You should carefully consider all of the information set out in this prospectus before making an investment in the Offer Shares, including the risks and uncertainties described below. You should pay particular attention to the fact that we are incorporated in the Cayman Islands and that almost all of our operations are conducted in China and are governed by a legal and regulatory environment that in some respects differs from those that prevail in other countries. Our business, financial condition or results of operations could be affected materially and adversely by any of these risks. The trading price of the Offer Shares in this Global Offering could decline due to any of these risks, and you may lose all or part of your investment.

RISKS RELATING TO OUR BUSINESSES

We are heavily dependent on the performance of the business park market in China

Our business and prospects are subject to the conditions of the PRC business park market. Growth in demand for business parks in the PRC is often coupled with volatility in market conditions and fluctuation in property prices. The PRC business park market is affected by many factors, including changes in the PRC's political, economic and legal environment. Any over-development, market downturn or fluctuations in property prices of business parks in China in general, and in particular our target cities (including Wuhan, Qingdao, Shenyang, Huangshi, Ezhou and Hefei) where we have operations, would have a material adverse impact on our business, financial condition and results of operations. If we do not respond to the changes in economic and regulatory environments, market conditions and customer preferences in a timely manner, our business, financial condition and results of operations may be materially and adversely affected. Furthermore, the PRC Government from time to time changes its fiscal and monetary policies to control and adjust the growth rate of the PRC national economy and local economies, and such control and adjustments may affect the property market in the regions where we currently have, and will in the future have, business park developments. We cannot assure you that our business park development will continue at the levels we achieved during the Track Record Period.

We had negative net operating cash flow for the years ended December 31, 2011 and 2012 and the nine months ended September 30, 2013, which exposes us to certain liquidity risks

We had negative net cash flow from operating activities of RMB86.4 million and RMB309.1 million for the years ended December 31, 2011 and 2012 and RMB715.4 million for the nine months ended September 30, 2013, respectively, primarily due to our increased land acquisitions and development costs during the Track Record Period as the property development businesses generally require long-term investments and are capital intensive in nature. In addition, our gearing ratio (total debt/total equity x 100%) was 42.3%, 53.7%, 87.1% and 147.5% as of December 31, 2010, 2011 and 2012 and September 30, 2013, respectively, due to the additional bank borrowings we took to fund our increasing number of development projects.

We cannot assure you that we will not experience negative net cash flow from our operating activities or a high gearing ratio position in the future again. A negative net cash flow position for operating activities could impair our ability to make necessary capital expenditures, constrain our operational flexibility as well as adversely affect our ability to expand our business and enhance our liquidity. For example, if we do not have sufficient net cash flow to fund our future liquidity, pay our trade and bills payables, and repay the outstanding debt obligations when they become due, we may need to significantly increase external borrowings or secure other external financing. If the increase in our total borrowings results in our gearing ratios being higher, our capability for external financing will be limited. If adequate funds are not available from external borrowings, whether on satisfactory terms or at all, we may be forced to delay or abandon our development and expansion plans, and our business, financial condition and results of operations may be materially and adversely affected.

Our business parks may no longer be in line with government policies and meet demands from our customers

Our market leadership position for business park development depends on our ability to proactively conduct industrial market research and gain foresight to understand potentials and demands for strategic emerging and innovative industries in the PRC. The PRC Government may, from time to time, adopt new industrial policies and economic measures to guide and further regulate the business park development sector in China. We cannot assure you there will not be any unfavorable change in national and local government policies which could adversely affect customers' demand for business parks and reduce the level of construction activities and capital investments relating to business park developments. In addition, any material downturn in national and local economies will result in a decrease in demand from our customers for our properties. We cannot assure you that local economies in our target cities will continue to grow rapidly or will not experience a downturn and there will not be any reduced demand from customers in relevant industries for theme-focused business parks in the future. Any of these factors could have a material and adverse impact or our business, financial condition and operating results.

Furthermore, there could be delay in our development of new types of business parks focusing on new industries or our entering new cities. We may receive lower than anticipated demands for our new business parks due to our failure to accurately foresee the trends of national and local industrial development or customers' demand or taste. Meanwhile, our competitors could develop and offer new business parks that are comparable or superior to our products or adapt more quickly and successfully to evolving governmental policies, industry trends and customer requirements. As a result, we may lose our market share and our business, financial condition, results of operations and prospect would be materially and adversely affected.

Our business is dependent on the operating performance and financial condition of our major customers

We have historically derived, and expect to continue to derive, over approximately 60% of our overall turnover from sales of properties to our customers. However, we cannot assure you that our customers will continue to purchase properties in our projects from us. If one or more major customers were to cease or reduce their property purchases from us as a result of economic conditions, their financial performance or otherwise, we may experience slowed growth or no growth at all, and our business, financial condition and results of operations would be adversely affected. In addition, in the event that any of our major customers experiences a deterioration in its operating performance and financial condition, they may require us to assume more credit risk in relation to their property purchases from us or our services for them, which could result in us limiting or even discontinuing our business with such customer. If our business dealings with major customers cease or their property purchases materially decline and we are unable to secure new orders from other customers to replace such a loss or reduction, our business, financial condition, results of operations and prospects will be adversely affected.

Our profitability and operating results may be affected by the effectiveness of our business model and our ability to replicate such business model for our expansion in China

Our business model is to develop large-scale business parks with distinctive industry themes which provide our customers with solutions to their needs for business spaces, operating environments, industry specific supporting facilities as well as business operation services. We have established a strong market position in Wuhan, Qingdao and Ezhou. Our success is dependent on our management, operational and capital resources, development and operational expertise, technical know-how, and our knowledge of relevant industries and the needs of our targeted customers. For further information on our business model, see the subsections entitled “Business – Our Business Model” and “Business – Our Competitive Strengths – Our vertically integrated business model, coupled with our strong capabilities and resources, has proved successful, which we have replicated in our business park developments in our target cities” in this prospectus. We have recently started to develop a business project in Huangshi. Moreover, we expect to commence the development of our business park projects in Shenyang and Hefei and plan to further expand to our other target cities, such as Beijing, Shanghai, Xi’an, Chongqing and Tianjin, which we believe may present us with significant growth potential through land acquisitions or acquisition of companies with suitable land reserves.

However, our experience in existing markets and our business model may not be readily transferable to new markets in our target cities. The commercial business park markets in our target cities may be different from each other in terms of the level of local economic development, industrial development, local governmental policies and support, the development phases of local industries, market demand for our business parks, types of business parks to be developed and their development cycles, property markets trends and regulatory practices. We will have limited ability to leverage our established brands and reputation in new markets in the way that we have done in our existing markets. Furthermore, the administrative, regulatory and tax environment in our target cities may be different from each other, and we may face additional expenses or difficulties in complying with new procedures and adapting to new environments in the new markets. Therefore, we may not be able to replicate our business model in our existing markets to these other cities. In addition, we may not have the same level of familiarity with local governments, contractors, business practices, regulations and customer preferences as other local and more experienced property developers in such cities, which may put us in a disadvantageous position. Any failure to leverage our experience or failure to understand the business park market of a city to which we want to expand in the PRC may have a material adverse effect on our business, financial condition and results of operations.

As we continue to expand, we will have to continue to improve our managerial, development and operational expertise and allocation of resources. To effectively manage our expanded operations, we will need to continue to recruit and train managerial, accounting, internal audit, engineering, technical, sales and other staff to satisfy our business park development requirements, including staff with local market knowledge. In order to fund our ongoing operations and our future growth, we need to have sufficient internal capital sources or access to additional financing from external sources. Further, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties. Accordingly, we will need to further strengthen our internal control and compliance functions to ensure that we are able to comply with our legal and contractual obligations and reduce our operational and compliance risks. We cannot assure you that we will not experience issues such as capital constraints, construction delays, operational difficulties at new operational locations or difficulties in expanding our existing business and operations and training an increasing number of personnel to manage and operate the expanded business, nor can we assure you that our expansion plan will not adversely affect our existing operations, financial condition and results of operations.

We may not be able to locate or acquire suitable sites for our future projects at a reasonable cost, or at all

During the Track Record Period, we derived our revenues mainly from sale of business parks and residential properties developed by us. Our ability to generate sustainable revenues depends on whether we can continue to identify and acquire suitable sites for our development projects.

Many cities in China have experienced increases in land costs in recent years and there is a limited supply of suitable land for development in such cities. Our large-scale business parks require sizeable land sites to achieve planned economies of scale, and such land sites may not be readily available. Furthermore, we may not be able to acquire suitable land at reasonable costs. We may also face strong competition from other property developers for the sites we plan to acquire and we cannot assure you that we will be able to acquire these sites at reasonable costs, or at all.

The PRC Government controls all new land supply in the PRC and regulates land sales in the secondary market. As a result, the policies of the PRC Government towards land supply may adversely affect our ability to acquire land use rights for sites we seek to develop and could increase our land acquisition costs. The PRC central and local governments may regulate the means by which property developers obtain land sites for development projects. This could prohibit supply of land available for business park and other property development projects or increase acquisition costs of suitable land sites. Therefore, we may not be able to obtain land sites that are suitable for business park and other development projects at reasonable costs or at all, which would have a material adverse impact on our business, financial condition, results of operations and prospects.

We require substantial capital resources to acquire land and develop our projects and are subject to market demand and policy changes

Business park and other property development is capital intensive. The availability of adequate financing is crucial to our ability to acquire land and to complete our projects. We finance our development activities primarily through a combination of capital contribution from investors, internally generated funding (including progress payments for customized developments and pre-sale proceeds) and external funding from financial institutions (including bank borrowings).

Our ability to arrange adequate financing for land acquisitions or business park and other developments on terms commercially acceptable to us depends on a number of factors, many of which are beyond our control. We utilize progress payments for customized developments, proceeds from pre-sales and funds generated from our operations as an important source of financing for our business park and other developments. Local governmental policies of our target cities may not have provided the rules allowing pre-sales of properties in respect of business park and other development projects, or may impose restrictions on our ability to receive or prohibit us from receiving payments from either customized development or pre-sales in relation to our business park and other development projects. Furthermore, we may not be able to receive sufficient progress payments or achieve adequate pre-sales to finance a particular development. There could also be a change in the local land policy which requires a substantial increase in the amount of upfront expenditures we must incur before we are able to obtain a pre-sale permit. Any restriction on our ability to receive payments from customers with respect to customized developments or to pre-sell or sell our business parks or other properties, or any restriction on our ability to utilize the pre-sale proceeds as a result of changes to relevant PRC laws and regulations or otherwise, would extend the time required to recover our capital outlay and could require us to seek alternative means to finance various stages of our developments.

In addition, our ability to generate cash also depends on the demand for and prices of our properties and our ability to continually develop and sell or lease our properties. Customers who pay the purchase price in installments under sales or pre-sale contracts may not make timely payments. Any unfavorable change in our ability to generate profits from our operations or our ability to collect installments from the purchasers could have a material adverse impact on our business, financial condition, results of operations and prospects.

Our indebtedness and the conditions and restrictive covenants imposed on us by our loan agreements could materially and adversely affect our business and results of operations

Our indebtedness could materially and adversely affect our business and results of operations. During the Track Record Period, we had a high level of indebtedness. We may continue to incur significant debt to fund our business park and other property developments and pursue our expansion plan. Our ability to meet regularly scheduled interest and principal payments on our indebtedness will depend on our future operating performance and cash flow generated from operations, which in turn will depend on prevailing economic and political conditions and other factors, many of which may be beyond our control. In addition, a high level of indebtedness will expose us to interest rate risks which could substantially affect our ability to generate cash or make a profit if the prevailing interest rate increases.

Furthermore, our loan agreements include various conditions and covenants restricting us from carrying out certain activities and entering into certain transactions unless we obtain lenders' consent, such as taking new financing from third party (including borrowings and issuance of commercial notes and bonds), pledging our equity interests or assets to any third party, providing any guarantees in favor of any third party, making dividend distribution and entering into any transactions involving consolidation, spin-off, share transfer and reorganization. See the subsection headed "Financial Information – Indebtedness, Contingent Liabilities and Net Current Assets – Indebtedness – Restrictive Covenants" in this prospectus for further details. In connection with our current bank loans and other borrowings, we have agreed to comply with these conditions and covenants. If we fail to comply with any of these restrictive covenants under the loan agreements, such breach may constitute an event of default and the lenders will be entitled to accelerate payment of all or any part of the indebtedness. In the event that we are unable to obtain sufficient alternative funding at reasonable terms, our business, prospect, financial condition and results of operations could be adversely affected.

Our inability to meet these conditions and covenants or obtain lenders' consent to carry out restricted activities could materially and adversely affect our business and results of operations. The restrictive covenants of any existing or new bank loan and other borrowings could limit our ability to pay dividends or other distributions to our Shareholders. We may also be significantly restricted in our ability to raise additional capital for our business park and other property developments through bank borrowings and bond or equity issues, or to engage in some transactions that we expect to be of benefit to our business. Any of these limitations or restrictions could have a material and adverse impact or our business, financial condition and operating results.

We experienced delay in the construction commencement of some of our projects for more than one year from the prescribed construction commencement date under the relevant land grant contracts

Under PRC law, if a developer fails to develop land in accordance with the terms of the relevant land transfer contract (including those relating to payment of fees, designated use of the land and time for commencement and completion of the development), the relevant governmental authorities may issue a warning to or impose a penalty on the developer or, in the worst case scenario, resume possession of the land. As advised by our PRC legal advisors, Jingtian & Gongcheng, as of the Latest Practicable Date, the construction commencement of five of our projects, namely the Optics Valley Financial Harbour (Phase I), the Romantic Town, the Wuhan Innocenter (Phase I), the Lido Mason (Phase I) and Lido 2046, had historically been delayed for more than one year from the prescribed construction commencement date under the relevant land grant contracts. Our PRC legal advisors further advised us that under current PRC laws, unless the delay is caused by force majeure, acts of government or their departments concerned, or early preparations necessary for commencement of development as provided in the Measures on Disposing of Idle Land (《閑置土地處置辦法》), if we fail to commence construction for more than one year from the commencement date prescribed in the land grant contract, the relevant PRC land administrative department may serve a warning notice on us and impose an idle land fee of up to 20% of the land grant premium; and if we fail to commence construction for more than two years from the relevant prescribed commencement date, the relevant PRC land administrative department may reclaim the land without compensation. As of the Latest Practicable Date, save for Lido 2046 that is currently under development, all the other four projects have been fully completed. We have also obtained a confirmation letter from Hubei Provincial Land Resources Department (湖北省國土資源廳) on December 27, 2013, confirming that none of these five project construction has breached the PRC laws and regulations, and because construction of these five projects has already commenced, there is no risk that the Group would be subject to any penalties imposed by the relevant authorities due to the idle land issue. Also, as of the Latest Practicable Date, we have not been subject to any penalty or idle land fee imposed by the relevant authorities for our failure to commence construction of the five projects on a timely basis in accordance with the relevant land grant contracts. Furthermore, our ultimate controlling shareholder, Mr. Huang Liping, has undertaken to indemnify us against all claims, actions, demands, proceedings, judgments, losses, liabilities, damages, costs, charges, fees, expenses and fines as a result of these delays.

We cannot assure you that we will be able to fully comply with the obligations under the land grant contracts in the future including construction commencement according to the prescribed timeline under the relevant land grant contracts due to factors beyond our control or otherwise, or that we will not be subject to idle land penalties. Furthermore, if any of our land is taken back by the relevant authorities, we will not only lose the opportunity to develop the property, but also lose our prior investments, including land premiums paid and costs incurred. In addition, in the event that the PRC Government exercises its administrative authority to revoke any land use rights granted to us, we may not be compensated for the full market value of the land, or at all, and, as a result, our financial condition and operating performance may be materially and adversely affected.

We are subject to contractual obligations with respect to the minimum tax guarantee and certain other requirements pursuant to the relevant agreements in relation to the Hefei Financial Harbour

Under the project investment agreement we entered into with the local government in Hefei on January 10, 2013, the state-owned land use rights grant contract we entered into with Hefei Municipal Land Resources Bureau (合肥市國土資源局) on September 2, 2013, and the memorandum of understanding we further entered into with the same local government on November 4, 2013 in relation to the Hefei Financial Harbour, we have agreed to use our best efforts to attract companies to establish their businesses in the business park, and in the event that the aggregate tax payables from the companies resident in the business park accumulated from the construction commencement date of the project until the end of the eighth year thereafter are less than RMB250.0 million, we should pay any shortfall and, upon failure to pay such shortfall within a prescribed time limit, pay penalty at a rate of 0.1% of the shortfall per day. See the subsection headed "Business – Property Development – Business Park Development Process – Land Acquisition" in this prospectus for further discussion. In the event that such tax target is not reached by the ninth year after the construction commencement date of the project due to our failure to attract a sufficient number of companies or otherwise, and we are called upon to pay the shortfall and/or penalty as required under the relevant agreements, our business, prospect, financial condition and results of operations could be adversely affected.

In addition, we have agreed to secure a minimum number of companies or their branch offices to establish their businesses in the Hefei Financial Harbour (the "Customer Mix Requirement") following the completion of the project. In the event that we fail to meet the Customer Mix Requirement, we will be required to pay a penalty at the rate of RMB1.5 million per mu (畝) and as the site area of the Hefei project is approximately 171.65 mu, the total penalty that may be imposed on us pursuant to the terms of relevant agreements will be approximately RMB275.5 million. We have also agreed to develop the business park in full compliance with the first-grade green building (綠色建築) requirement (the "Green Building Requirement"). In the event that we fail to meet the Green Building Requirement, we will also be required to pay a penalty at the rate of RMB1.5 million per mu (畝) and the total penalty that may be imposed on us pursuant to the terms of relevant agreements will be approximately RMB275.5 million. Under either of the above circumstances, our business, prospect, financial condition and results of operations could also be adversely affected.

We may not be able to sell, lease or pledge as loan security the properties in respect of which we are in the process of obtaining relevant building ownership certificates

Most of our large-scale business park projects are in different development stages. It generally takes some time for property developers to obtain certificates and permits from and complete requisite procedures with relevant governmental authorities in respect of the properties in each development stage. With respect to certain properties in the final stage of development process, we have obtained the land use rights certificates and other permits required for planning and construction and have completed the sub-divisional acceptance and delivery procedure. From time to time, we acquire certain properties from third parties for various business reasons and pay all the considerations before obtaining the relevant building ownership certificates. In the event that we cannot obtain the building ownership certificates due to any reason attributable to the sellers, we will be unable to sell or pledge the properties. When we are in the process of obtaining relevant building ownership certificates, if we cannot sell or pledge the properties as loan security as we have planned due to any reason, our business, prospect, financial condition and results of operations could be adversely affected.

More stringent PRC requirements affecting funding for property developers may cause us to be unable to obtain capital resources for our development on commercially reasonable terms, or at all

The PRC Government has in recent years introduced numerous policy initiatives in the financial sector to further tighten the requirements for lending to or otherwise restricting the availability of funding for property developers which, among other things:

- prohibit PRC commercial banks from granting loans to property developers for the purpose of paying land premiums;
- prohibit property developers from pre-selling uncompleted units in a project prior to achieving certain development milestones;
- prohibit PRC banks from extending loans to real estate companies to fund the purchase of land use rights;
- prohibit PRC banks from lending to any property developer for a particular project unless such property developer fund at least 20% of the total investment amount of that project from its own capital;
- prohibit PRC banks from lending to any property developer for a particular project if such property developer does not obtain land use rights certificate, construction land planning permit, construction works planning permit and construction works commencement permit for that project; and
- prohibit property developers from using borrowings obtained from local banks to fund property developments outside that region.

Under relevant PRC policies, financial institutions are required to further review the extension of loans and approval of financing for enterprises, the real estate projects of which have exceeded one full year from the construction commencement dates as specified in the land use right grant contracts, and which have completed development of less than 1/3 of the total land area to be developed or which have invested less than 1/4 of any given building's total investment directly in the construction of the building, and should also strictly control loan extensions and rolling credit. Such measures and any other similar measures in the future may limit our ability to develop a wide variety of products in our future developments.

We cannot assure you that we will be able to obtain sufficient funding to finance intended purchase of land use rights, develop future projects or meet other capital needs as and when required at a commercially reasonable cost or at all. Failure to obtain adequate funding at a commercially reasonable cost may limit our ability to commence new projects or to continue the development of existing projects. Such failure may also increase our finance costs.

We may not be able to obtain land use rights certificates for certain existing properties or properties we may need to acquire in the future

As of the Latest Practicable Date, we are in the process of applying or preparing applications for the land use rights certificates for some of our projects. We cannot assure you that MLR or its local branches will grant us in a timely manner, or at all, appropriate land use rights and issue the relevant land use rights certificates for such projects and other land we need to acquire in the future. In the event that any such issue arises, we may not be able to complete and sell the relevant property developments in accordance with pre-determined schedules, which could have a material adverse impact on our business, financial condition and results of operations.

We have entered into project framework, cooperation or investment agreements with local governments in Qingdao, Huangshi, Ezhou, Hefei and Shenyang to facilitate potential acquisition of land use rights to certain parcels of land located in these cities. These agreements are not land use rights grant contracts, land development agreements or project company acquisition agreements pursuant to which land use rights can be secured with reasonable certainty. We cannot assure you that relevant governmental authorities will grant us the land use rights or issue the relevant land use rights certificates in respect of these parcels of land, or that these agreements will eventually result in our acquisition of relevant land use rights or our entry into any land use rights grant contract with the relevant governmental authorities. If we fail to obtain or experience any material delay in obtaining the land use rights with respect to these parcels of land, our business, financial condition and results of operations may be materially and adversely affected.

We may face uncertainties when obtaining land sites through the acquisition of equity interests in project companies

In addition to increasing our land reserve through public tender, auction and listing-for-sale, we have obtained land sites for four of our projects through acquisition of equity interests in project companies that held land use rights. We may continue to obtain land sites through such acquisitions in the future. We cannot assure you that we will be able to discover all existing significant liabilities or potential liabilities of target companies, which are considered as probable or possible. In addition, after we have acquired the target companies, the relevant PRC governmental authorities may change permitted use of the land sites to which the target companies own the land use rights, thus rendering the land sites unsuitable for our business park or other property development. If any of the undiscovered existing or potential liabilities of the acquired companies are found to be material, or if we are unable to develop business parks or other properties on the land sites to which the acquired companies have the land use rights, our business, financial condition and results of operations may be materially and adversely affected.

We could be subject to risks relating to Wuhan Minghong and the Yishuiyuan Project operated by Wuhan Minghong's prior shareholders

We face risks relating to our subsidiary, Wuhan Minghong, and its Yishuiyun Project as described below:

1. Acquisition of Wuhan Minghong and Separation of the Relevant Two Projects

We entered into equity transfer agreements with two prior individual shareholders of Wuhan Minghong during the period from 2007 to 2008 and acquired the entire equity interests in the company. We further entered into supplemental agreements (collectively, together with the 2007 and 2008 equity transfer agreements, the "Equity Transfer Agreements") with the prior shareholders in 2009 and 2013 to define and clarify the respective rights and obligations with respect to Wuhan Minghong and the management of its development projects. Wuhan Minghong operated two projects at the time of the acquisition: the Yishuiyuan Project (依水園項目), the development of which had been mostly completed before the acquisition, and the Canglongdao Project (藏龍島項目). The purpose of our acquisition of Wuhan Minghong was to acquire the land use rights of the Canglongdao Project for the development of Wuhan Innocenter. Pursuant to the relevant PRC laws and regulations, we may acquire the land use rights of the Canglongdao Project through a direct transfer of land use rights or an equity transfer of Wuhan Minghong. Land use rights of a project may be directly transferred only when at least 25% of the development is completed and relevant governmental authorities approved such transfer. At the time of the acquisition, the Canglongdao Project was in its initial stage of development and did not meet the requirement for completion of at least 25% of the development. Therefore, we acquired the land use rights of the Canglongdao Project through the equity transfer of Wuhan Minghong.

Pursuant to terms of the Equity Transfer Agreements, all the parties agreed that (i) save for the Canglongdao Project, the prior shareholders would continue to wholly control and manage (including financial accounting, custody of relevant approvals and documents, and payment of taxes and other fees) all the businesses and projects of Wuhan Minghong (the "Prior Businesses") which they had controlled and managed prior to October 31, 2008, and (ii) Wuhan Minghong holds the Prior Businesses on behalf of the prior shareholders who agreed to personally assume and settle all the liabilities, penalties and proceedings related to the Prior Businesses and none of the assets in relation to the Canglongdao Project shall be used to settle any of such liabilities, penalties or proceedings. Jingtian & Gongcheng, our PRC legal advisors, have advised us that the Equity Transfer Agreements are legally valid and binding under PRC laws. Two project management departments were established in Wuhan Minghong to manage the Canglongdao Project and the Yishuiyuan Project separately and annual tax filings of the two projects were made to the local tax bureau separately by us and the prior shareholders.

In an effort to further clarify and settle any potential liabilities solely related to the Yishuiyuan Project, in July 2013, Wuhan Minghong issued a public announcement regarding creditors' rights declaration (債權申報公告), pursuant to which any potential creditors related to the Yishuiyuan Project are advised to declare their claims to the prior shareholders. No third party declared any creditor's right or made any other claims against the prior shareholders during the announcement period. In addition, our Controlling Shareholders have undertaken to indemnify us all the damages and losses which we may be liable for relating to the Yishuiyuan Project and other Prior Businesses.

2. *Accounting Treatments and Financial Information of the Yishuyuan Project*

Based on the relevant agreements relating to our acquisition of Wuhan Minghong and the separate management of the Yishuiyuan Project and the Canglongdao Project by the prior shareholders and our Group, respectively, we have excluded the Yishuiyuan Project from the consolidated financial information of our Group since the acquisition. Therefore, our consolidated financial information for the Track Record Period as contained in the Accountants' Report in Appendix I to this prospectus excludes the financial information of the Yishuiyuan Project in accordance with the IFRS. See the subsection headed "Financial Information – Basis of Preparation and Presentation of Our Financial Statements – Wuhan Minghong" in this prospectus for further discussion.

According to the annual filings regarding the Yishuiyuan Project by the prior shareholders to the local tax authority, the total assets attributable to the Yishuiyuan Project were RMB4.0 million, RMB3.6 million and RMB3.5 million as of December 31, 2010, 2011 and 2012, and the revenue generated from the Yishuiyuan Project remained as nil during the Track Record Period as the development and sale of properties in the project had been mostly completed before such period. In addition, according to the notifications by the local tax bureau, the prior shareholders settled LATs in relation to the development and sale of properties in the Yishuiyuan Project.

3. *Potential Risks Relating to the Yishuyuan Project*

Notwithstanding the agreements between us and the prior shareholders of Wuhan Minghong, no declaration or claim by any third party during the publication period of the announcement relating to the Yishuiyuan Project, and the indemnification from our Controlling Shareholders, we could be subject to legal actions and administrative proceedings arising from the development of the Yishuiyuan Project because of our legal ownership in Wuhan Minghong. If there have been any commercial disputes with lenders, suppliers and property owners relating to the Yishuiyuan Project, these third parties may institute legal actions against our Group. In addition, regardless of outcomes of the disputes, defending ourselves in these legal actions could incur significant expenses and require our management's attention. If we are not successful in defending ourselves in such legal actions, we may be liable for a significant amount of damages.

Although our Controlling Shareholders have undertaken to indemnify us against all the damages and losses which we may be liable for in relation to the Yishuiyuan Project, any negative publicity from legal actions or administrative proceedings could also adversely affect our reputation. Furthermore, if there has been any non-compliance with national and local laws, rules and regulations during the development of the Yishuiyuan Project, relevant governmental authorities may impose sanctions, penalties or fines, initiate administrative proceedings, or issue unfavorable governmental decrees, against our Group.

We may face uncertainties when acquiring equity interests in target companies

We acquired equity interests in target companies from third parties in the past. We acquired a 45% equity interest in Wuhan United Real Estate from a third party in September 1998 and subsequently discovered that the transferor had been struck off and dissolved in February 1996. We have obtained a court order to restore the transferor and validate our title to such 45% equity interest in Wuhan United Real Estate. In addition, we acquired a 10% equity interest in Wuhan United Real Estate, a 100% equity interest in Optics Valley Software Park and a 50% equity interest in Wuhan Mason from certain state-owned enterprises, respectively. However, the transfers were not in compliance with the applicable rules governing the transfer of state-owned entities, and the relevant SASAC authority has the right to require the transferors to rectify the non-compliance or may seek a court order to nullify the transfers. See the subsection headed "Our History, Reorganization and Group Structure – Our Subsidiaries" in this prospectus for further discussion. We may continue to acquire equity interests in target companies in the future. We cannot assure you that we will be able to discover all existing or potential liabilities of target companies or issues relating to share transfers that could adversely affect our equity interests in the acquired companies. If any of the undiscovered existing or potential liabilities of the acquired companies or issues relating to share transfers are found to be significant or even nullify the share transfers and invalidate our equity interests in the acquired companies, our business, financial condition and results of operations may be materially and adversely affected.

Our results of operations may be materially and adversely affected if we fail to obtain, or there are material delays in obtaining, requisite governmental approvals for our business park and other property developments

The property industry in the PRC is heavily regulated by the PRC Government. Property developers in China must comply with various requirements mandated by national and local laws and regulations, including policies and procedures established by local authorities designed for implementation of such laws and regulations. In order to develop and complete a property development, a property developer must obtain various permits, licenses, certificates and other approvals from relevant administrative authorities including a land use rights certificate, a construction land planning permit, a construction works planning permit, a construction works commencement permit and a pre-sale permit or confirmation of completion and acceptance. Each approval may depend on the satisfaction of certain conditions. See the subsection headed "Regulations – Laws and Regulations Relating to Real Estate Development – Development of a Real Estate Project" in this prospectus for further discussion.

We cannot assure you that we will not encounter material delays or other impediments in fulfilling conditions precedent to such approvals, 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 property industry in general or the business park and other property development sectors in particular, or that we will be able to meet requirements of particular processes with respect to regulatory approvals. There may also be delays on the part of relevant regulatory bodies in reviewing our applications and granting approvals. If we fail to obtain, or encounter material delays in obtaining, requisite governmental approvals, the schedule of completion and sale of our developments could be substantially disrupted and any such disruption would materially and adversely affect our business, results of operations and financial condition. Furthermore, the relevant governmental authorities may not approve our project development plans and we may need to amend such plans in order to obtain necessary permits. Amendment to our development plans may cause delays to our development schedules and have a material and adverse effect on our business and results of operations.

Our business and prospects could be adversely affected by competition

We are subject to competition with respect to our businesses. Competition among business park and other property developers and operators may result in increased costs for acquisition of land for development, higher costs for raw materials, shortages of skilled contractors, oversupply of property developments, decrease in property prices in our target cities in China, a slowdown in the rate at which new property developments will be approved and/or reviewed by relevant governmental authorities and an increase in administrative costs for hiring or retaining qualified personnel, any of which may adversely affect our business, results of operations and financial condition.

Certain of our competitors, particularly state-owned property developers and operators, are well capitalized and have greater financial, marketing and other resources than we have. Some competitors also have larger land banks, greater economies of scale, broader name recognition, longer track records and more established relationships with local governments, contractors, suppliers and customers in certain markets. Such property developers and operators may be able to respond to changes in market conditions more promptly and effectively than we can, or may be more competitive in acquiring land through auction or other processes. If we are unable to maintain a competitive position with respect to acquisition of land, adapt to changing market conditions or otherwise compete successfully with our competitors, our prospects, business, financial condition and results of operations may be materially and adversely affected.

In addition, we face intense competition as to our business operation services and our services for developing, managing and operating business parks owned by third parties. Competition in such businesses is based on quality of services, brand name recognition, geographic coverage, fee rates and scope of services. As compared to the development of one's own business parks, providing such services does not require significant capital commitments. This low entry barrier allows new competitors to enter the market with relative ease. New and existing competitors may offer competitive rates, greater convenience or superior services, which could attract customers away from us, resulting in lower market shares and revenues. Competition among companies providing such services may cause a decrease in fees we receive and higher costs to attract or retain talented employees. Furthermore, some of our competitors may be smaller in size but may be more established and have greater market presence and brand name recognition at a local or regional level, while certain competitors are large national and international firms that could have more financial or other resources as compared to us. If we fail to compete effectively, our business to provide business operation services and development management services may suffer and our results of operations may be materially and adversely affected.

We may not be able to meet project development schedules and complete our projects on time, or at all

Development of large-scale business parks and other property projects involves a complex process that lasts for a long period of time and contains many inherent risks that could prevent the development from being completed as originally planned. Construction of a particular project may take several years before it can generate positive cash flows through pre-sales, sales and leasing, and timing and costs involved in completing a particular project could be materially and adversely affected by many factors, including, among others:

- delays in obtaining necessary licenses, permits or approvals from government agencies or authorities including, but not limited to, delays in assisting our customers to obtain necessary individual property ownership certificates;
- relocation of existing site occupants and demolishment of existing structures;
- shortages of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents;
- natural catastrophes and adverse weather conditions; and
- changes in market conditions.

Delays in, or any failure to complete, any construction of a particular project according to its designed specifications, or planned schedule or budget may damage our reputation and lead to a loss of revenues, potential penalties arising from late delivery of our properties, as well as result in an increase in construction costs. If we do not complete our projects on time, or at all, our business, financial condition and results of operations may be materially and adversely affected.

We may be required to bear demolishment and resettlement costs associated with some of our developments and such costs may increase

We may be required to compensate owners and residents of demolished buildings for their relocation and resettlement in accordance with relevant PRC urban housing demolition and relocation regulations. The compensation we will have to pay is calculated in accordance with formulae published by relevant local authorities. These formulae take into account locations, types of buildings subject to demolition, local income levels and many other factors. We cannot assure you, however, that these local authorities will change or adjust their formulae with sufficient advance notice. Under such circumstances, land costs may be subject to substantial increases, which could adversely affect our cash flow, results of operations and financial position. In addition, if we fail to reach an agreement over the amount of compensation with any existing owner or resident, either we or such owner or resident likely apply to relevant authorities for a ruling on the amount of compensation. Dissenting owners and residents may also refuse to relocate. Such administrative process or any resistance or refusal from owners or residents to relocate may delay the timetable of our development projects or, in some cases, even prevent their completion. Further, any unfavorable final ruling may require us to pay more than the requisite amount under normal situation. Any of these events could have a material adverse effect on our business, results of operations and financial position.

Our failure to meet all requirements for issuance of property ownership certificates may render us liable to compensate our customers

Once a property project has passed requisite completion inspections, we are required to deliver such completed developments to our purchasers within a timeframe provided in formal purchase agreements. If any delay occurs, we may be liable to our purchasers for monetary penalties, which would have an adverse impact on our reputation and business operations.

Under relevant PRC regulations, after receipt of certificate of completion for relevant buildings in property developments, we are required to submit requisite governmental approvals, including land use rights documents and planning and construction permits, to the local bureau of housing administration and to apply for general property ownership certificates. We are then required, within stipulated periods after delivery of the properties, to submit relevant property sale and purchase agreements, identification documents of purchasers, proof of payment of deed tax, and general property ownership certificate, for the bureau to review and issue a property ownership certificate to the purchaser. Any delay by various administrative authorities in reviewing relevant applications and granting approval may affect timely delivery of a property ownership certificate. We may become liable to purchasers for monetary penalties for any late delivery. While we have not experienced any delays with respect to delivery of completed property developments or issuance of property ownership certificate to date, we cannot assure you that such delays will not occur in the future. In the event of serious delays with respect to any of our major property projects, our business and reputation would be adversely affected.

We provide guarantees for mortgages taken out by our customers and if a significant number of these guarantees are called upon, our business, financial condition and results of operations could be materially and adversely affected

We generally pre-sell our properties before construction is completed to the extent we are permitted to do so under the relevant laws and local government policies of our target cities. In accordance with the property industry practice in China, we are required to provide guarantees for mortgages provided by banks to our customers until completion of construction and property ownership certificates and certificates of other interests in the property are submitted to these banks. During the effective periods of such guarantees, if a customer defaults on a mortgage and a mortgagee bank enforces the guarantee against us, we will have to repay the full mortgaged amount owed by the customer to the mortgagee bank. If we fail to do so, the mortgagee bank may auction the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage. In line with the industry practice, we do not conduct any independent credit checks but only rely on the results of customer credit check conducted by the mortgagee banks.

We cannot assure you that defaults will not occur in the future or that we will not suffer any loss as a result of such defaults. In addition, if a significant number of customers default on their mortgages and our guarantees are called upon, our business, financial condition and results of operations could be materially and adversely affected to the extent that there is a material depreciation in value of the properties from the price paid by the customer or that we are unable to sell such properties at a price not less than the mortgaged amount due to unfavorable market conditions or other reasons.

Our business, financial condition and results of operations may be materially and adversely affected if interest rates increase in the future

Changes in interest rates have affected, and will continue to affect, our financing costs and, ultimately, our results of operations. For the years ended December 31, 2010, 2011 and 2012 and the nine months ended September 30, 2013, the interest expenses of our bank borrowings incurred were RMB43.9 million, RMB67.3 million, RMB131.1 million and RMB114.4 million, respectively. Increases in interest rates may also affect our customers' ability to secure mortgages on acceptable terms, which in turn may affect their ability to purchase our properties. We cannot assure you that PBOC will not raise lending rates further or otherwise discourage bank borrowings or that our business, results of operations and financial position will not be materially adversely affected as a result.

We may be subject to higher LAT rates in the future

In accordance with the provisions of the PRC Provisional Regulations on Land Appreciation Tax of 1994 and its implementation rules (the "LAT Regulation"), all persons including companies and individuals that receive income from the sale or transfer of state-owned land use rights, buildings and their attached facilities must pay LAT at 30% to 60% on any appreciation gain in respect of the land and improvements on such land, with certain exemptions available for the sale of ordinary residential properties if the appreciation amounts do not exceed 20% of the deductible expense items as defined in the LAT Regulation. Sales of commercial properties and luxury residential properties are not eligible for such exemption. A more detailed description of the LAT Regulation is set forth in the subsection headed "Summary of Principal Legal and Regulatory Provisions – Part 3 Laws and Regulations Relating to Foreign Exchange and Tax – B. Major Taxes Applicable to the Operations of the Group – Land Appreciation Tax" in Appendix V to this prospectus.

We have prepaid LAT with reference to our pre-sale proceeds. We made LAT prepayments of nil, RMB13.1 million, RMB3.2 million and RMB4.9 million for the years ended December 31, 2010, 2011 and 2012 and the nine months ended September 30, 2013, respectively. In addition, we made LAT provisions based on our turnover from sales of properties in our projects. We made LAT provision of RMB75.9 million, RMB65.2 million, RMB64.7 million and RMB74.5 million for the years ended December 31, 2010, 2011 and 2012 and the nine months ended September 30, 2013, respectively. As of the Latest Practicable Date, we had not received any official exemption or confirmation with respect to our LAT liabilities for any period despite our LAT prepayments and provisions during the Track Record Period. The PRC authorities may use different methods to assess our LAT obligations in the future. We cannot assure you that we will not be subject to higher LAT rates in the future, which may have an adverse effect on our financial condition and results of operations.

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

The appraisal value of our properties as contained in the Property Valuation Report is based on multiple assumptions containing elements of subjectivity and uncertainty. Therefore, the appraised values 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 the property projects as well as national and local economic conditions may affect the value of our properties. These assumptions include (i) that we will complete development projects on time; (ii) that we have obtained or will obtain on a timely basis all approvals from regulators necessary for the development of the projects; and (iii) that we have paid all the land premiums and obtained all land-use rights certificates and transferable land-use rights without any payment obligation of additional land premiums. As for properties which we do not wholly own, their appraisal values are allocated to us according to our pro rata ownership in the project companies.

We depend heavily on the continuing services of our senior management team and other key personnel

Our success depends on the continued services provided by our executive Directors and members of our senior management. Competition for talented employees is intense in the PRC property industry. We are particularly dependent on our Chairman, Mr. Huang Liping, as well as other senior management members for their management expertise and business visions to lead our Company and their industry knowledge and relationships with national and local governments, our substantial shareholder and major customers, which are crucial to our business and operations. If we lose the services of any core management team member and fail to find a suitable substitute in a timely manner, our business will be adversely impacted.

We may be subject to liability to environmental violations

We are subject to a variety of laws and regulations concerning protection of health and the environment. The particular environmental laws and regulations that apply to any given development site vary greatly according to location, environmental condition, present and former uses, as well as adjoining properties. Compliance with environmental laws and conditions may result in delays, cause us to incur substantial compliance and other costs, and severely restrict project development activities in environmentally sensitive regions or areas.

As required by PRC laws and regulations, we have engaged independent environmental consultants to conduct environmental impact assessments for our development projects and the environmental investigations conducted up to date have not revealed environmental violations that would have any material adverse impact on our business, financial condition and results of operations. It is possible that these investigations did not reveal all potential environmental violations or their full magnitude, and that there could exist material environmental liabilities of which we are unaware. We cannot assure you that our procedures will be effective in fully preventing non-compliance in the environmental area. If any part of our development projects is found to be non-compliant with applicable environmental laws or regulations, we may be forced to suspend operations as well as subject to fines and other penalties, which may materially and adversely affect our business, financial condition and results of operations.

Our Controlling Shareholders have substantial control over our company and their interests may not be aligned with the interests of our other public minority Shareholders

Immediately following the Global Offering, our Controlling Shareholders will remain to exert substantial control over our issued share capital. As a result, subject to our Memorandum and Articles of Association and the Cayman Islands Companies Law, our Controlling Shareholders, by virtue of their controlling ownership of our share capital and their positions on our Board of Directors, will be able to exercise significant control or influence over our business or otherwise on matters of significance to us. Certain matters for which our Controlling Shareholders could have significant control or influence in determining the outcome include, among others:

- election of Directors;
- selection of senior management;
- amount and timing of dividend payments and other distributions;
- acquisition of, or merger with, other entities;
- overall strategic development and investment decisions;
- issuance of securities and adjustment to our capital structure; and
- amendments to our Memorandum and Articles of Association.

The interests of our Controlling Shareholders may differ from the interests of our other public minority Shareholders and our Controlling Shareholders are free to exercise their votes according to their interests. In the event that there is a divergence of our strategic and other interests from those of our Controlling Shareholders in the future, the Controlling Shareholders may exercise control over us in ways that conflict with the interests of our other Shareholders, and the interest of minority shareholders could be disadvantaged.

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

We may be involved from time to time in disputes with various parties related to the development, sales, operation and leasing of our business parks and other properties, including employees, contractors, suppliers, construction companies, customers and tenants. These disputes may lead to protests or legal or other proceedings and may result in damage to our reputation, substantial costs to our operations, and diversion of our management's attention. In addition, we may have disagreements with regulatory bodies in the ordinary course of our business, which may subject us to administrative proceedings and unfavorable orders or injunctions that will result in liabilities and cause delays to our business park and other property developments. We cannot assure you that we will not be so involved in any major legal or other proceedings in the future.

Disputes with our joint venture or project development partners may materially and adversely affect our business

We carry out some of our business through joint ventures or in collaboration with other third party business parties. Such joint venture arrangements or collaboration involve a number of risks, including:

- disputes with our partners in connection with performance of their obligations under relevant joint venture agreements or cooperative property development agreements;
- disputes as to scope of each party's responsibilities under these arrangements;
- financial difficulties encountered by our partners affecting their ability to perform their obligations under relevant joint venture agreements or cooperative property development agreements; or
- conflicts between policies or objectives adopted by our partners and those adopted by us.

Any of these and other factors may materially and adversely affect our business.

Our limited insurance may not cover claims arising from construction-related personal injuries or other damages and losses to our business

We generally do not carry insurance against all potential losses or damages with respect to our projects other than the group accident insurance against personal injury for construction employees of Wuhan Jitian Construction. We do not maintain insurance coverage in respect of other group companies against liability arising from personal injuries or tortious acts related to construction of our projects. During the Track Record Period, Wuhan Lido Property Management compensated an employee in the amount of RMB160,000 and Wuhan Lido Technology compensated an employee in the amount of RMB350,000 as a result of construction-related injuries.

Due to the nature of construction work, risks of accidents or personal injuries to workers are inherent and cannot be completely eliminated. Claims from injured employees or third parties may fall outside the scope and limit of our current insurance coverage for construction employees of Wuhan Jitian Construction. In addition, outcome of any claim is subject to relevant parties' negotiation, court decisions or adjudications of relevant authorities. If we are sued or held liable for damages and losses arising from construction-related personal injuries or other tortious acts, we cannot assure you that our insurance coverage would be sufficient to cover such losses, damages and liabilities.

Moreover, our business may be adversely affected due to occurrence of natural disasters and other unanticipated catastrophic events, with respect to which we do not carry any insurance. Furthermore, there are certain losses for which no insurance is available on commercially practicable terms, such as losses suffered due to earthquake, nuclear contamination, typhoon, flooding, war and civil disorder. If we suffer from any losses, damages or liabilities in connection with our property developments, we may not have sufficient financial resources to cover fully such losses, damages or liabilities or to replace any development that has been destroyed, and may lose all or a portion of our investment in the affected properties and anticipated future income from such properties. Any such material uninsured loss could have a material adverse effect on our business, financial condition and results of operations.

We may be affected by the performance of external contractors and costs of construction materials

We engage third-party contractors to carry out various services relating to our development projects, including design, building foundation, construction, equipment installation, electromechanical and pipeline engineering, elevator installation, landscaping and interior decoration. We generally select third-party contractors through a tender process taking into consideration of track record, past performance, reputation for reliability, quality, safety, references, proposed delivery schedule and cost estimate. Any such third-party contractor may fail to provide satisfactory services at the level of quality or within the timeline required by us. In addition, completion of our business park and other property developments may be delayed, and we may incur additional costs, due to a contractor's financial or other difficulties. If the performance of any third-party contractor is not satisfactory, we may need to replace such contractor or take other remedial actions, which could adversely affect the cost structure and development schedule of our projects and could have a negative impact on our reputation, credibility, financial position and business operations. In addition, as we plan to expand our business into other cities, such as Beijing, Shanghai, Xi'an, Chongqing and Tianjin, there may be a shortage of third-party contractors that meet our quality standards and other selection criteria in such locations and, as a result, we may not be able to engage a sufficient number of high-quality third-party contractors.

In addition, we procure construction materials through our external contractors or by ourselves. If the costs of construction materials increase beyond the agreed pre-determined price, the external contractors may request to transfer such increase to us or to increase the contractor fees. Furthermore, we typically pre-sell our properties prior to their completion to the extent that we are legally permitted to do so and we will be unable to pass the increased costs on to our customers if construction costs increase subsequent to the time of such pre-sale. If there is a material increase in the costs of construction materials and building equipment, and we cannot pass such increase to either our construction contractors or to the customers of our property developments, our results of operations may be negatively affected.

The illiquidity of property investments and the lack of alternative uses for investment properties could limit our ability to respond to materially adverse changes in the performance of our investment properties

As of December 31, 2013, we had investment properties with an aggregate GFA of approximately 50,733 sq.m. Investment properties are illiquid and, as a result, our ability to sell our investment properties in response to changing economic, financial and investment conditions is limited. We cannot predict whether we will be able to sell any of our investment properties for the price or on the terms set by us, or whether any price or other terms offered by prospective purchasers would be acceptable to us. We also cannot predict length of time needed to find customers and complete such sale. In addition, we may be required to expend funds to maintain properties, repair defects or make improvements before a property can be sold. We cannot assure you that we would have sufficient funds available to do so.

Furthermore, investment properties may not be readily convertible to alternative uses if they become unprofitable due to competition, age, decreased demand, increased supply of properties from competitors or other factors. The conversion of investment properties to alternative uses would generally require substantial capital expenditures and we cannot assure you that we will have such funds available. These reasons and any other factor that would impede our ability to respond to material adverse changes in performance of our investment properties may have a material adverse impact on our business, financial condition and results of operations.

Deterioration in our brand names and corporate image could adversely affect our business

We rely to a significant extent on our brand names and our corporate images to attract potential customers to our business parks and other property developments. Any negative incident or publicity concerning us or our property developments or any of our long-term corporate and individual residents in our property developments could adversely affect our reputation and business prospects. Brand value is based largely on consumer perceptions with subjective elements and can be damaged even by isolated business incidents. Consumer demand for our products and our brand value could diminish significantly if we fail to preserve quality of our products, or fail to deliver a consistently positive consumer experience in our property developments, or if we are perceived to act in an unethical or socially irresponsible manner. Any negative publicity could have a material adverse effect on our business, results of operations and financial position.

RISKS RELATING TO THE PROPERTY INDUSTRY IN CHINA

Our operations are subject to extensive governmental regulations, and in particular, we are susceptible to changes in policies related to the property industry in China

Our business is subject to extensive governmental regulations. As with other PRC property developers, we must comply with various requirements under PRC laws and regulations, including policies and procedures established by local authorities designed for implementation of such laws and regulations. In particular, the PRC Government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control of foreign exchange, taxation, availability of financing and foreign investment. These measures include raising benchmark interest rates of commercial banks, placing additional limitations on the ability of commercial banks to make loans to property developers, imposing additional taxes and levies on property sales and restricting foreign investment in the PRC property sector. Many of the property industry policies carried out by the PRC Government are unprecedented and are expected to be refined and improved over time. Other political, economic and social factors may also lead to further adjustments of such policies. This refining and adjustment process may not necessarily have a positive effect on our operations and future business development.

In addition, the PRC Government has recently implemented new measures to curtail the overheating of the real estate sector. We cannot assure you that the PRC Government will not adopt additional and more stringent industry policies and regulations in the future. If we fail to adapt our operations to new policies and regulations that may come into effect from time to time with respect to the real property industry, or such policy changes disrupt our business prospects or cause us to incur additional costs, our business, results of operations and financial position may be materially adversely affected.

Changes of PRC laws and regulations with respect to pre-sales may adversely affect our cash flow position and business performance

We depend on cash flows from pre-sales of properties as an important source of funding for our property developments. Under current PRC laws and regulations, property developers must fulfill certain conditions before they can commence pre-sale of the relevant properties and may only use pre-sale proceeds to finance their developments. In August 2005, PBOC issued a report entitled "2004 Real Estate Financing Report," in which it recommended the discontinuation of the practice of pre-selling uncompleted properties as it creates significant market risks and generates transactional irregularities. This and other PBOC recommendations have not been adopted by the PRC Government. However, we cannot assure you that the PRC Government will not adopt such recommendations and abolish the practice of pre-selling uncompleted properties or implement further restrictions on property pre-sale, such as imposing additional conditions for obtaining pre-sale permits or imposing further restrictions on the use of pre-sale proceeds. In addition, local governments in different cities may not have relevant policies and measures in place with respect to pre-sales of the properties in business park and other development projects, particularly when the underlying land is granted for industrial uses. Any measures restricting the pre-sales of our property developments may materially adversely affect our cash flow position and force us to seek alternative sources of funding to finance our project developments.

Furthermore, we make certain undertakings in our sale and purchase agreements including obtaining the requisite completion acceptance inspection certificates for the properties and delivering completed properties and property ownership certificates to customers within the period stipulated in the sale and purchase agreements. These sale and purchase agreements and PRC laws and regulations provide for remedies for breach of such undertakings. For example, if we pre-sell a property project and we fail to complete that property project, we will be liable to purchasers for their losses. Should we fail to complete a pre-sold property project on time, our purchasers may seek compensation for late delivery pursuant to either their contracts with us or relevant PRC laws and regulations. If our delay extends beyond a specified period, our purchasers may terminate the sale and purchase agreements and claim compensation. We cannot assure you that we will not experience significant delays in completion and delivery of our projects which could have a material adverse effect on our business, results of operations and financial position.

We face uncertainty relating to the Circular on Strengthening the Administration of Enterprise Income Tax on Non-PRC Resident Enterprises' Share Transfers (《關於加強非居民企業股權股權轉讓所得企業所得稅管理的通知》) ("SAT Circular No. 698") issued by the PRC State Administration of Taxation, effective as of January 1, 2008

Pursuant to SAT Circular No. 698, except for the purchase and sale of equity through a public securities market, where a non-resident enterprise transfers the equity interests of a PRC resident enterprise indirectly by disposition of the equity interests of an overseas holding company (an "Indirect Transfer"), and the overseas holding company is located in a tax jurisdiction that has an effective tax rate of less than 12.5% or does not tax foreign income of its residents, the non-resident enterprise, being the transferor, must report such Indirect Transfer to the competent tax authority relating to the PRC resident enterprise. Using a "substance over form" approach, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such an Indirect Transfer may be subject to PRC tax at a rate of up to 10%. SAT Circular No. 698 also provides that, where a non-PRC resident enterprise transfers its equity interests in a PRC resident enterprise to its related parties at a price lower than the fair market value, the relevant tax authority has the power to make a reasonable adjustment to the taxable income in respect of the transaction.

There is uncertainty as to the application of SAT Circular No. 698. For example, while the term "Indirect Transfer" is not clearly defined, it is understood that the relevant PRC tax authorities have jurisdiction to request information from a wide range of foreign entities having no direct contact with China. Moreover, the relevant authority has not yet promulgated any formal provisions or formally declared or stated as to how to calculate the effective tax rates in foreign tax jurisdictions, and the process and format of the reporting of an Indirect Transfer to the competent tax authority relating to the relevant PRC resident enterprise remain unclear. In addition, there are no formal declarations with regard to how to determine whether a foreign investor has adopted an abusive arrangement in order to reduce, avoid or defer PRC tax. SAT Circular No. 698 may be determined by the tax authorities to be applicable to our

Reorganization, if such transaction were determined by the tax authorities to lack reasonable commercial purpose. As a result, we may become at risk of being taxed under SAT Circular No. 698 and may be required to expend valuable resources to comply with SAT Circular No. 698 or to establish that we should not be taxed under SAT Circular No. 698, which may have a material adverse effect on our business, financial condition, results of operations and growth prospects.

We may not be able to obtain, extend or renew qualification certificates for our business parks and other property developments or other business activities

As a precondition to engaging in property development in China, a property developer must obtain a qualification certificate and renew it on an annual basis unless the rules and regulations allow for a longer renewal period. According to the relevant PRC regulations on qualification of property developers, a newly established property developer must first apply for a provisional qualification certificate with a one-year validity, which can be extended for a maximum of two years. If the newly established property developer fails to commence a property development project within the one-year period after the provisional qualification certificate is in effect, it will not be allowed to extend its provisional qualification certificate. More established property developers must also apply for renewal of their qualification certificates on an annual basis. It is mandatory under government regulations that developers fulfill all statutory requirements before obtaining or renewing their qualification certificates. We may not be able to obtain the qualification certificates in a timely manner, or at all, or to renew the certificates before they expire. If we do not possess valid qualification certificates, the governmental authorities may refuse to issue pre-sale permit and other permits necessary for our property developments. In addition, the governmental authorities may impose a penalty on us for failure to comply with the relevant licensing requirements. Therefore, if we are unable to obtain or renew the qualification certificates or pass annual verification, our business and financial condition could be materially and adversely affected.

Furthermore, as we are engaged in property service business, we are required to obtain relevant qualification certificates from competent PRC governmental agencies for the provision of such services. In addition, we are engaged in development management services for business park and residential projects and are required to obtain relevant qualification certificates such as construction qualifications and survey and design qualifications. We cannot assure you that we will be able to pass the annual verification of relevant qualification certificates or that we will be able to obtain new qualification certificates required for our business in the future. If we are unable to obtain, renew or maintain relevant qualification certificates, we may not be permitted to continue our relevant business operations, which could materially and adversely affect our business, financial condition and results of operations.

The terms on which mortgage loans are available, if at all, may affect our sales

Some of our customers rely on mortgages to fund their purchases of our properties. An increase in interest rates may significantly increase the cost of mortgage financing, thus affecting the affordability of properties. In addition, the PRC Government and commercial banks may also increase down payment, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers.

Under current PRC laws and regulations, banks are allowed to finance purchase of commercial properties which have been completed and passed completion acceptance inspection. In relation to the building for business or industry use in the commercial property, the minimum down payment for buyers has increased to 50% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark interest rate and maximum maturities of no more than 10 years. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income or if the total debt service of the individual borrower would exceed 55% of such individual's monthly income. In relation to the buildings for residential use in the business park and other property developments, on April 17, 2010, the State Council issued the "Circular on Resolutely Curbing the Rapid Rising of the House Price in Certain Cities" (《國務院關於堅決遏制部分城市房價過快上漲的通知》) which stipulated that proportion of down payment for the first residential property that is larger than 90 sq.m. shall not be less than 30% of the purchase price; proportion of down payment for the second property bought with mortgage loans shall be not less than 50% of the purchase price and the loan interest rate shall be not less than 1.1 times the benchmark lending rate published by the PBOC. On January 26, 2011, the General Office of the State Council issued the "Circular concerning Further Strengthening the Control of the Real Estate Market" (《進一步做好房地產市場調控工作有關問題的通知》). This circular, among others, provides that the proportion of minimum down payment for second residential property purchases is raised from 50% to 60%, and the loan interest rate shall not be less than 1.1 times the prevailing basis rate issued by PBOC. In the third quarter of 2013, the local governments in several cities (including Wuhan, Shenyang, Shanghai, Hangzhou and Guangzhou) further implemented measures to increase the down payment requirements in respect of mortgages for second home purchases from 60% to 65%, or from 60% to 70%, as the case may be, in respective cities.

In line with industry practice, we provide guarantees to banks for mortgages they offer to our purchasers up until the property ownership certificates and certificates of other interests with respect to the properties are delivered to the mortgagee banks upon completion. If there are changes in laws, regulations, policies or practices that would prohibit property developers from providing guarantees to banks in respect of mortgages offered to property purchasers and these banks would not accept any alternative guarantees by third parties, or if no third party is available or willing in the market to provide such guarantees, it may become more difficult for property purchasers to obtain mortgages from banks and other financial institutions during sale and pre-sale of our properties. Such difficulties in financing could result in a substantially lower rate of sale and pre-sale of our properties, which could materially adversely affect our cash flow, business, results of operations and financial position. We cannot assure you that changes in laws, regulations, policies or practices which may prohibit or restrict property developers from providing guarantees to banks in respect of mortgages offered to property purchasers will not occur in China in the future.

RISKS RELATING TO CHINA

Our business, financial condition and results of operations are heavily impacted by the political and economic situation in the PRC

The PRC economy has experienced significant growth over the past few decades. However, the PRC economy has shown signs of potential slowdown or downturn in recent periods. In addition, the PRC Government may from time to time implement measures to control the rate of economic growth in China. As a result, we cannot assure you that the PRC economy will continue to grow at its historical rate, or at all, in the future.

The PRC economy differs from the economies of most developed countries in many respects, including structure, government involvement, level of development, economic growth rate, control of foreign exchange, allocation of resources and balance of payment position. For the past three decades, the PRC Government has implemented economic reform measures emphasizing utilization of market forces in development of the PRC economy. Although we believe these reforms will have a positive effect on the PRC's overall long-term development, we cannot predict whether changes in the economic, political and social conditions of the PRC will materially and adversely affect our current or future business, financial condition, results of operations or prospects. Moreover, even if new policies may benefit us in the long-term, we cannot assure you that we will be able to successfully adjust to such policies. If there is a further slowdown in the economic growth of the PRC, or if the PRC economy experiences a recession, demand for our business parks and residential properties may also decrease and our business, financial condition, results of operations and operations may be materially and adversely affected.

In addition, demand for our products may be affected by a variety of factors, many of which may be beyond our control, including:

- political stability or changes in social conditions within the PRC;
- changes in laws and regulations or the interpretation of laws and regulations;
- measures which may be introduced to control inflation or deflation;
- changes in the rate or method of taxation; and
- the imposition of additional restrictions on currency conversion and remittances abroad.

Any significant changes in relation to any of these factors may materially and adversely affect our business, financial condition, results of operations and prospects.

We may be treated as a resident enterprise for PRC tax purposes under the EIT Law, which could result in unfavorable tax consequences to us and our non-PRC shareholders

We are incorporated under the laws of the Cayman Islands, but substantially all of our operations are in China. Under the EIT Law and its implementation rules, an enterprise incorporated in a foreign country or region may be classified as either a "non-resident enterprise" or a "resident enterprise". If an enterprise incorporated in a foreign country or region has its "de facto management bodies" located within China, such enterprise will be considered a PRC tax resident enterprise and will normally be subject to the enterprise income tax of 25% on its worldwide income. The relevant implementation rules define "de facto management bodies" as those which exercise substantial and overall management and control over the manufacturing and business operations, personnel, accounting, properties and other aspects of an enterprise. In April 2009, the State Tax Bureau issued the Notice Regarding the Determination of Chinese-Controlled Offshore-Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies 《國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》, or the Circular 82, which sets forth certain specific criteria for determining whether the "de facto management body" of a Chinese-controlled offshore-incorporated enterprise is located in mainland China. However, the Circular 82 only applies to offshore enterprises controlled by PRC enterprises and not those controlled by PRC individuals. Substantially all of the members of our management are currently located in China and we expect them to continue to be located in China. Due to the lack of clear guidance on the criteria pursuant to which the PRC tax authorities will determine our tax residency under the EIT Law, it remains unclear whether the PRC tax authorities will treat us as a PRC resident enterprise for tax purposes. As a result, if we are deemed to be a PRC tax resident enterprise, we will be subject to an enterprise income tax rate of 25% on our worldwide income, and be obligated to withhold PRC income tax on the gross amount of dividends we pay to our Shareholders who are non-PRC tax residents. The withholding income tax rate is 10%, unless otherwise provided under applicable double taxation treaties between China and the government of the relevant foreign tax jurisdiction where a Shareholder resides. In addition, if we are deemed to be a PRC resident enterprise for tax purposes under the EIT Law, gains on sales or other transfers of the Offer Shares by an investor may also be treated as income derived from sources within the PRC and be subject to PRC tax.

Fluctuations in the value of RMB may have a material adverse impact on your investment

The value of the RMB against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in China's political and economic conditions. The conversion of RMB into foreign currencies, including U.S. dollars, has been based on rates set by the PBOC. In 2005, the PRC Government changed its policy of pegging the value of RMB to the U.S. dollar. Under the new policy, RMB is permitted to fluctuate within a band against a basket of currencies determined by the PBOC, against which it could rise or fall by as much as 0.3% each day. On May 21, 2007, the PRC Government further widened the daily trading band to 0.5%. Between July 21, 2005 and December 31, 2009, RMB has appreciated significantly against the U.S. dollar. In June 2010, the PRC Government indicated that it would make the foreign exchange rate of RMB more flexible, which increases the possibility of sharp fluctuations of RMB's value in the near future and the unpredictability associated with RMB's exchange rate. On April 16, 2012, the PRC Government further widened the daily trading band to 1%. Nevertheless, there still remains significant international pressure on the PRC Government to further liberalize its currency policy, which could result in further and more significant fluctuations in the value of RMB against the U.S. dollar.

Any significant revaluation of the RMB may have an adverse effect on our turnover and financial condition and the value of any dividends payable on the Shares in foreign currency terms. To the extent that we need to convert our proceeds in Hong Kong dollars from the Listing into the RMB amount for our operations, appreciation of RMB against the Hong Kong dollar would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, if we need to convert our RMB funds into Hong Kong dollars for the purpose of making payments for dividends on our Shares or for other business purposes, appreciation of the Hong Kong dollar against RMB would have a negative effect on the Hong Kong dollar amount to be converted into.

We are subject to the PRC Governmental control of currency conversion

The PRC Government imposes controls on convertibility of RMB into foreign currencies and, in certain cases, remittance of currency out of China. We receive substantially all of our revenues in RMB. Under our current structure, our income is primarily derived from dividend payments from our PRC subsidiaries. Shortages in availability of foreign currencies may restrict the ability of our PRC subsidiaries to remit sufficient foreign currencies to pay dividends or other payments to us, or otherwise satisfy their foreign currency denominated obligations, if any. Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local SAFE branch by complying with certain procedural requirements. However, approval from appropriate governmental authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as repayment of bank borrowings denominated in foreign currencies. The PRC Government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our currency demands, we may not be able to pay dividends in foreign currencies to our shareholders.

China's legal system is still developing and there are inherent uncertainties that may affect the protection afforded to our business and Shareholders

As substantially all of our businesses are conducted, and substantially all of our assets are located, in the PRC, our operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes, and prior court decisions can only be cited as 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, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system.

Recently-enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. In particular, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their nonbinding nature, interpretation and enforcement of these laws and regulations involve uncertainties. In addition, the PRC legal system is based in part on government policies and internal rules (some of which are not published on a timely basis) that may have a retroactive effect. As a result, we may not be aware of our violation of these policies and rules until sometime after the violation. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

We are a holding company that substantially relies on dividend payments from our subsidiaries for funding, and our corporate structure may limit our ability to receive dividends from, and transfer funds to, our PRC subsidiaries, which could restrict our ability to act in response to changing market conditions and reallocate funds from one affiliated PRC entity to another in a timely manner

We are a holding company incorporated in the Cayman Islands and operate our core business through our subsidiaries in China. Therefore, the availability of funds to us to pay dividends to our shareholders and to service our indebtedness depends upon dividends received from these subsidiaries. PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ in certain aspects from generally accepted accounting principles in other jurisdictions, including IFRS. PRC laws also require foreign-invested enterprises, such as some of our subsidiaries in China, to set aside part of their net profits as statutory reserves. These statutory reserves are not available for distribution as cash dividends. In addition, restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries are currently subject to or may enter into in the future may also restrict the ability of our subsidiaries to make contributions to us and our ability to receive distributions. Therefore, these restrictions on availability and usage of our major source of funding may impact our ability to pay dividends to our Shareholders and to service our indebtedness.

Distribution by our PRC subsidiaries to us other than as dividends may be subject to governmental approval and taxation. Any transfer of funds from our Company to our PRC subsidiaries, either as a shareholder loan or as an increase in registered capital, is subject to registration or approval of PRC governmental authorities, including relevant administration of foreign exchange or relevant examining and approval authority. In addition, it is not permitted under PRC laws for our PRC subsidiaries to directly lend money to each other. Therefore, it is difficult to change our plans with respect to use of funds or capital expenditure plans once the relevant funds have been remitted from our Company to our PRC subsidiaries. These limitations on free flow of funds between us and our PRC subsidiaries could restrict our ability to act in response to changing market conditions and reallocate funds from one PRC subsidiary to another in a timely manner.

The national and regional economies in China and our prospects may be materially and adversely affected by a recurrence of SARS or an outbreak of other epidemics, such as avian influenza A (H5N1 and H7N9) virus and influenza A (H1N1) virus

Some regions in China, including our target cities where we operate, are susceptible to epidemics. Past occurrences of epidemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. A recurrence of Severe Acute Respiratory Syndrome or SARS or an outbreak of any other epidemics in China, such as avian influenza A (H5N1 and H7N9) virus and influenza A (H1N1) virus or other widespread communicable disease, especially in the cities where we have operations, may result in material disruptions to our property development and our sales and marketing, which in turn may materially and adversely affect our business, financial condition, results of operations and prospects.

You may experience difficulties in effecting service of process, enforcing foreign judgments or bringing original actions in China against us or our Directors or officers

We are a company incorporated under the laws of the Cayman Islands, but substantially all of our operations and assets are located in China. Substantially all of our Directors and officers reside in China, and substantially all of their assets are located in China. As a result, it may be difficult or impossible for you to effect service of process upon us or our Directors and officers.

Moreover, China does not have treaties providing for the reciprocal recognition and enforcement of judgments awarded by courts in the United States, the Cayman Islands and most other western countries. As a result, recognition and enforcement in China of the judgment of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or impossible. Furthermore, an original action may be brought in China against us or our Directors or officers only if the actions are not required to be arbitrated by PRC law and upon satisfaction of the conditions for institution of a cause of action pursuant to the PRC Civil Procedure Law. As a result of the conditions set forth in the PRC Civil Procedure Law and the discretion of the PRC courts to determine whether the conditions are satisfied and whether to accept the action for adjudication, there remains uncertainty on whether an investor like you will be able to bring an original action in China in this fashion.

RISKS RELATING TO OUR GLOBAL OFFERING

There has been no prior public market for our Shares. The market prices and liquidity of our Shares following the Global Offering may be volatile

Prior to the Global Offering, there has been no public market for our Shares. Following the completion of the Global Offering, the Hong Kong Stock Exchange will be the only market on which our Shares are listed. We cannot assure you that an active, liquid public trading market for our Shares will develop upon the present Listing on the Hong Kong Stock

Exchange. In addition, following the Global Offering our Shares may trade in the public market below the Offer Price. The Offer Price will be determined by agreement among us and the Joint Global Coordinators on behalf of the Underwriters, and the Offer Price may differ significantly from the market price of our Shares following the completion of the Global Offering. If an active trading market for our Shares does not develop or is not sustained after the Global Offering, the market price and liquidity of our Shares could be materially and adversely affected.

The trading price of our Shares may be volatile, which could result in substantial losses to you

The trading price of our Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, China, and elsewhere in the world. In particular, performance and fluctuation of the market prices of other companies with business operations located mainly in China that have listed their securities in Hong Kong, and in particular other property development companies, may affect the volatility in the price of and trading volumes for our Shares. Recently, a number of PRC companies have listed their securities, or are in the process of preparing to list their securities, in Hong Kong. Some of the recently listed companies have experienced significant share price volatility, including significant declines, after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards companies listed in Hong Kong whose operations are primarily in China, and, consequently, may impact the trading performance of our Shares. These broad market and industry factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance.

In addition to market and industry factors, the share price and trading volume for our Shares may be highly volatile for specific business reasons. In particular, factors such as variations in our turnover, earnings and cash flow, or occurrence of any of the risks described elsewhere in this section, could cause the market price of our Shares to fluctuate substantially. Any of these factors may result in large and sudden changes in the price and trading volume of our Shares.

Future sales of substantial amounts of our securities in the public market (or transactions perceived as sales) could have a material adverse impact on the prevailing market price of our Shares

The market price of the Offer Shares could decline as a result of future sales of a substantial number of Shares or other securities relating to the Offer Shares in the public market or the issuance of new Shares or other securities, or the perception that such sale or issuances may occur. Future sale of substantial amounts of our securities, including any future offerings, or the perception that such sale is likely to occur, may also materially and adversely affect our ability to raise capital in the future at a time and at a price we deem to be appropriate.

In addition, the Shares held by our Controlling Shareholders are subject to a lock-up period. See the subsection headed "Underwriting – The Hong Kong Public Offering – Undertakings under the Hong Kong Underwriting Agreement" in this prospectus for further details. While we are not aware of any intentions of these shareholders to dispose of a significant number of their Shares after the completion of the lock-up periods, we are not in a position to give any assurances that they will not dispose of any Shares they may own. Future sale of a substantial number of our Shares by our Controlling Shareholders following the completion of the relevant lock-up periods could materially and adversely affect the prevailing market price of our Shares.

Purchasers of our Shares in the Global Offering will experience immediate dilution, and may experience further dilution if we issue additional Shares in the future

The Offer Price of our Shares is higher than the value of the net tangible assets per Share immediately prior to the Global Offering. Therefore, purchasers of our Shares in the Global Offering will experience an immediate dilution in the value of the pro forma adjusted net tangible assets of HK$0.63 per Share based on the maximum offer price of HK$1.09 per Share.

In order to expand our business, we may consider issuing additional Shares in the future. Purchasers of our Shares may experience further dilution in the net tangible asset book value per Share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset book value per Share.

There are no assurances that we will pay dividends in the future

Our Directors may declare dividends after taking into account, among other things, our results of operations, financial condition, amount of distributable profits based on IFRS, our Memorandum and Articles of Association, the Cayman Islands Companies Law, applicable laws and regulations and other factors that our Directors deem relevant. See the subsection headed "Financial Information – Dividends and Distributable Reserves" in this prospectus for further discussion. Our future payments of dividends will be at the absolute discretion of our Board. We cannot assure you when or whether we will pay dividends in the future.

Certain facts and other statistics with respect to China, the PRC economy and the PRC property industry in this prospectus are derived from various official government sources and third-party sources and may not be reliable

Certain facts and other statistics in this prospectus relating to China, the PRC economy and the PRC property development industry have been derived from various official government publications and third-party sources. However, we cannot guarantee the quality or reliability of these sources. They have not been prepared or independently verified by us or any of our affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced based on other sources. As a result, prospective investors should consider carefully how much weight or importance they should attach to or place on such facts or statistics.

You should rely on this prospectus, and not place any reliance on any information contained in press articles or other media, in making your investment decision

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Prior or subsequent to the publication of this prospectus, there has been or may be press and media coverage regarding us and the Global Offering, in addition to marketing materials published by us in compliance with the Hong Kong Listing Rules. We have not authorized any such press and media reports, and any financial information, financial projections, forecast, valuations and other information about us contained in such unauthorized press and media coverage may not truly reflect what is disclosed in this prospectus. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication, and accordingly do not accept any responsibility for any such press or media coverage or the inaccuracy or incompleteness of any such information. To the extent that any such information appearing in the press and media is inconsistent or conflicts with the information contained in this prospectus, we disclaim it, and accordingly you should not rely on any such information. In making your decision as to whether to purchase our Shares, you should rely only on the information included in this prospectus and the Application Forms.