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## FUTURE PLANS AND USE OF PROCEEDS

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### FUTURE PLANS

We intend to grow our business by consolidating our market position in Guangdong and Guangxi Provinces while accelerating our expansion into other high-growth regions in the PRC. Please see the section entitled “Business—Business Strategies” in this prospectus for details of our future plans.

### 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. We intend to use these net proceeds for the following purposes:

- approximately 70% of the net proceeds to us (approximately HK\$1,133.8 million) to fund the acquisition of suitable land parcels in regions in which we are currently operating and other high-growth regions in the PRC;
- approximately 20% of the net proceeds to us (approximately HK\$323.9 million) to fully repay all amounts outstanding 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”; and
- approximately 10% of the net proceeds to us (approximately HK\$162.0 million) for general corporate and working capital purposes.

As of the Latest Practicable Date, we had not identified any target land parcels for future development for our use of net proceeds from the Global Offering. For details of our project selection process, please refer to the section entitled “Business—Our Property Development Process—Project Development Process” in this prospectus.

The additional net proceeds that we will receive if the Over-allotment Option is exercised in full will be approximately HK\$252.9 million (assuming the Offer Price at the mid-point of the stated Offer Price range of HK\$2.30). If the Over-allotment Option is exercised in full, our Directors intend to apply all the additional net proceeds to acquire suitable land parcels and for general corporate and working capital purposes.

If the Offer Price is fixed at HK\$2.50, being the high end of the stated Offer Share range, our net proceeds will be (i) increased by approximately HK\$146.6 million, assuming the Over-allotment Option is not exercised; and (ii) increased by approximately HK\$168.6 million, assuming the Over-allotment Option is exercised in full. Our Directors currently intend to use such additional proceeds to acquire suitable land parcels.

If the Offer Price is fixed at HK\$2.10, being the low end of the stated Offer Price range, our net proceeds will instead be (i) decreased by approximately HK\$146.6 million, assuming the Over-

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allotment Option is not exercised; and (ii) decreased by approximately HK\$168.6 million, assuming the Over-allotment Option is exercised in full. Our Directors currently intend to reduce net proceeds used for acquisition of land parcels and for general corporate and working capital purposes.

To the extent that the net proceeds to us from the Global Offering are not immediately applied to the above purposes, we intend to deposit the net proceeds into short-term demand deposits and/or money market instruments.

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).