Track Record Period, our liquidity requirements arose principally from the acquisition of land for and development of our property development projects. It may take many months or years before positive cash flows can be generated from a project. We recorded negative cash flows from operating activities of RMB40.8 million in 2010 and RMB910.5 million in the six months ended June 30, 2013. Although we also recorded positive operating cash flows of RMB501.2 million and RMB1,648.2 million in 2011 and 2012, respectively, we cannot assure you that we will not experience negative operating cash flows in the future.

As of October 31, 2013, we had a total of 70 projects at various stages of development in 11 cities, and we expect that further development cost to complete these projects will be our main use of cash in the foreseeable future. We also anticipate that our major near-term cash requirements will include payment for land premium, repayment of bank and other loans and trade payables, which mainly represent payables to our suppliers. The table below summarizes our major near-term expected payments (including payments for our capital commitments and contractual obligations) based on our current project plans, target costs and internal estimates as of June 30, 2013, which are subject to change:

	Expected payments		
	For the six months ending December 31, 2013	**For the year ending December 31,**	
		2014	**2015**
	RMB'000	***RMB'000***	***RMB'000***
Development costs[1]	2,740,534	6,511,967	7,163,164
Trade payables	1,223,107	668,075	—
Payment for land premium[2]	316,912	—	—
Repayment of bank and other loans	2,198,333	1,719,420	—

Notes:

(1) Development costs represent amounts we expect to expend to develop our property projects.

(2) Payment for land premium includes (i) contracted and budgeted costs to obtain land use rights and (ii) a land auction deposit.

We believe that our capital commitments and contractual obligations are manageable, and we intend to fund them primarily with proceeds from the following sources of cash:

- *Proceeds from our pre-sale activities*. In 2012, we recorded contracted sales of RMB9,737.2 million. In the 10 months ended October 31, 2013, we recorded contracted sales of RMB9,468.0 million, which we expect to receive within three months of the contracted sales based on our experience. In addition, based on our project plans, we expect that pre-sales will commence at 10 property projects in two months ending December 31, 2013 and in 2014, which will generate additional cash flow.

- *Proceeds from bank and other borrowings*. Our unutilized banking facilities amounted to RMB1,385.0 million, as of October 31, 2013, and we plan to obtain additional bank and other loans going forward to fund the construction of our projects in line with our past practice.
- *Net proceeds from the Global Offering*. We estimate our net proceeds from the Global Offering to be approximately HK$1,619.7 million (assuming the Over-allotment Option is not exercised and an Offer Price of HK$2.30 per Share, being the mid-point of the Offer Price range stated in this prospectus).
- *Proceeds from our rental income and construction contracts.* We plan to hold our current investment properties, which will continue to generate rental income. Our properties which are scheduled to be completed in the future will also contain investment properties. In addition, we will continue to provide construction services to our related parties. We expect, however, that consistent with our performance during the Track Record Period, income generated from our rental income and construction contracts will not constitute major sources of our cash flow.

Taking into account our capital commitments and contractual obligations, our current project development schedules, our sale and pre-sale status, our estimated net proceeds from the Global Offering and other factors described above, our Directors confirm that we have sufficient working capital for our operations for at least 12 months from the date of this prospectus. Our Directors further confirm that, based on our current projections, we would still have sufficient working capital for our operations for at least 12 months from the date of this prospectus, assuming that we had no additional bank or other borrowings and experienced a decrease of up to 20% in the ASP and a decrease of up to 20% in the sales volume of our properties during such period. For further information, please refer to the sections entitled "Financial Information—Liquidity and Capital Resources" and "Financial Information—Indebtedness and Contingent Liabilities" beginning on page 311 and page 313, respectively, of this prospectus.

RECENT CORPORATE DEVELOPMENTS

Certain developments in our business and operations subsequent to June 30, 2013 are described below:

- In August 2013, we entered into a land grant contract with respect to a land parcel with a total site area of 19,618 sq.m. in the Chancheng District of Foshan, Guangdong Province (the "Foshan Parcel"). For more information, see the section entitled "Business—Our Property Projects—Description of Our Projects—30. Foshan Parcel" beginning on page 219 of this prospectus.
- In October 2013, we entered into a land grant contract with respect to a land parcel with a total site area of 58,908 sq.m. in the West District of Zhongshan, Guangdong Province (the "Zhongshan Parcel"). For more information, see the section entitled "Business—Our Property Projects—31. Zhongshan Parcel" beginning on page 220 of this prospectus.
- In October 2013, we won the bid through participation in the government land grant process with respect to a land parcel with a total site area of 71,451 sq.m. in the Gaoxin District of Nanning, Guangxi Province (the "Nanning Parcel"). For more information, see the section entitled "Business—Our Property Projects—Recent Development" beginning on page 221 of this prospectus.
- From July 1, 2013 up to the Latest Practicable Date, we paid an aggregate amount of RMB1,469.7 million, which was attributable to land premium paid under land grant contracts concerning Longteng Homestead, the Foshan Parcel, the Zhongshan Parcel and the Nanning Parcel and the related deed tax.
- In the four months ended October 31, 2013, our contracted sales amounted to RMB3,680.0 million, of which (i) RMB3,536.0 million was attributable to contracted saleable GFA of

519,269 sq.m., resulting in contracted ASP of RMB6,810 per sq.m., and (ii) RMB144.0 million was attributable to car parks. The contracted ASP in the four months ended October 31, 2013 is lower than those for 2012 and the first half of 2013, primarily due to Logan City constituting a larger proportion of our total contracted saleable GFA in the four months ended October 31, 2013, and units of Logan City contacted for sale during such period had lower ASP.

- In the three months ended September 30, 2013, we had unaudited turnover from sales of properties of RMB1,346.4 million, which was attributable to total saleable GFA delivered of 215,664 sq.m., resulting in ASP of RMB5,870 per sq.m., primarily due to the commencement of delivery of units with lower ASP at Provence (Phase 6—Completed Portion) during such period.
- We recorded an unaudited gross profit margin of 29.5% in the nine months ended September 30, 2013, which is lower than the gross profit margin of 38.9% for 2012, and primarily due to the deliver of lower profit-margin units. According to our current delivery schedule, we expect that our gross profit margin for the year ending December 31, 2013 will improve, as the property units we are scheduled to deliver in the fourth quarter of 2013 are expected to have higher gross profit margins than those delivered in the first three quarters of 2013.

Except as disclosed above, our Directors have confirmed that up to the date of this prospectus, there has been no material adverse change in our financial or trading position since June 30, 2013, the end of period reported in the Accountants' Report included as Appendix I to this prospectus, and there has been no event since June 30, 2013 that would materially affect the information shown in the Accountants' Report included as Appendix I to this prospectus.

RECENT MARKET AND REGULATORY DEVELOPMENTS

In 2011, residential property prices in many cities began to decline after years of sustained growth, primarily attributable to the PRC government's macroeconomic measures and the related slowdown in the PRC economy, among other things.

Transaction volumes generally remained subdued in early 2012. We have taken a number of measures to strategically respond to the challenging market conditions. We have adjusted our product mix to focus on the design and promotion of small to medium-sized housing units primarily targeted at first-time homebuyers and upgraders, and we have increased our sales activities in subway stations and near office buildings to attract such customers. Furthermore, we have strengthened our staff training to keep our sales personnel abreast of the newest governmental policies and regulations to help address our customers' questions and concerns.

Beginning in the second quarter of 2012 and continuing through the first half of 2013, transaction volumes recovered in the overall PRC property market, due in part to improving market sentiment in the PRC property market as well as the absence of further major restrictive government policies or measures. According to a report issued by the National Bureau of Statistics of China, the total residential GFA sold in the PRC in the first half of 2013 increased by 30.4% as compared with the sales in the first half of 2012. For further information, please refer to the section entitled "Industry Overview—Overview of the PRC Property Market—Recent Developments in the PRC Property Market" beginning on page 76 of this prospectus. We believe that due in part to the market rebound beginning in the second quarter of 2012 and our strategic responses to the challenging market conditions, our contracted sales in 2012 increased by 118.0% to RMB9,737.2 million from RMB4,466.6 million in 2011 and amounted to RMB5,787.6 million in the six months ended June 30, 2013.

The prospects of the PRC property market are highly uncertain, and the PRC government may continue to implement tightening measures to restrain the PRC property market that may adversely affect our business, financial condition and results of operations in the future. On February 26, 2013, the General Office of the State Council promulgated and implemented the Notice on Continuing Adjustment and Control of Property Markets (《關於繼續做好房地產市場調控工作的通知》) (Guo Ban Fa [2013] No.17), or the No.17 Notice. The No.17 Notice is a national policy designed to regulate the property markets in all provinces, regions and cities in China. As of the Latest Practicable Date, governments of Guangdong Province, Guangzhou, Shenzhen, Nanning and Huizhou had issued specific policies to carry out the No.17 Notice. See the section entitled "Laws and Regulations relating to the Industry—Measures on Stabilizing Housing Prices" beginning on page 108 of this prospectus. In provinces, regions and cities which have not issued specific policies to carry out the No.17 Notice, the local governments should comply with the No.17 Notice. These policies set forth measures to, among others:

- continuously enforce purchase restrictions on commodity housing;
- levy a 20% individual income tax on sales of owner-occupied housing; and
- strengthen market regulations and expectation management.

The 20% individual income tax on sales of owner-occupied housing does not affect our properties, which are newly constructed. Moreover, from March to October 2013, the nationwide contracted sales and the contracted saleable GFA in the PRC increased by 27.8% and 19.1%, respectively, as compared to the same period in 2012. From March to October 2013, our contracted sales and contracted saleable GFA increased by 86.8% and 62.2%, respectively, as compared to the same period in 2012, mainly due to our contracted sales from Seaward Sunshine from March to October 2013. Based on the above, we believe that the No.17 Notice and its local implementation policies have not had a material adverse effect on our business.

Our business and prospects will continue to be influenced by regulatory developments. Going forward, we plan to continue adjusting our product offerings in light of policy changes to minimize potential adverse effects on our business.

SUPPLIERS AND CUSTOMERS

Our major suppliers are construction material suppliers, equipment suppliers and construction contractors. Our major customers are purchasers of our residential and commercial properties and customers of our construction business. During the Track Record Period, some of our five largest customers were companies controlled by Mr. Ji or his associates, which were all customers of our construction business. All of such projects are expected to be completed before the Listing. For further details, please see the section entitled "Business—Suppliers and Customers" beginning on page 237 of this prospectus.

OFFER STATISTICS(1)

	Based on Offer Price of HK$2.10	Based on Offer Price of HK$2.50
Market capitalization of our Shares(2)	HK$10,500.0 million	HK$12,500.0 million
Unaudited pro forma adjusted net tangible asset value per Share(3)	HK$1.47	HK$1.52

Notes:

(1) All statistics in this table are based on the assumption that the Over-allotment Option is not exercised.

(2) The calculation of market capitalization is based on 5,000,000,000 Shares expected to be in issue immediately after completion of the Global Offering.

(3) The unaudited pro forma adjusted net tangible asset value per Share is calculated after making the adjustments referred to in the section entitled "Financial Information—Unaudited Pro Forma Net Tangible Assets" beginning on page 326 of this prospectus and on the basis of a total of 5,000,000,000 Shares in issue immediately following the Global Offering.

DIVIDEND POLICY

Our Company did not declare any dividends during the Track Record Period. In the absence of circumstances which might affect the amount of available distributable reserves, whether by losses or otherwise, our Directors currently intend to distribute to our Shareholders in the six months ending June 30, 2014 approximately 20% of any net distributable profits derived during the year ending December 31, 2013, excluding changes in fair value of investment properties. However, we will re-evaluate our dividend policy annually, and the amount of dividends actually distributed to our Shareholders in the future will depend upon our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders. For further information, please see the section entitled "Financial Information—Dividends and Distributable Reserves" beginning on page 325 of this prospectus.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations. For example, we are heavily dependent on the performance of the PRC property market, particularly in Guangdong Province, where 53 of our 70 property development projects were located as of October 31, 2013. Our operations are also subject to extensive government regulations, and in particular, we are susceptible to changes in government policies relating to the PRC property industry, including measures designed to discourage speculation and curtail overheating. A detailed discussion of the risk factors that our Directors believe are particularly relevant to our Group is set out in the section entitled "Risk Factors" beginning on page 32 of this prospectus.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,619.7 million, after deducting the underwriting fees and expenses payable by us in the Global Offering, and assuming the Over-allotment Option is not exercised and an Offer Price of HK$2.30 per Share, being the mid-point of the Offer Price range stated in this prospectus. The table below sets forth the estimated amount of, and our intended use of, these net proceeds:

Estimated net proceeds	**Use of proceeds**		
(HK$ million)	**(Intended use)**	**(% of net proceeds)**	**(HK$ million)**
1,619.7	—To fund the acquisition of suitable land parcels in regions in which we are currently operating and other high-growth regions in the PRC	70	1,133.8
	—To fully repay all outstanding amounts under the Hang Seng Bank Facility Agreements. The U.S. dollar-denominated borrowing carries an interest rate of the higher of London Interbank Offered Rate plus 1.75% per annum and Hang Seng Bank's cost of funds, and is due in November 2014, while the Hong Kong dollar-denominated borrowing carries an interest rate of the higher of Hong Kong Interbank Offered Rate plus 1.25% per annum and Hang Seng Bank's cost of funds, and is due in January 2015. For more information, see the section entitled "Financial Information—Indebtedness and Contingent Liabilities—Hang Seng Bank Facility Agreements" beginning on page 316 of this prospectus	20	323.9
	—For general corporate and working capital purposes	10	162.0

For further information, please refer to the section entitled "Future Plans and Use of Proceeds" beginning on page 328 of this prospectus. We have incurred listing expenses of RMB12.2 million over the Track Record Period, which have been charged as administrative expenses on our consolidated income statements. We expect to incur further listing expenses of RMB50.2 million (excluding underwriting commissions), which will be presented on our consolidated income statements for the year ending December 31, 2013.