

A. FURTHER INFORMATION ABOUT THE COMPANY

1. Incorporation of the Company

We were established under the laws of the Cayman Islands as an exempted company with limited liability on October 17, 2007 under Companies Law. We have established a place of business in Hong Kong at Room 1103, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong and were registered on September 25, 2009 as an oversea company in Hong Kong under Part XI of the Hong Kong Companies Ordinance. Chan Sze Hon (陳思翰), our authorized representative for the purposes of Part XI of the Hong Kong Companies Ordinance, has been appointed as our agent for the acceptance of service of process and notices on our behalf in Hong Kong. Our address for service of process and notices in Hong Kong is Room 1103, Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.

As we were established under the laws of the Cayman Islands, our corporate structure and our Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of the relevant section of our Articles of Association and relevant aspects of the Cayman Islands company law are set out in Appendix VI to this prospectus.

2. Changes in Share Capital of our Company

The following sets out the changes in the share capital of our Company since the date of our incorporation:

- (a) As of the date of our incorporation, our initial authorized share capital was HK\$100,000 divided into 1,000,000 Shares, of HK\$0.10 each. On the date of our incorporation, 1 Share in our share capital was allotted and issued to Codan Trust Company (Cayman) Limited which share was subsequently transferred to Fantasy Pearl on the same day.
- (b) On November 30, 2007, our Company allotted and issued 8 Shares to Fantasy Pearl as an aggregate consideration for the acquisition of the respective entire issued share capital of Winning Sky, Fantastic Victory, Wisdom Regal and Ace Link Pacific.
- (c) On December 21, 2007, pursuant to meeting of the board of directors held on December 20, 2007, our Company allotted and issued an aggregate of 87,091 Shares credited as fully paid at par to Fantasy Pearl, as the then sole Shareholder of the Company, by way of capitalization of part of the sum standing to the credit of the share premium account of our Company as a result of the acquisitions as referred to in paragraph (b) above.
- (d) On December 21, 2007, our Company allotted and issued (i) 9,675 Shares to Fantasia (Cayman) and (ii) 3,225 Shares to Wellluck pursuant to the Subscription Agreement.
- (e) Pursuant to written resolutions of all our Shareholders passed on October 27, 2009 (i) our authorized share capital was increased from HK\$100,000 to HK\$800,000,000 by the creation of an additional new 7,999,000,000 Shares, such new Shares ranking pari passu in all respects with the existing Shares; (ii) conditional upon all the conditions set forth in the section entitled "Structure of the Global Offering" in this prospectus being fulfilled or waived and the occurrence of a Qualified IPO, the allotment and issue of 3,644,900,000 Shares to the then existing members of the Company, credited as fully paid up at par by way of a capitalization of an amount of HK\$364,490,000 standing to the credit of the share premium account of our Company, such Shares ranking pari passu in all respects with the then existing Shares were approved.

Assuming that the Global Offering and the Capitalization Issue become unconditional and the Offer Shares are issued but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option, our authorized share capital will be HK\$800,000,000 divided into 8,000,000,000

Shares, of which 4,860,000,000 Shares will be allotted and issued fully paid or credited as fully paid and 3,140,000,000 Shares will remain unissued.

A general unconditional mandate was given to the Directors to exercise all the powers of the Company to allot, issue and deal with the Shares or securities convertible into Shares and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued subject to the requirement that the aggregate nominal value of the Shares so allotted and issued or agreed conditionally or unconditionally to be allotted and issued, otherwise than by way of rights issue or pursuant to the exercise of any subscription rights attaching to any warrants which may be allotted and issued by the Company from time to time pursuant to the exercise of any options which may be granted under the Share Option Scheme or an allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association, shall not exceed 20% of the aggregate nominal value of the Shares in issue immediately following completion of the Global Offering and the Capitalization Issue (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option). Such mandate to issue Shares will remain in effect until (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the Company's next annual general meeting is required to be held by applicable laws of the Cayman Islands or the Articles of Association; or (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting, whichever is the earliest.

Other than the issue of Shares pursuant to the Global Offering, the Capitalization Issue, the exercise of the Over-allotment Option, the exercise of options granted under the Share Option Scheme and the general mandate to issue Shares referred to in paragraph (c) of the section entitled "— Written Resolutions of our Shareholders" in this Appendix, there is no present intention to issue any part of our authorized but unissued share capital and, without the prior approval of the Shareholders in a general meeting, no issue of Shares will be made which would effectively alter the control of the Company within twelve months from the Listing Date.

Save as disclosed in this prospectus, there has been no alteration in our share capital since our incorporation.

3. Written Resolutions of our Shareholders

Pursuant to the written resolutions of our Shareholders passed on October 27, 2009:

- (a) our authorized share capital was increased from HK\$100,000 to HK\$800,000,000 by the creation of an additional new 7,999,000,000 Shares, such new Shares ranking pari passu in all respects with the existing Shares;
- (b) conditional upon all the conditions set forth in the section entitled "Structure of the Global Offering" in this prospectus being fulfilled or waived and the occurrence of a Qualified IPO:
 - (i) the Global Offering was approved and the Directors were authorized to determine the issue price for, and to approve the issue price for and allot and issue the Offer Shares pursuant to the Global Offering;
 - (ii) the Over-allotment Option was approved and the Directors were authorized to allot and issue any Shares which may be required to be allotted and issued pursuant to the exercise of the Over-allotment Option;
 - (iii) conditional on our share premium account being credited as a result of the issue of the Offer Shares pursuant to the Global Offering, the Directors were authorized to allot and issue an aggregate of 3,644,900,000 new Shares credited as fully paid at par to the Shareholders on our register of members as of the close of business on October 27, 2009 (or as they may direct) in proportion to their respective shareholdings (save that no Shareholder shall be entitled to be allotted and issued

any fraction of a Share) by way of the capitalization of the sum of HK\$364,490,000 standing to the credit of our share premium account such new Shares ranking pari passu in all respects with the existing Shares;

- (iv) conditional further upon the Listing Committee of the Stock Exchange granting approval of the rules of our Share Option Scheme and the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options granted under the Share Option Scheme, the rules of our Share Option Scheme were approved and adopted and the Directors or any committee thereof established by the Board were authorized to make further changes to the Share Option Scheme and to grant options to subscribe for Shares thereunder up to the limits referred to in our Share Option Scheme, to allot, issue and deal with Shares pursuant to the exercise of any options granted thereunder and to take all such actions as they consider necessary and/or desirable to implement or give effect to our Share Option Scheme, subject to the conditions therein; and
 - (v) our Articles of Association were approved and adopted and our Memorandum of Association was amended to reflect the increase in our authorized share capital referred to in paragraph (a) above.
- (c) a general unconditional mandate was given to the Directors to allot, issue and deal with Shares (including the power to make an offer or agreement, or grant an option (including but not limited to warrants, bonds and debentures convertible into Shares) which would or might require Shares to be allotted and issued), the aggregate nominal value of the Shares so allotted and issued or agreed conditionally or unconditionally to be allotted and issued (otherwise than pursuant to a rights issue, the exercise of any subscription rights attaching to any warrants which may be allotted and issued by the Company from time to time or pursuant to the exercise of any options which may be granted under the Share Option Scheme, any scrip dividend scheme or similar arrangement, or a special authority granted by our Shareholders) shall not exceed 20% of the aggregate nominal value of our share capital in issue immediately following the completion of the Global Offering and the Capitalization Issue (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option);
- (d) a general unconditional mandate was given to the Directors to exercise all the powers of our Company to repurchase our own Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of repurchased Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option); and
- (e) the general unconditional mandate as mentioned in paragraph (c) above was extended by the addition to the aggregate nominal amount of Shares which may be allotted and issued or agreed to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares purchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (d) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option).

Each of the general mandates referred to in paragraphs (c), (d) and (e) above will remain in effect until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of our Company following the passing of the resolution;

- (2) the expiration of the period within which the next annual general meeting of our Company is required be held under the laws of the Cayman Islands or the Articles of Association; or
- (3) the time when such mandate is revoked or varied by an ordinary resolution of our Shareholders in a general meeting,

(the "Relevant Period").

4. The Reorganization

The companies comprising our Group underwent a reorganization to rationalize our Group's structure in preparation for the listing of our Shares on the Stock Exchange. As a result, our Company became the holding company of our Group. A diagram showing our Group's structure after Reorganization as of the date of this prospectus is set forth under the paragraph entitled "Group Structure After the Corporate Reorganization" in the section "History, Reorganization and Group Structure" in this prospectus.

As part of the Reorganization, the following events took place:

- (a) On August 1, 2007, members of Chengdu Huabaili has resolved to repurchase an amount of RMB2,000,000 from the then registered capital of RMB20,000,000 and upon which the registered capital be decreased from RMB20,000,000 to RMB18,000,000. The capital repurchase and decrease have been approved by the Wenjiang Administration for Industry and Commerce on October 23, 2007 and as a result Chengdu Tonghe held 100% equity interests in Chengdu Huabaili.
- (b) On August 4, 2007, members of Chengdu Tonghe has resolved the company's registered capital be decreased from RMB100,000,000 to RMB76,000,000.
- (c) On August 5, 2007, members of Shenzhen Huaqianli has resolved to repurchase 30% of the then registered capital and upon which the registered capital be decreased from RMB10,000,000 to RMB7,000,000. The capital repurchase and decrease have been approved by the Shenzhen Administration for Industry and Commerce on November 9, 2007 and as a result Fantasia Group (China) held 100% equity interests in Shenzhen Huaqianli.
- (d) On August 5, 2007, members of Tianjin Fantasia Investment resolved to the Company's registered capital be reduced from RMB10,000,000 to RMB9,000,000. This capital decrease was approved by the Tianjin Administration for Industry and Commerce on November 15, 2007 and as a result, Fantasia Group (China) held 100% equity interests in Tianjin Fantasia Investment.
- (e) On August 31 2007, Chengdu Tonghe acquired 17.7% equity interest of Chengdu Xinjin Youbang from Zhao Gang (趙剛).
- (f) On October 17, 2007, our Company was established under the laws of the Cayman Islands with an initial authorized share capital of HK\$100,000 divided into 1,000,000 Shares, each of HK\$0.10. 1 Share in our share capital was allotted and issued to Codan Trust Company (Cayman) Limited on incorporation which share was subsequently transferred to Fantasy Pearl on the same day.
- (g) On November 23, 2007, Shenzhen Huaqianli acquired 40% equity interest of Shenzhen Kangnian from Shenzhen Tiankuo.
- (h) On November 24, 2007, members of Chengdu Tonghe resolved to repurchase an amount of RMB390,000 from the then registered capital and upon which the registered capital be decreased from RMB76,000,000 to RMB75,610,000. The capital repurchase and decrease have been approved by the Chengdu Administration for Industry and Commerce on January 23, 2008 and as a result, Fantasia Group (China) held 100% equity interest of Chengdu Tonghe.

- (i) On November 30, 2007, our Company allotted and issued 8 Shares to Fantasy Pearl as an aggregate consideration for the acquisition of the respective entire issued share capital of Winning Sky, Fantastic Victory, Wisdom Regal and Ace Link Pacific.
- (j) On November 30, 2007, Fantastic Victory has acquired the entire issued share capital of Fantasia HK from Ms. Zeng and Mr. Pan.
- (k) On January 31, 2008, members of Shenzhen Huaqianli resolved that the company's registered capital be increased by RMB294,725,208.04 to RMB660,339,486.92. According to a capital verification report dated February 1, 2008, the increase of registered capital of RMB294,725,208.04 was fully paid up on January 31, 2008. The increase of registered capital was approved by the Shenzhen Administration for Commerce and Industry on February 22, 2008.
- (l) On February 1, 2008, Chengdu Tonghe acquired 8%, 15.6% and 28.4% equity interest of Chengdu Xinjin Youbang from Chengdu Lifeng Property Consultancy Company Limited (成都立峰房地產顧問有限公司), Zhao Gang (趙剛) and Yang Ju Hong (楊菊紅), respectively.
- (m) On February 20, 2008, Shenzhen Huaqianli acquired 25% equity interest of Chengdu Huawanli from Fantasia HK.
- (n) On February 28, 2008, Wisdom Regal has acquired the entire issued share capital of Joytime from Ms. Zeng and Mr. Pan.
- (o) On February 28, 2008, Ace Link Pacific has acquired the entire issued share capital of Gold Genius Holdings Limited from Ms. Zeng and Mr. Pan.
- (p) On March 4, 2008, Chengdu Tonghe acquired 5% equity interest of Chengdu Xinjing Youbang from Yang Ju Hong (楊菊紅) and as a result Chengdu Tonghe held 100% equity interest in Chengdu Xinjing Youbang.
- (q) On April 22, 2008 Gold Genius has acquired 100% equity interest of Shenzhen Yahao from Enco Development.
- (r) On May 9, 2008, Joytime has acquired 100% equity interest of Shenzhen Zhifu from Chi Fu Development.
- (s) On July 28, 2008, Shenzhen Hongwei Investment Development Co., Ltd. (深圳宏威投資發展有限公司) acquired from Chinyang (Holdings) Limited (宏威(集團)有限公司) 40% equity interest of Shenzhen Hongwei.
- (t) On September 1, 2008, Chengdu Tonghe acquired 15.7509%, 9.99% and 7.5591% equity interest of Sichuan Ximei from Zhang Wei Ping (張維平), Zhang Xiao Mei (張曉梅) and Zhao Yu (趙宇), respectively.
- (u) On December 26, 2008, Shenzhen Huaqianli acquired from Shenzhen Hongwei Investment and Development Co., Ltd. (深圳宏威投資發展有限公司) 40% equity interest of Shenzhen Hongwei.

5. Changes in the Share Capital of our Subsidiaries

Our subsidiaries are listed in the Accountants' Report set out in Appendix I to this prospectus. The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this prospectus.

(a) *Ace Link Pacific*

On September 3, 2007, Ace Link Pacific was established under the laws of the BVI with an authorized share capital of US\$50,000, divided into 50,000 shares of US\$1 each, a total of 50,000 shares of which were issued and allotted as to 40,000 shares to Ms. Zeng and 10,000 shares to Mr. Pan on October 10, 2007.

Pursuant to written resolutions of directors of Ace Link Pacific passed on December 20, 2007, Ace Link Pacific repurchased an aggregate of 49,900 shares from the then shareholders. After the repurchase, the issued share capital of Ace Link Pacific had been decreased to US\$100, divided into 100 shares of US\$1 each.

(b) Chengdu Fantasia Wangcong Culture

Chengdu Fantasia Wangcong Culture was established in the PRC on August 6, 2008 as a limited liability company. The initial amount of registered capital on incorporation was RMB50,000,000. According to a capital verification report dated July 11, 2008, the registered capital of 10,000,000 has been paid up but the remaining registered capital of RMB40,000,000 was not fully paid up as at July 11, 2008.

(c) Chengdu Huabaili

On August 1, 2007, members of Chengdu Huabaili has resolved to decrease the company's registered capital from RMB20,000,000 to RMB18,000,000. The capital repurchase and decrease have been approved by the Wenjiang Administration for Industry and Commerce on October 23, 2007.

On April 10, 2008 members of Chengdu Huabaili has resolved to increase the company's registered capital from RMB18,000,000 to RMB30,000,000. According to a capital verification report dated April 10, 2008, the increase of registered capital of RMB12,000,000 was fully paid up as at April 10, 2008. The increase of the registered capital has been approved by Wenjiang Administration for Industry and Commerce on April 10, 2008.

(d) Chengdu Huaqianli

On January 2, 2008, members of Chengdu Huaqianli have resolved the company's registered capital be increased from RMB60,000,000 to RMB704,680,000. According to a capital verification report dated January 9, 2008, the increase of registered capital of RMB644,680,000 was fully paid-up as at January 7, 2008. The increase of the registered capital has been approved by the Chengdu Administration for Industry and Commerce on January 16, 2008.

(e) Chengdu Jiurong

On October 12, 2007, members of Chengdu Jiurong have resolved the company's registered capital be increased from RMB62,900,000 to RMB68,600,000. According to a capital verification report dated October 15, 2007, the registered capital of RMB68,600,000 was paid up as at October 12, 2007. The capital increase has been approved by the Chengdu Administration for Industry and Commerce on October 19, 2007.

(f) Chengdu Tonghe

On August 4, 2007, members of Chengdu Tonghe has resolved to decrease the registered capital from RMB100,000,000 to RMB76,000,000. The capital repurchase and decrease have been approved by the Chengdu Administration for Industry and Commerce on November 20, 2007.

On November 24, 2007, members of Chengdu Tonghe has resolved to repurchase an amount of RMB390,000 from the then registered capital and upon which the registered capital be decreased from RMB76,000,000 to RMB75,610,000. The capital repurchase and decrease have been approved by the Chengdu Administration for Industry and Commence on January 23, 2008.

(g) Chengdu Xinjin Youbang

On February 16, 2009, members of Chengdu Xinjin Youbang resolved to increase the company's registered capital from RMB30,000,000 to RMB85,000,000. According to a capital verification report

dated February 20, 2009, the registered capital of RMB55,000,000 was fully paid-up as at February 20, 2009. The increase of registered capital has been approved by the Chengdu Administration for Industry and Commerce on February 23, 2009.

(h) *Dongguan Fantasia*

On January 4, 2008, members of Dongguan Fantasia have resolved the company's registered capital be increased from RMB10,000,000 to RMB30,000,000. According to a capital verification report dated January 15, 2008, the increase of registered capital of RMB20,000,000 was fully paid-up as at January 15, 2008. The increase of registered capital has been approved by the Dongguan Administration for Industry and Commerce on January 25, 2008.

(i) *Fantasia Chengdu Ecological*

On September 26, 2007, the board of directors of Fantasia Chengdu Ecological has resolved the company's registered capital be increased to RMB728,270,000. According to a capital verification report dated September 15, 2009, the increased amount of registered capital was fully paid up as at September 14, 2009. This capital increase was approved by the Chengdu Administration for Industry and Commerce on September 30, 2009.

(j) *Fantasia Group (China)*

On September 12, 2007, the board of directors of Fantasia Group (China) has resolved the registered capital be increased to RMB408,843,500. According to a capital verification report dated December 27, 2007, the increased amount of registered capital was fully paid up as at December 24, 2007. The capital increase has been approved by the Shenzhen Administration for Industry and Commerce on December 28, 2007.

(k) *Fantasia Hotel Management International*

On July 15, 2009, Fantasia Hotel Management International was established under the laws of Hong Kong with an authorized share capital of HK\$10,000, divided into 10,000 shares of HK\$1 each, a total of 1 share of which was issued and allotted to the Company.

(l) *Fantasia Property Management International*

On July 15, 2009, Fantasia Property Management International was established under the laws of Hong Kong with an authorized share capital of HK\$10,000, divided into 10,000 shares of HK\$1 each, a total of 1 share of which was issued and allotted to the Company.

(m) *Fantastic Victory*

On September 3, 2007, Fantastic Victory was established under the laws of the BVI with an authorized share capital of US\$50,000, divided into 50,000 shares of US\$1 each, a total of 50,000 shares of which were issued and allotted as to 40,000 shares to Ms. Zeng and 10,000 shares to Mr. Pan on October 10, 2007.

Pursuant to written resolutions of directors of Fantastic Victory passed on December 20, 2007, Fantastic Victory repurchased an aggregate of 49,900 shares from the then shareholders. After the repurchase, the issued share capital of Fantastic Victory had been decreased to US\$100, divided into 100 shares of US\$1 each.

(n) HK Kangnian

On September 24, 2009, HK Kangnian was established under the laws of Hong Kong with an authorized share capital of US\$500,000, divided into 50,000 shares of US\$1.00 each, a total of 500,000 shares of which were issued and allotted to Shenzhen Kangnian.

(o) Huizhou Daya Bay

On March 3, 2008, members of Huizhou Daya Bay resolved to increase the company's registered capital from RMB1,000,000 to RMB51,000,000. According to a capital verification report dated March 28, 2008, the increase of registered capital of RMB50,000,000 was fully paid up as at March 21, 2008. The increase of registered capital was approved by the Huizhou Administration for Commerce and Industry on April 1, 2008.

(p) Huizhou Huaqianli

Huizhou Huaqianli was established in the PRC on August 14, 2009 as a limited liability company. The initial amount of registered capital on incorporation was RMB1,200,000. According to a capital verification report dated August 11, 2009, the registered capital of RMB1,200,000 was fully paid up as at August 11, 2009.

(q) Precise Idea

On June 17, 2009, Precise Idea was established under the laws of the BVI with an authorized share capital of US\$50,000, divided into 50,000 shares of US\$1 each, a total of 1 share of which was issued and allotted to the Company.

(r) Shenzhen Caiyue Hotel

Shenzhen Caiyue Hotel was established in the PRC on January 15, 2009 as a limited liability company. The initial amount of registered capital on incorporation was RMB100,000. According to a capital verification report dated November 26, 2008, the registered capital of RMB100,000 was fully paid up as at November 24, 2008.

(s) Shenzhen Caiyue Hotel Management

Shenzhen Caiyue Hotel Management was established in the PRC on August 20, 2008 as a limited liability company. The initial amount of registered capital on incorporation was RMB100,000. According to a capital verification report dated August 12, 2008, the registered capital of RMB100,000 was fully paid up as at August 11, 2008.

(t) Shenzhen Fantasia Business Management

Shenzhen Fantasia Business Management was established in the PRC on June 3, 2009 as a limited liability company. The initial amount of registered capital on incorporation was RMB100,000,000. According to a capital verification report dated May 31, 2009, the registered capital of RMB100,000,000 was fully paid up as at May 27, 2009.

(u) Shenzhen Fantasia Hotel Management

Shenzhen Fantasia Hotel Management was established in the PRC on June 3, 2009 as a limited liability company. The initial amount of registered capital on incorporation was RMB50,000,000. According to a capital verification report dated June 2, 2009, the registered capital of RMB50,000,000 was fully paid up as at June 1, 2009.

(v) Shenzhen Huaqianli

On August 5, 2007, members of Shenzhen Huaqianli has resolved to repurchase 30% of the then registered capital and upon which the registered capital be decreased from RMB10,000,000 to RMB7,000,000. According to a capital verification report dated October 29, 2007, an amount of RMB3,000,000 was decreased from the registered capital. The capital repurchase and decrease have been approved by the Shenzhen Administration for Industry and Commerce on November 9, 2007.

On December 26, 2007, members of Shenzhen Huaqianli has resolved the company's registered capital be increased by an amount of RMB358,614,278.88 to RMB365,614,278.88. According to a capital verification report dated December 27, 2007, the increase of registered capital of RMB358,614,278.88 was fully paid-up as at December 25, 2007. The increase of registered capital was approved by the Shenzhen Administration for Industry and Commerce on December 28, 2007.

On January 31, 2008, members of Shenzhen Huaqianli resolved that the company's registered capital be increased by RMB294,725,208.04 to RMB660,339,486.92. According to a capital verification report dated February 1, 2008, the increase of registered capital of RMB294,725,208.04 was fully paid up on January 31, 2008. The increase of registered capital was approved by the Shenzhen Administration for Commerce and Industry on February 22, 2008.

(w) Shenzhen Zhifu

On September 12, 2007, members of Shenzhen Zhifu have resolved the company's registered capital be increased by RMB358,843,500 to RMB418,843,500. According to a capital verification report dated December 27, 2007, the increased amount of registered capital was fully paid-up as at December 24, 2007. This increase of registered capital was approved by the Shenzhen Administration for Industry and Commerce on January 2, 2008.

(x) Sichuan Ximei

On October 28, 2008, members of Sichuan Ximei resolved to increase the company's registered capital from RMB10,000,000 to RMB100,000,000. According to a capital verification report dated November 11, 2008, the increase of registered capital of RMB90,000,000 was fully paid up as of November 11, 2008.

On December 18, 2008, members of Sichuan Ximei resolved to increase the company's registered capital from RMB100,000,000 to RMB500,000,000. According to a capital verification report dated February 3, 2009, the increase of registered capital of RMB400,000,000 was fully paid up as at December 31, 2008.

The above increases of registered capital were approved by the Chengdu Administration for Industry and Commerce on November 11, 2008 and February 17, 2009 respectively.

(y) Talent Bright

On June 17, 2009, Talent Bright was established under the laws of the BVI with an authorized share capital of US\$50,000, divided into 50,000 shares of US\$1 each, a total of 1 share of which was issued and allotted to the Company.

(z) Tianjin Fantasia Investment

On August 5, 2007, Tianjin Fantasia Investment repurchased the 10% equity interest held by Shenzhen Tiankuo for a consideration of RMB1,000,000. As a result, the registered capital of Tianjin Fantasia Investment was reduced from RMB10,000,000 to RMB9,000,000. This capital reduction was approved by the Tianjin Administration for Industry and Commerce on November 15, 2007.

On April 14, 2008, members of Tianjin Fantasia Investment resolved to increase the Company's registered capital from RMB9,000,000 to RMB100,000,000. According to a capital verification report dated April 17, 2008, the increase of registered capital of RMB91,000,000 was fully paid up as at April 16, 2008. The capital increase was approved by the Tianjin Administration for Industry and Commerce on May 15, 2008.

(aa) Tianjin Fuda

On September 18, 2007, members of Tianjin Fuda have resolved the company's registered capital be increased from RMB1,000,000 to RMB45,000,000. According to a capital verification report dated September 24, 2007, the increase of registered capital of RMB44,000,000 was fully paid-up as at September 24, 2007. The capital increase was approved by the Tianjin Administration for Industry and Commerce on September 24, 2007.

(bb) Tianjin Songjiang-Fantasia

On October 16, 2008, directors of Tianjin Songjiang-Fantasia have resolved the registered capital be increased by RMB40,000,000. According to the "Approval in relation to Tianjin Songjiang-Fantasia's Application in the Increase of Shareholders and Registered Capital" (Jin Xi Wai (2008) No. 79) (《關於天津松江花樣年置業有限公司增加股東和增資申請的批復》) (津西外(2008)79號) issued by the Tianjin City Hexi District External Economic and Trading Committee dated November 13, 2008, the increase of the Company's registered capital from RMB10,000,000 to RMB50,000,000 was approved. According to a capital verification report dated January 6, 2009, the increase of registered capital of RMB40,000,000 was fully paid up as at January 5, 2009.

(cc) Winning Sky

Pursuant to written resolutions of directors of Winning Sky passed on December 20, 2007, Winning Sky repurchased an aggregate of 49,900 shares from the then shareholders. After the repurchase, the issued share capital of Winning Sky had been decreased from US\$50,000, divided into 50,000 shares of US\$1 each, to US\$100, divided into 100 shares of US\$1 each.

(dd) Wisdom Regal

On September 3, 2007, Wisdom Regal was established under the laws of the BVI with an authorized share capital of US\$50,000, divided into 50,000 shares of US\$1 each, a total of 50,000 shares of which were issued and allotted as to 40,000 shares to Ms. Zeng and 10,000 shares to Mr. Pan on October 10, 2007.

Pursuant to written resolutions of directors of Wisdom Regal passed on December 20, 2007, Wisdom Regal repurchased an aggregate of 49,900 shares from the then shareholders. After the repurchase, the issued share capital of Wisdom Regal had been decreased to US\$100, divided into 100 shares of US\$1 each.

(ee) Xinshengji Construction

Xinshengji Construction was established in the PRC on July 22, 2009 as a limited liability company. The initial amount of registered capital on incorporation was RMB20,000,000. According to a capital verification report dated July 9, 2009, the registered capital of RMB20,000,000 was fully paid up as at July 9, 2009.

(ff) Yixing Jiangnan Shuixiang

On October 9, 2007, members of Yixing Jiangnan Shuixiang have resolved the company's registered capital be increased from RMB8,000,000 to RMB28,000,000. According to a capital

verification report dated October 18, 2007 the increase of RMB20,000,000 was fully paid-up as at October 18, 2007. The capital increase was approved by the Yixing Administration for Industry and Commerce on October 22, 2007.

Save as set forth above and in the section entitled "The Reorganization" in this Appendix, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

6. Repurchase of our Own Securities

This section includes the information required by the Stock Exchange to be included in this prospectus concerning repurchases of our own securities.

(a) Provisions of the Listing Rules

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities that are listed on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(i) Shareholders' Approval

The Listing Rules provide that all repurchases of securities (which must be fully paid-up in the case of shares) by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its shareholders, either by way of general mandate or by specific approval of a particular transaction.

(ii) Source of Funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the constitutional documents of company, the Listing Rules and any applicable laws. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange as in effect from time to time. Subject to the foregoing, any repurchases may be made out of funds legally permitted to be used in this connection, including profits of a company or out of the proceeds of a new issue of shares made for that purpose or out of the company's share premium account or, if so authorized by its articles of association and subject to the provisions of any applicable laws, out of its share capital. Any amount of premium payable on the purchase over the par value of the shares to be repurchased must be provided out of the funds which would otherwise be available for dividend or distribution or from sums standing to the credit of the company's share premium account.

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, the Directors believe that, if the repurchase mandate is exercised in full, it might have a material adverse effect on our working capital position and/or our gearing position as compared with our position disclosed in this prospectus. However, the Directors do not propose to exercise the repurchase mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements and/or gearing levels which, in the opinion of the Directors, are from time to time appropriate for our Company.

(iii) Status of Repurchased Securities

The listing of all repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically cancelled and the certificates for those securities must be cancelled and destroyed. Under Cayman Islands law, a company's repurchased shares

shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate nominal value of the repurchased shares accordingly, although the authorized share capital of the company will not be reduced.

(iv) Connected Persons

The Listing Rules prohibit a company from knowingly repurchasing securities on the Stock Exchange from a "connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their respective associates (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his securities to the company.

(b) Reasons for Repurchases

The Directors believe that it is in the best interests of our Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of our net asset value per Share and/or our earnings per Share and will only be made where the Directors believe that such repurchases will benefit our Company and the Shareholders.

(c) Exercise of the Repurchase Mandate

The exercise in full of the current repurchase mandate, on the basis of 4,860,000,000 Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue and assuming no exercise of the Over-allotment Option, would result in up to 486,000,000 Shares being repurchased by us during the Relevant Period.

(d) General

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to us or any of our subsidiaries if the repurchase mandate is exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of Cayman Islands.

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code as a result of any such increase. The Directors do not at present intend to exercise their authority so as to trigger such mandatory offer. Save as aforesaid, the Directors are not aware of any consequences which may arise if the repurchase mandate is exercised.

We have not made any repurchases of our own securities in the past six months.

No connected person (as defined in the Listing Rules) of our Company has notified us that he has a present intention to sell his Shares to us, nor has he undertaken not to do so, if the repurchase mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS**1. Summary of Material Contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of our Group within the two years immediately preceding the date of this prospectus and are or may be material:

- (a) equity transfer agreement dated November 22, 2007 for the transfer of 40% equity interest in Shenzhen Kangnian by Shenzhen Tiankuo to Shenzhen Huaqianli for a consideration of RMB65,000,000;
- (b) shareholders resolution dated November 24, 2007 where members of Chengdu Tonghe approved the decrease of registered capital from RMB76,000,000 to RMB75,610,000;
- (c) an instrument of transfer dated November 30, 2007 for the transfer of 45,000 shares in Winning Sky by Ms. Zeng to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Ms. Zeng's direction;
- (d) an instrument of transfer dated November 30, 2007 for the transfer of 5,000 shares in Winning Sky by Mr. Pan to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Mr. Pan's direction;
- (e) an instrument of transfer dated November 30, 2007 for the transfer of 40,000 shares in Fantastic Victory by Ms. Zeng to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Ms. Zeng's direction;
- (f) an instrument of transfer dated November 30, 2007 for the transfer of 10,000 shares in Fantastic Victory by Mr. Pan to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Mr. Pan's direction;
- (g) an instrument of transfer dated November 30, 2007 for the transfer of 40,000 shares in Wisdom Regal by Ms. Zeng to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Ms. Zeng's direction;
- (h) an instrument of transfer dated November 30, 2007 for the transfer of 10,000 ordinary shares in Wisdom Regal by Mr. Pan to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Mr. Pan's direction;
- (i) an instrument of transfer dated November 30, 2007 for the transfer of 40,000 shares in Ace Link Pacific by Ms. Zeng to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Ms. Zeng's direction;
- (j) an instrument of transfer dated November 30, 2007 for the transfer of 10,000 shares in Ace Link Pacific by Mr. Pan to the Company for a consideration of the issue and allotment of 1 Share to Fantasy Pearl at Mr. Pan's direction;
- (k) bought and sold notes dated November 30, 2007 for the transfer of 1,000 shares in Fantasia HK by Mr. Pan to Fantastic Victory for a consideration of HK\$1.00;
- (l) bought and sold notes dated November 30, 2007 for the transfer of 9,000 shares in Fantasia HK by Ms. Zeng to Fantastic Victory for a consideration of HK\$1.00;
- (m) bought and sold notes dated November 30, 2007 for the transfer of 3,000 shares in Chi Fu Development by Mr. Pan to Wisdom Regal for a consideration of HK\$1.00;
- (n) bought and sold notes dated November 30, 2007 for the transfer of 7,000 shares in Chi Fu Development by Fantasia HK to Wisdom Regal for a consideration of HK\$1.00;

- (o) bought and sold notes dated November 30, 2007 for the transfer of 1 share in Enco Development by Mr. Pan to Ace Link Pacific for a consideration of HK\$1.00;
- (p) bought and sold notes dated November 30, 2007 for the transfer of 9 shares in Enco Development by Ms. Zeng to Ace Link Pacific for a consideration of HK\$1.00;
- (q) the Subscription Agreement, further details of which are set out in the section headed “History, Reorganization and Group Structure — Pre-IPO Investment” of this prospectus; whereby, among other things:-
 - (i) Fantasia (Cayman) and Wellluck subscribed for an aggregate of 12,900 Shares in the Company for US\$100 million;
 - (ii) Fantasia (Cayman) and Wellluck subscribed for Bonds issued by the Company in the principal amount of US\$100 million; and
 - (iii) 400 Shares were transferred to Fantasia (Cayman) by Fantasy Pearl as part of an escrow arrangement pending fulfilment of a covenant. Such 400 Shares were subsequently released from escrow and transferred to Fantasy Pearl on October 14, 2009;
- (r) a deed of indemnity dated December 12, 2007 entered into by and among Ms. Zeng, Mr. Pan, Ice Apex, Graceful Star and Fantasy Pearl, together as covenantors, and the Company, Fantasia (Cayman) and Wellluck, whereby the covenantors have agreed to give certain indemnities in favour of the Company and Fantasia (Cayman) and Wellluck;
- (s) equity transfer agreement dated January 16, 2008 for the transfer of 25% equity interest in Chengdu Huawanli by Fantasia HK to Shenzhen Huaqianli for a consideration of RMB25,000,000;
- (t) equity transfer agreement dated January 18, 2008 for the transfer of 8% equity interest in Chengdu Xinjin Youbang by Chengdu Lifeng Property Consultancy Co., Ltd. (成都立峰房地產顧問有限公司) to Chengdu Tonghe for a consideration of RMB2,400,000;
- (u) equity transfer agreement dated January 18, 2008 for the transfer of 28.4% equity interest in Chengdu Xinjin Youbang by Yang Ju Hong (楊菊紅) to Chengdu Tonghe for a consideration of RMB8,500,000;
- (v) equity transfer agreement dated January 18, 2008 for the transfer of 15.6% equity interest in Chengdu Xinjin Youbang by Zhao Gang (趙剛) to Chengdu Tonghe for a consideration of RMB4,690,000;
- (w) shareholders resolution dated January 31, 2008 where members of Shenzhen Huaqianli approved the increase of registered capital by RMB294,725,208.04 to RMB660,339,487.04;
- (x) equity transfer agreement dated February 27, 2008 for the transfer of 5% equity interest in Chengdu Xinjin Youbang by Yang Ju Hong (楊菊紅) to Chengdu Tonghe for a consideration of RMB1,500,000;
- (y) a sale and purchase agreement dated February 28, 2008 entered into by and among Ms. Zeng, Mr. Pan, Wisdom Regal, Ace Link Pacific, Chi Fu Development, Enco Development, Joytime, Gold Genius, Fantasia Group (China) and the Company whereby:-
 - (i) 8,000 shares in Joytime were sold by Ms. Zeng to Wisdom Regal for a consideration of HK\$1.00;
 - (ii) 2,000 shares in Joytime were sold by Mr. Pan to Wisdom Regal for a consideration of HK\$1.00;
 - (iii) 8,000 shares in Gold Genius were sold by Ms. Zeng to Ace Link Pacific for a consideration of HK\$1.00;
 - (iv) 2,000 shares in Gold Genius were sold by Mr. Pan to Ace Link Pacific for a consideration of HK\$1.00;

- (v) Shenzhen Zhifu was sold by Chi Fu Development to Joytime for (1) HK\$420,003,138.00; (2) the transfer of its cash balances of HK\$8,530.33 to Joytime; and (3) the assumption of obligations by Joytime to repay an amount of HK\$381,857,065.70 comprising of (A) the outstanding amount of the loan of HK\$381,844,265.00 to Wisdom Regal and (B) a loan of HK\$12,800.70 to Fantasia Group (China);
- (vi) Shenzhen Yahao was sold by Enco Development to Gold Genius for (1) HK\$425,822.00; and (2) the assumption of obligations by Gold Genius to repay an amount of HK\$38,655.70 comprising of (A) a loan of HK\$20,505.70 to Fantasia Group (China) and (B) a loan of HK\$18,150.00 to the Company;
- (vii) 8,000 shares in Chi Fu Development were sold by Wisdom Regal to Ms. Zeng for a consideration of HK\$30,523,682.10;
- (viii) 2,000 shares in Chi Fu Development were sold by Wisdom Regal to Mr. Pan for a consideration of HK\$7,630,920.53;
- (ix) 8 shares in Enco Development were sold by Ace Link Pacific to Ms. Zeng for a consideration of HK\$309,173.60; and
- (x) 2 shares in Enco Development were sold by Ace Link Pacific to Mr. Pan for a consideration of HK\$77,293.40;
- (z) equity transfer agreement dated June 3, 2008, for the transfer of 40% equity interest in Shenzhen Hongwei by Chinyang (Holdings) Limited (宏威(集團)有限公司) to Shenzhen Hongwei Investment Development Co., Ltd. (深圳市宏威投資發展有限公司) for a consideration of RMB10,000;
- (aa) equity transfer agreement dated August 21, 2008 for the transfer of 40% equity interest in Shenzhen Hongwei by Shenzhen Hongwei Investment Development Co., Ltd. (深圳市宏威投資發展有限公司) to Shenzhen Huaqianli for a consideration of RMB100,000,000;
- (ab) equity transfer agreement dated August 27, 2008 for the transfer of 15.7509% equity interest in Sichuan Ximei by Zhang Wei Ping (張維平) to Chengdu Tonghe for a consideration of RMB1,575,090;
- (ac) equity transfer agreement dated August 27, 2008 for the transfer of 9.99% equity interest in Sichuan Ximei by Zhang Xiao Mei (張曉梅) to Chengdu Tonghe for a consideration of RMB999,000;
- (ad) equity transfer agreement dated August 27, 2008 for the transfer of 7.5591% equity interest in Sichuan Ximei by Zhao Yu (趙宇) to Chengdu Tonghe for a consideration of RMB755,910;
- (ae) the Restructuring Deed;
- (af) a deed of indemnity between us and each of the Controlling Shareholders (the "Indemnifiers") whereby the Indemnifiers have agreed to give certain indemnities in favor of our Group dated October 26, 2009 (the "Deed of Indemnity");
- (ag) the Deed of Non-Competition Undertaking;
- (ah) cornerstone investor agreement dated November 5, 2009 entered into by and among the Company, Dr. Choi Chee Ming, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Dr. Choi Chee Ming agreed to subscribe for Offer Shares for a consideration of US\$10,000,000 at the Offer Price per Offer Share;

- (ai) cornerstone investor agreement dated November 5, 2009 entered into by and among the Company, Mr. Joseph Lau, Luen Hung, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Mr. Joseph Lau, Luen Hung agreed to subscribe for Offer Shares for a consideration of US\$10,000,000 at the Offer Price per Offer Share;
- (aj) corporate investor agreement dated November 6, 2009 entered into by and among the Company, Bondic International Holdings Limited, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Bondic International Holdings Limited agreed to subscribe for Offer Shares for a consideration of US\$10,000,000 at the Offer Price per Offer Share;
- (ak) corporate investor agreement dated November 6, 2009 entered into by and among the Company, Hero Path Limited, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Hero Path Limited agreed to subscribe for Offer Shares for a consideration of HK\$100,000,000 at the Offer Price per Offer Share;
- (al) corporate investor agreement dated November 6, 2009 entered into by and among the Company, Rouy Chai International Investment (Group) Company Limited, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Rouy Chai International Investment (Group) Company Limited agreed to subscribe for Offer Shares for a consideration of HK\$78,000,000 at the Offer Price per Offer Share;
- (am) cornerstone investor agreement dated November 7, 2009 entered into by and among the Company, Mr. Huang De Lin, CITIC Securities, Deutsche Bank and Goldman Sachs (Asia) pursuant to which Mr. Huang De-Lin Benny agreed to subscribe for Offer Shares for a consideration of US\$10,000,000 at the Offer Price per Offer Share;
- (an) the agreement dated November 8, 2009 between our Company and BOCI concerning the underwriting commitment of US\$60,000,000; and
- (ao) the Hong Kong Underwriting Agreement.

2. Intellectual Property








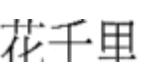

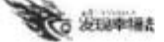

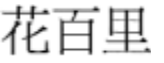
As of the Latest Practicable Date, our Group was the registered owner of the following intellectual property rights:

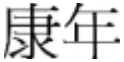
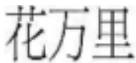

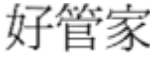


	<u>Trademark</u>	<u>Name of Registrant</u>	<u>Registration Number</u>	<u>Class</u>	<u>Validity Period</u>	<u>Place of Registration</u>
1.		Shenzhen Fantasia Investment	3875148	37	August 28, 2006 to August 27, 2016	PRC
2.		Shenzhen Fantasia Investment	3875149	36	October 14, 2008 to October 13, 2018	PRC
3.		Xingyan Property Consultancy	3617095	36	September 14, 2005 to September 13, 2015	PRC
4.		Shenzhen Fantasia Management	4179080 4179079	36 42	February 7, 2008 to February 6, 2018 November 28, 2007 to November 27, 2017	PRC
5.		Fantasia Group (China)	301076418	14, 25, 35, 41, 42	March 20, 2008 to March 19, 2018	HK
6.		Fantasia Group (China)	301076382	36, 37, 42, 43	March 20, 2008 to March 19, 2018	HK
7.		Fantasia Group (China)	301076373	36, 37, 42	March 20, 2008 to March 19, 2018	HK
8.		Fantasia Group (China)	301076355	36, 37, 42	March 20, 2008 to March 19, 2018	HK
9.		Fantasia Group (China)	301076508	36, 37, 42	March 30, 2008 to March 29, 2018	HK
10.		Fantasia Group (China)	301076472	36, 37, 42	March 20, 2008 to March 19, 2018	HK
11.		Fantasia Group (China)	301076454	36, 37, 42	March 20, 2008 to March 19, 2018	HK

	<u>Trademark</u>	<u>Name of Registrant</u>	<u>Registration Number</u>	<u>Class</u>	<u>Validity Period</u>	<u>Place of Registration</u>
12.		Fantasia Group (China)	301076391	36, 37, 42	March 20, 2008 to March 19, 2018	HK
13.		Fantasia Group (China)	301076409	36, 37, 42	March 20, 2008 to March 19, 2018	HK
14.		Fantasia Group (China)	301076427	36, 37, 42	March 20, 2008 to March 19, 2018	HK
15.	花千里	Fantasia Group (China)	301076436	2, 4, 6, 16, 19, 20, 24, 25, 27, 35, 36, 37, 42, 43, 45	March 20, 2008 to March 19, 2018	HK
16.		Fantasia Group (China)	301076580	36, 37, 42	March 20, 2008 to March 19, 2018	HK
17.		Fantasia Group (China)	301076571	36, 37, 42	March 20, 2008 to March 19, 2018	HK
18.		Fantasia Group (China)	301076562	36, 37, 42	March 20, 2008 to March 19, 2018	HK
19.		Fantasia Group (China)	301076544	36, 37, 42	March 20, 2008 to March 19, 2018	HK
20.	喜年广场	Fantasia Group (China)	301076526	36, 37, 42	March 20, 2008 to March 19, 2018	HK
21.		Fantasia Group (China)	301076553	16, 41	March 20, 2008 to March 19, 2018	HK

As of the Latest Practicable Date, our Group had applied for the registration of the following intellectual property rights and such applications are in process:

	<u>Trademark</u>	<u>Name of Applicant</u>	<u>Application Number</u>	<u>Class</u>	<u>Application Date</u>	<u>Place of Application</u>
1.		Fantasia Chengdu Ecological	6164895 6177499	36 41	July 16, 2007 July 23, 2007	PRC
2.		Fantasia Group (China)	(Note 1)	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35, 37-45	March 20, 2008	PRC
3.		Fantasia Group (China)	(Note 2)	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35, 37-41, 43, 44, 45	March 20, 2008	PRC
4.	花万里	Fantasia Group (China)	(Note 3) 6679327	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45 25	March 20, 2008 April 23, 2008	PRC
5.		Fantasia Group (China)	(Note 4)	2, 4, 16, 19, 27, 28, 38, 39, 40, 43, 44	March 20, 2008	PRC
6.		Fantasia Group (China)	(Note 5)	6, 20, 24, 25, 35, 41, 42, 45	March 20, 2008	PRC
7.	花百里	Fantasia Group (China)	(Note 6)	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45	March 20, 2008	PRC
8.	喜年广场	Fantasia Group (China)	6606956 6606955 6606954	36 37 42	March 20, 2008	PRC
9.		Fantasia Group (China)	6606958 6606957	37 42	March 20, 2008	PRC
10.		Fantasia Group (China)	6607021 6607022	36 37	March 20, 2008	PRC
11.		Fantasia Group (China)	6607023 6607024 6607025	36 37 42	March 20, 2008	PRC
12.		Fantasia Group (China)	6607026 6607027	37 42	March 20, 2008	PRC

13.	Trademark	Name of Applicant	Application Number	Class	Application Date	Place of Application
		Fantasia Group (China)	6607028	42	March 20, 2008	PRC
		Fantasia Group (China)	6607029 6607030 6607059	36 37 42	March 20, 2008	PRC
		Fantasia Group (China)	6607031 6607032 6607033	36 37 42	March 20, 2008	PRC
		Fantasia Group (China)	6607034	42	March 20, 2008	PRC
		Fantasia Group (China)	6607035 6607036 6607037	36 37 42	March 20, 2008	PRC
		Fantasia Group (China)	6607038 6607039 6607040	36 37 42	March 20, 2008	PRC
		Fantasia Group (China)	6607048 6607049	36 37	March 20, 2008	PRC
		Fantasia Group (China)	(Note 7)	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45	March 20, 2008	PRC
		Fantasia Group (China)	6607050	36	March 20, 2008	PRC
		Fantasia Group (China)	6606953 6606952	16, 41	March 20, 2008	PRC
		Fantasia Group (China)	301076364	2, 4, 6, 16, 19, 20, 24, 27, 28, 36, 37, 39, 40, 43, 44, 45	March 20, 2008	HK
		Fantasia Group (China)	301076463	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35, 36, 37, 38, 40, 41, 42, 43, 45	March 20, 2008	HK

	Trademark	Name of Applicant	Application Number	Class	Application Date	Place of Application
25.		Fantasia Group (China)	301076445	2, 4, 6, 14, 16, 19, 20, 24, 27, 28, 35, 36, 37, 42, 43, 45	March 20, 2008	HK
26.		Fantasia Group (China)	301076346	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35, 36, 37, 38, 40, 41, 42, 43, 45	March 20, 2008	HK
27.		Fantasia Group (China)	301076481	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45	March 20, 2008	HK
28.		Fantasia Group (China)	301076517	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45	March 20, 2008	HK
29.		Fantasia Group (China)	301076490	2, 4, 6, 14, 16, 19, 20, 24, 25, 27, 28, 35-45	March 20, 2008	HK
30.		Fantasia Group (China)	301453040	2, 4, 6, 16, 19, 20, 24, 27, 28, 36, 37, 39, 43, 45	November, 2009	HK
Note 1:	6606914, 6606913, 6606912, 6606911, 6606630, 6606629, 6606628, 6606627, 6606626, 6606625, 6606624, 6606623, 6606622, 6606621, 6606640, 6606639, 6606638, 6606637, 6606636, 6606635, 6606634					
Note 2:	6606633, 6606632, 6606631, 6606650, 6606649, 6606648, 6606647, 6606646, 6606645, 6606644, 6606643, 6606642, 6606641, 6607041, 6607042, 6607043, 6607044, 6607045, 6607046, 6607047					
Note 3:	6606656, 6606655, 6606654, 6606653, 6606652, 6606651, 6606910, 6606909, 6679327, 6606907, 6606906, 6606905, 6606904, 6606903, 6606902, 6606901, 6606920, 6606919, 6606918, 6606917, 6606916, 6606915					
Note 4:	6606930, 6606929, 6606927, 6606926, 6606925, 6606924, 6606923, 6606922, 6606921, 6606940, 6606939					
Note 5:	6606938, 6606937, 6606936, 6606935, 6606934, 6606933, 6606932, 6606931					
Note 6:	6606950, 6606949, 6606948, 6606947, 6606946, 6606945, 6606944, 6606943, 6606942, 6606941, 6607320, 6607319, 6607318, 6607317, 6607316, 6607315, 6607314, 6607313, 6607312, 6607311, 6607271, 6607272					
Note 7:	6607273, 6607274, 6607275, 6607276, 6607277, 6607278, 6607279, 6607280, 6607210, 6607209, 6607208, 6607207, 6607206, 6607205, 6607204, 6607203, 6607202, 6607201, 6606660, 6606659, 6606658, 6606657					

As of the Latest Practicable Date, our Group had registered the following domain names:

	<u>Domain Name</u>	<u>Name of Registrant</u>	<u>Registration Date</u>	<u>Expiry Date</u>
1.	cnfantasia.com	Shenzhen Fantasia Investment	January 6, 2003	January 6, 2011
2.	cnfantasia.com.cn	Shenzhen Fantasia Investment	May 30, 2006	June 30, 2018
3.	花样年集团.com	Shenzhen Fantasia Investment	May 29, 2008	May 29, 2018
4.	花样年集团.中国	Shenzhen Fantasia Investment	May 30, 2008	May 30, 2018
5.	花样年集团.cn	Shenzhen Fantasia Investment	May 30, 2008	May 30, 2018
6.	花样年.公司	Shenzhen Fantasia Investment	May 30, 2006	June 30, 2018
7.	colourlife.com	Shenzhen Fantasia Property Management	April 7, 2005	April 7, 2010
8.	colourlife.net	Shenzhen Fantasia Property Management	May 10, 2004	May 10, 2010
9.	hyn-xngc.com	Chengdu Tonghe	July 24, 2008	July 24, 2010
10.	starhouse.net	Xingyan Property Consultancy	August 20, 2009	August 20, 2010
11.	tjxinian.com	Tianjin Songjiang-Fantasia	April 10, 2009	April 10, 2010
12.	hynjs.cn	Chengdu Xinjin Youbang	August 14, 2009	August 14, 2010
13.	grandvalley99.com	Fantasia Chengdu Ecological	January 9, 2009	January 9, 2010

C. FURTHER INFORMATION ABOUT DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND EXPERTS

1. Directors

Immediately following the completion of the Global Offering and the Capitalization Issue and assuming no exercise of the Over-allotment Option and any options granted under the Share Option Scheme, the interests and short positions of the Directors and the chief executive of our Company in the Shares, underlying shares and debentures of our Company and our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, will be as follows:

Long Positions in Shares

<u>Name of Director</u>	<u>Number of Shares and Nature of Interest</u>	<u>Approximate percentage of issued Shares immediately after the Global Offering⁽²⁾</u>
Ms. Zeng	3,174,795,000 Shares (Interest of controlled corporation) ⁽¹⁾	65.325%
	470,205,000 Shares (Short Position)	9.675%

Notes:

- (1) These Shares are directly held by Fantasy Pearl whose entire issued share capital is owned as to 80% by Ice Apex and 20% by Graceful Star. Ice Apex is wholly owned by Ms. Zeng and Graceful Star is wholly owned by Mr. Pan.
- (2) As required under the SFO, the relevant percentages are calculated by reference to the Shares then in issue on the Listing Date and we have assumed that (i) the Over-allotment Option are not exercised and (ii) no Shares are issued pursuant to options granted under the Share Option Scheme. Consequently, this is based on 4,860,000,000 Shares in issue immediately after the Global Offering and the Capitalization Issue.

Long Position in Associated Corporation

<u>Name of Director</u>	<u>Nature of Interest</u>	<u>Name of associated corporation</u>	<u>No. of shares or debentures</u>	<u>Description of shares or debentures</u>	<u>Percentage of that associated corporation's issued share capital</u>
Ms. Zeng	Corporate Interest ⁽¹⁾	Fantasy Pearl	80 shares	No par value	80%
Mr. Pan	Corporate Interest ⁽²⁾	Fantasy Pearl	20 shares	No par value	20%

Notes:

- (1) These are shares held by Ice Apex in Fantasy Pearl and Ice Apex is wholly owned by Ms. Zeng.
(2) These are shares held by Graceful Star in Fantasy Pearl and Graceful Star is wholly owned by Mr. Pan.

2. Substantial Shareholders

So far as the Directors are aware, the following persons (other than a Director or chief executive of our Company) will, immediately following the completion of the Global Offering, and the Capitalization Issue and assuming no exercise of the Over-allotment Option and Shares issued under the Share Option Scheme, have an interest or short position in the Shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

<u>Name of Shareholder</u>	<u>Nature of Interest</u>	<u>Number of Shares</u>	<u>Approximate percentage of interest in our Company immediately after the Global Offering</u>
Fantasy Pearl	Beneficial interest ⁽¹⁾	3,174,795,000 Shares	65.325%
	Short Position	470,205,000 Shares	9.675%
Ice Apex	(Interest of controlled corporation) ⁽²⁾	3,174,795,000 Shares	65.325%
	Short Position	470,205,000 Shares	9.675%
Fantasia (Cayman)	Beneficial interest ⁽³⁾	170,403,750 Shares	3.506%
	Security Interest ⁽³⁾	470,205,000 Shares	9.675%
Goldman Sachs RE Investments Holdings Limited	(Interest of controlled corporation) ^(3a)	640,608,750 Shares	13.181%
Goldman Sachs	(Interest of controlled corporation)	640,608,750 Shares	13.181%
Fantasia Holding (Cayman) Ltd	(Interest of controlled corporation) ⁽⁴⁾	640,608,750 Shares	13.181%
Goldman Sachs Developing Markets Real Estate Partners (US) Coopertief U.A.	(Interest of controlled corporation) ⁽⁵⁾	640,608,750 Shares	13.181%
Goldman Sachs Developing Markets Real Estate Coopertief U.A.	(Interest of controlled corporation) ⁽⁶⁾	640,608,750 Shares	13.181%
Goldman Sachs Developing Markets Real Estate Company	(Interest of controlled corporation) ^(6a)	640,608,750 Shares	13.181%
Goldman Sachs Developing Markets Real Estate Company Voteco, LLC . . .	(Interest of controlled corporation) ^(6b)	640,608,750 Shares	13.181%
Goldman Sachs Developing Markets Real Estate Partners (US), L.P.	(Interest of controlled corporation) ⁽⁷⁾	640,608,750 Shares	13.181%

Name of Shareholder	Nature of Interest	Number of Shares	Approximate percentage of interest in our Company immediately after the Global Offering
Goldman Sachs Developing Markets Real Estate Partners (US) GP, LLC . . .	(Interest of controlled corporation) ^(7a)	640,608,750 Shares	13.181%
Goldman, Sachs & Co.	(Interest of controlled corporation) ⁽⁸⁾	640,608,750 Shares	13.181%
Wellluck	Beneficial Interest ⁽⁹⁾	56,801,250 Shares	1.169%
	Security Interest ⁽⁹⁾	470,205,000 Shares	9.675%
Rich Fame Investment Ltd . . .	(Interest of controlled corporation) ⁽¹⁰⁾	527,006,250 Shares	10.844%
HSBC NF China Real Estate Fund LP	(Interest of controlled corporation) ⁽¹¹⁾	527,006,250 Shares	10.844%
HSBC NF China Investors Ltd	(Interest of controlled corporation) ⁽¹²⁾	527,006,250 Shares	10.844%
HSBC NF China Holdings Ltd	(Interest of controlled corporation) ⁽¹³⁾	527,006,250 Shares	10.844%
HSIL Investments Ltd	(Interest of controlled corporation) ⁽¹⁴⁾	527,006,250 Shares	10.844%
HSBC Specialist Investments Ltd	(Interest of controlled corporation) ⁽¹⁵⁾	527,006,250 Shares	10.844%
HSBC Group Investment Ltd	(Interest of controlled corporation) ⁽¹⁶⁾	527,006,250 Shares	10.844%
HSBC Investment Bank Holdings plc	(Interest of controlled corporation) ⁽¹⁷⁾	527,006,250 Shares	10.844%
HSBC Holdings plc	(Interest of controlled corporation)	527,006,250 Shares	10.844%
Nan Fung Consolidated Investments Ltd	(Interest of controlled corporation) ⁽¹⁸⁾	527,006,250 Shares	10.844%
Nan Fung China Development Holdings Ltd	(Interest of controlled corporation) ⁽¹⁹⁾	527,006,250 Shares	10.844%
Nan Fung Enterprises Ltd . . .	(Interest of controlled corporation) ⁽²⁰⁾	527,006,250 Shares	10.844%
Crosby Investment Holdings Inc	(Interest of controlled corporation) ⁽²¹⁾	527,006,250 Shares	10.844%
CHEN Wai Wai Vivien	(Interest of controlled corporation)	527,006,250 Shares	10.844%
Golden Success Profits Ltd	(Interest of controlled corporation) ⁽²²⁾	527,006,250 Shares	10.844%
Sheng Fung Co. Ltd	(Interest of controlled corporation) ⁽²³⁾	527,006,250 Shares	10.844%
CHEN Din Hwa	(Interest of controlled corporation)	527,006,250 Shares	10.844%

Notes:

- (1) Fantasy Pearl is owned as to 80% by Ice Apex and 20% by Graceful Star. Ice Apex is deemed to be interested in the Shares held by and short position of Fantasy Pearl for the purpose of Part XV of the SFO. Graceful Star is entitled to a pre-emptive right over shares in the capital of Fantasy Pearl pursuant to an agreement made between, among others, Ms. Zeng, Mr. Pan, Ice Apex and Graceful Star.
- (2) Ice Apex is wholly owned by Ms. Zeng. Ms. Zeng is deemed to be interested in the Shares held by Ice Apex for the purpose of Part XV of the SFO.
- (3) Fantasia (Cayman) is owned as to 46.67% by Fantasia Holding (Cayman) Ltd and as to 53.33% by Goldman Sachs RE Investments Holdings Limited. Fantasia Holding (Cayman) Ltd and Goldman Sachs RE Investments Holdings Limited

- are each deemed to be interested in the Shares in which Fantasia (Cayman) is interested for the purpose of Part XV of the SFO.
- (3a) Goldman Sachs RE Investments Holdings Limited is a wholly owned subsidiary of Goldman Sachs. Goldman Sachs is deemed to be interested in the Shares in which Goldman Sachs RE Investments Holdings Limited is interested for the purpose of Part XV of the SFO.
- (4) Fantasia Holding (Cayman) Ltd is owned as to 36.0508% by Goldman Sachs Developing Markets Real Estate Partners (US) Coopertief U.A. and as to 57.8879% by Goldman Sachs Developing Markets Real Estate Coopertief U.A.. Goldman Sachs Developing Markets Real Estate Partners (US) Coopertief U.A. and Goldman Sachs Developing Markets Real Estate Coopertief U.A. are each deemed to be interested in the Shares in which Fantasia Holding (Cayman) Ltd is interested for the purpose of Part XV of the SFO.
- (5) Goldman Sachs Developing Markets Real Estate Partners (US) Coopertief U.A. is owned as to more than one-third by Goldman Sachs Developing Markets Real Estate Partners (US), L.P. and as more than one-third by Goldman Sachs. Each of Goldman Sachs Developing Markets Real Estate Partners (US), L.P. and Goldman Sachs is deemed to be interested in the Shares in which Goldman Sachs Developing Markets Real Estate Partners (US) Coopertief U.A. is interested for the purpose of Part XV of the SFO.
- (6) Goldman Sachs Developing Markets Real Estate Coopertief U.A. is owned as to more than one-third by Goldman Sachs Developing Markets Real Estate Company and as to more than one-third by Goldman Sachs. Each of Goldman Sachs Developing Markets Real Estate Company and Goldman Sachs is deemed to be interested in the Shares in which Goldman Sachs Developing Markets Real Estate Coopertief U.A. is interested for the purpose of Part XV of the SFO.
- (6a) All of the voting shares of Goldman Sachs Developing Markets Real Estate Company are owned by Goldman Sachs Developing Markets Real Estate Company Voteco, LLC. Goldman, Sachs & Co, a wholly-owned subsidiary of Goldman Sachs held by Goldman Sachs directly and indirectly through intermediate subsidiaries, is the investment manager to Goldman Sachs Developing Markets Real Estate Company. Each of Goldman Sachs Developing Markets Real Estate Company Voteco, LLC and Goldman, Sachs & Co is deemed to be interested in the Shares in which Goldman Sachs Developing Markets Real Estate Company is interested for the purpose of Part XV of the SFO.
- (6b) Goldman Sachs Developing Markets Real Estate Company Voteco, LLC is wholly owned by Goldman Sachs. Goldman Sachs is deemed to be interested in the Shares in which Goldman Sachs Developing Markets Real Estate Company Voteco, LLC is interested for the purpose of Part XV of the SFO.
- (7) The general partner of Goldman Sachs Developing Markets Real Estate Partners (US), L.P. is Goldman Sachs Developing Markets Real Estate Partners (US) GP, LLC. Goldman, Sachs & Co., a wholly-owned subsidiary of Goldman Sachs, held by Goldman Sachs directly and indirectly through intermediate subsidiaries, is the investment manager to Goldman Sachs Developing Markets Real Estate Partners (US), L.P.. Each of Goldman Sachs Developing Markets Real Estate Partners (US) GP, LLC. and Goldman, Sachs & Co. is deemed to be interested in the shares in which Goldman Sachs Developing Markets Real Estate Partners (US), L.P. is interested for the purpose of Part XV of the SFO.
- (7a) Goldman Sachs Developing Markets Real Estate Partners (US) GP, LLC is wholly owned by Goldman Sachs. Goldman Sachs is deemed to be interested in the Shares in which Goldman Sachs Developing Markets Real Estate Partners (US) GP, LLC is interested for the purpose of Part XV of the SFO.
- (8) Goldman, Sachs & Co., is a wholly-owned subsidiary of Goldman Sachs, held by Goldman Sachs directly and indirectly through intermediate subsidiaries. Goldman Sachs is deemed to be interested in the Shares in which Goldman, Sachs & Co., is interested for the purpose of Part XV of the SFO.
- (9) Wellluck is wholly owned by Rich Fame Investment Ltd. Rich Fame Investment Ltd is deemed to be interested in the Shares in which Wellluck is interested for the purpose of Part XV of the SFO.
- (10) Rich Fame Investment Ltd is owned as to 80% by HSBC NF China Real Estate Fund LP. HSBC NF China Real Estate Fund LP is deemed to be interested in the Shares in which Rich Fame Investment Ltd is interested for the purpose of Part XV of the SFO.
- (11) The general partner of HSBC NF China Real Estate Fund LP is HSBC NF China Investors Ltd. HSBC NF China Investors Ltd is deemed to be interested in the Shares in which HSBC NF China Real Estate Fund LP is interested for the purpose of Part XV of the SFO.
- (12) HSBC NF China Investors Ltd is wholly owned by HSBC NF China Holdings Ltd. HSBC NF China Holdings Ltd is deemed to be interested in the Shares in which HSBC NF China Investors Ltd is interested for the purpose of Part XV of the SFO.
- (13) HSBC NF China Holdings Ltd is owned as to 50% by HSIL Investments Ltd and as to 50% by Nan Fung Consolidated Investments Ltd. Each of HSIL Investments Ltd and Nan Fung Consolidated Investments Ltd is deemed to be interested in the Shares in which HSBC NF China Holdings Ltd is interested for the purpose of Part XV of the SFO.
- (14) HSIL Investments Ltd is wholly owned by HSBC Specialist Investments Ltd. HSBC Specialist Investments Ltd is deemed to be interested in the Shares in which HSIL Investments Ltd is interested for the purpose of Part XV of the SFO.
- (15) HSBC Specialist Investments Ltd is wholly owned by HSBC Group Investment Ltd. HSBC Group Investment Ltd is deemed to be interested in the Shares in which HSBC Specialist Investments Ltd is interested for the purpose of Part XV of the SFO.
- (16) HSBC Group Investment Ltd is wholly owned by HSBC Investment Bank Holdings plc. HSBC Investment Bank Holdings plc is deemed to be interested in the Shares in which HSBC Group Investment Ltd is interested for the purpose of Part XV of the SFO.
- (17) HSBC Investment Bank Holdings plc is wholly owned by HSBC Holdings plc. HSBC Holdings plc is deemed to be interested in the Shares in which HSBC Investment Bank Holdings plc is interested for the purpose of Part XV of the SFO.

- (18) Nan Fung Consolidated Investments Ltd is owned by 50% by Nan Fung China Development Holdings Ltd and as to 50% by Golden Success Profits Ltd. Each of Nan Fung China Development Holdings Ltd and Golden Success Profits Ltd is deemed to be interested in the Shares in which Nan Fung Consolidated Investments Ltd is interested for the purpose of Part XV of the SFO.
- (19) Nan Fung China Development Holdings Ltd is wholly owned by Nan Fung Enterprises Ltd. Nan Fung Enterprises Ltd is deemed to be interested in the Shares in which Nan Fung China Development Holdings Ltd is interested for the purpose of Part XV of the SFO.
- (20) Nan Fung Enterprises Ltd is wholly owned by Crosby Investment Holdings Inc. Crosby Investment Holdings Inc is deemed to be interested in the Shares in which Nan Fung Enterprises Ltd is interested for the purpose of Part XV of the SFO.
- (21) Crosby Investment Holdings Inc is wholly owned by CHEN Wai Wai Vivien. CHEN Wai Wai Vivien is deemed to be interested in the Shares in which Crosby Investment Holdings Inc is interested for the purpose of Part XV of the SFO.
- (22) Golden Success Profits Ltd is wholly owned by Sheng Fung Co. Ltd. Sheng Fung Co. Ltd is deemed to be interested in the Shares in which Golden Success Profits Ltd is interested for the purpose of Part XV of the SFO.
- (23) Sheng Fung Co. Ltd is wholly owned by CHEN Din Hwa. CHEN Din Hwa is deemed to be interested in the Shares in which Sheng Fung Co. Ltd is interested for the purpose of Part XV of the SFO.

In addition to the above and so far as our Directors are aware, immediately following completion of the Capitalization Issue and the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Share Option Scheme), the following persons (other than members of the Group) are directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our subsidiaries:

<u>Name of Company's subsidiary</u>	<u>Substantial shareholder of such subsidiary</u>	<u>Nature of Interest</u>	<u>Amount of paid up registered capital</u>	<u>Percentage of registered capital</u>
Xingyan Property				
Consultancy	Lu Ying (路瑩)	Beneficial	RMB3,000,000	15%
Huizhou Xingyan Property	Lu Ying (路瑩)	Corporate	RMB500,000	15%
Dongguan Xingyan Property	Lu Ying (路瑩)	Corporate	RMB500,000	15%
Shenzhen Xinyanhang	Lu Ying (路瑩)	Beneficial	RMB4,000,000	15%
	Lu Ying (路瑩)	Corporate	RMB4,000,000	12.75%
Shenzhen Fantasia Colour	Tang Xue Bin (唐學斌)	Beneficial	RMB10,000,000	13%
Shenzhen Fantasia Management	Tang Xue Bin (唐學斌)	Corporate	RMB5,000,000	13%
Shenzhen Colour Life Network	Tang Xue Bin (唐學斌)	Corporate	RMB10,000,000	13%
Shenzhen Kaiyuan	Tang Xue Bin (唐學斌)	Corporate	RMB5,000,000	13%
Shenzhen Liantang Management	Tang Xue Bin (唐學斌)	Corporate	RMB3,000,000	13%
Shenzhen Caiyue Hotel Management	Tang Xue Bin (唐學斌)	Corporate	RMB100,000	13%
Shenzhen Caiyue Hotel	Tang Xue Bin (唐學斌)	Corporate	RMB100,000	13%
Yixing Jiangnan Shuixiang	Jing Liu (敬柳)	Beneficial	RMB28,000,000	40%
Shenzhen Fantasia Investment	Qiu Qiong Ming (邱瓊明)	Beneficial	RMB100,000,000	48%
Fantasia Chengdu Development	Qiu Qiong Ming (邱瓊明)	Corporate	RMB50,000,000	31.2%
Fantasia Chengdu Development	Sichuan Zhong Xu	Beneficial	RMB50,000,000	10%
Tianjin Songjiang-Fantasia	Tianjin Songjiang Group	Beneficial	RMB50,000,000	40%

Save as disclosed above, the Directors are not aware of any person (other than members of the Group) who will, immediately following the completion of the Global Offering and the Capitalization Issue and assuming no exercise of the Over-allotment Option and no shares issued pursuant to the

Share Option Schemes, have an interest or short position in Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

3. Particulars of Service Contracts

- (a) Each of the Directors has entered into a service contract with our Company for an initial term of three years commencing on the Listing Date which may only be terminated in accordance with the provisions of the service contract or by either party giving to the other not less than three months prior notice in writing after the first year since the commencement of the Listing Date. After each completed year of service, such executive Directors' salaries under the service contracts (all of which are conditional on the listing of the Shares on the Stock Exchange) shall be reviewed by the Board.
- (b) Save as disclosed in this Appendix, none of the Directors has entered or has proposed to enter into any service agreements with our Company or any other member of our Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

4. Directors' Remuneration

- (a) Remuneration and benefits in kind of approximately RMB4,673,000 in aggregate were paid and granted by our Group to the Directors in respect of the financial year ended December 31, 2008.
- (b) Under the current arrangements presently in force, the Directors will be entitled to receive remuneration which, for the financial year ending December 31, 2009, is expected to be approximately RMB5.0 million, excluding the discretionary bonuses payable to the executive Directors.
- (c) Save as disclosed in this prospectus, no Director in the promotion of our Company has been paid in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

5. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors or any of the parties listed in the section entitled "Other Information — Consents of Experts" in this Appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to any member of our Group or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole.

6. Share Option Scheme

For the purpose of this section only, unless the context otherwise requires, the following words shall have the following meanings:

“Adoption Date”	October 27, 2009 the date on which the Share Option Scheme was conditionally adopted by written resolutions of all the Shareholders;
“Board”	the board of directors of our Company for the time being or a duly authorized committee thereof;
“Business Day”	any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong;
“Date of Grant”	in respect of an Option, the Business Day on which the Board resolves to make an offer, or the grant of an Option to a Participant whether or not the Offer is subject to Shareholders’ approval on the terms of the Share Option Scheme;
“Grantee”	any Participant who accepts an offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee, or the personal representative of such person;
“Group”	our Company and our Subsidiaries;
“Offer”	the offer of the grant of an Option;
“Option”	an option to subscribe for Shares pursuant to the Share Option Scheme and for the time being subsisting;
“Option Period”	in respect of any particular Option, the period to be determined and notified by the Board to the Grantee at the time of making an Offer which shall not expire later than 10 years from the Date of Grant;
“Participants”	directors (including executive directors, non-executive directors and independent non-executive directors) and employees of our Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters or service providers of any member of our Group who the Board considers, in its sole discretion, have contributed or will contribute to our Group;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph (d) below; and
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Hong Kong Companies Ordinance) of our Company, whether established under the laws of Hong Kong or elsewhere.

The following is a summary of the principal terms of the Share Option Scheme approved by the written resolutions of all the Shareholders passed on October 27, 2009:

(a) Purpose

The purpose of the Share Option Scheme is to reward Participants who have contributed to our Group and to encourage Participants to work towards enhancing the value of our Company and the Shares for the benefit of our Company and the Shareholders as a whole.

(b) Who May Join

The Directors may, at their discretion, invite Participants to take up Options at a price calculated in accordance with paragraph (d) below. An Offer shall remain open for acceptance by the Participant

concerned for 28 days from the Date of Grant provided that no such Offer shall be open for acceptance after the expiry of the Option Period or after the Share Option Scheme is terminated or after the Participant has ceased to be a Participant. An Offer is deemed to be accepted when our Company receives from the Grantee the Offer letter signed by the Grantee specifying the number of Shares in respect of which the Offer is accepted, and a remittance to our Company of HK\$1.00 as consideration for the grant of Option. Such remittance is not refundable in any circumstances. The Offer shall specify the terms on which the Option is granted. Such terms may at the discretion of the Board, include among either things, (i) the minimum period for which an Option must be held before it can be exercised, and/or (ii) a performance target that must be reached before the Option can be exercised in whole or in part, and (iii) any other terms, all of which may be imposed (or not imposed) either on a case-by-case basis or generally.

(c) Grant of Options to Connected Persons or any of their Associates

Any grant of Options to any Director, chief executive or substantial shareholder (as such term as defined in the Listing Rules) of our Company, or any of their respective associates under the Share Option Scheme or any other share option schemes of our Company or any of the Subsidiaries shall be subject to the prior approval of the independent non-executive Directors (excluding independent non-executive Directors who are the proposed Grantees of the Options in question). Where any grant of Options to a substantial shareholder or an independent non-executive Director of our Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled or outstanding) to such person in the 12 month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue on the date of such grant; and
- (ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the Date of Grant, in excess of HK\$5 million,

such further grant of Options shall be subject to prior approval by resolution of the Shareholders (voting by way of poll). We shall send a circular to the Shareholders in accordance with the Listing Rules and all connected persons of our Company shall abstain from voting in favor of the resolution at such general meeting of the Shareholders.

(d) Subscription Price

The Subscription Price shall be determined by the Board in its absolute discretion but in any event shall not be less than the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the Date of Grant which must be a Business Day;
- (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Date of Grant; and
- (iii) the nominal value of the Shares.

(e) Maximum Number of Shares

- (i) The maximum number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of our Company shall not, in the absence of Shareholders' approval, in aggregate exceed 10% in nominal amount of the aggregate of Shares in issue on the Listing Date (not taking into account any Shares which may be allotted and issued under the Over-allotment Option) (the "Scheme Mandate Limit"). Options lapsed in accordance with the terms of the Share Option Scheme and (as the case may be) such other share option schemes of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

We may renew the Scheme Mandate Limit at any time subject to prior Shareholders' approval but in any event, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of our Company under the limit as refreshed must not exceed 10% of the Shares in issue (including Shares which may be allotted and issued under the Over-allotment Option) as at the date of the Shareholders' approval of the renewed limit. Options previously granted under the Share Option Scheme and any other share option schemes of our Company (including those outstanding, cancelled, lapsed in accordance with the terms or exercised options) will not be counted for the purpose of calculating the limit as renewed.

- (ii) Notwithstanding the foregoing, we may grant Options beyond the Scheme Mandate Limit to Participants if:
 - (1) separate Shareholders' approval has been obtained for granting Options beyond the Scheme Mandate Limit to Participants specifically identified by us before such Shareholders' approval is sought; and
 - (2) we, in connection with the seeking of such separate Shareholders' approval, has first sent a circular to Shareholders containing such information as may be required by the Listing Rules then prevailing to be included in such circular.
- (iii) Subject to paragraph (iv) below, the maximum number of Shares issued and to be issued upon exercise of the Options granted to each Grantee under the Share Option Scheme (including both exercised and outstanding Options) in any 12-month period shall not (when aggregated with any Shares subject to options granted during such period under any other share option scheme(s) of our Company other than those options granted pursuant to specific approval by the Shareholders in a general meeting) exceed 1% of the Shares in issue for the time being (the "Individual Limit").
- (iv) Where any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such Participant and his associates abstaining from voting. We must send a circular to the Shareholders disclosing the identity of the Participant in question, the number and terms of the Options to be granted (and Options previously granted to such Participant) and such other information required under the Listing Rules.
- (v) At any time, the maximum number of Shares which may be issued upon exercise of all Options which then have been granted and have yet to be exercised under the Share Option Scheme and any other share option schemes of our Company shall not, in the absence of Shareholders' approval, in aggregate exceed 30% of the Shares in issue from time to time.

(f) Time of Exercise of Option

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during the Option Period.

(g) Rights are Personal to Grantees

An Option is personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Option.

(h) Rights on Termination of Employment by Dismissal

- (i) If the Grantee ceases to be a Participant by reason of the termination of his employment or directorship on the grounds of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily, his Option will lapse automatically (to the extent not already exercised) and not be exercisable on or after the date of termination of his employment.
- (ii) If the Grantee who is an employee or a director of our Company or another member of our Group ceases to be a Participant for any reason other than his death or termination of his employment or directorship on one or more of the grounds specified in paragraph (h)(i) above, the Option shall lapse (to the extent not already exercised) on the date of cessation or termination of his employment and shall on that day cease to be exercisable.

(i) Rights on Death

If the Grantee ceases to be a Participant by reason of his death before exercising his Option in full and none of the events which would be a ground for termination of his employment as described in paragraph (h)(i) above have arisen, his personal representative(s) may exercise the Option up to the Grantee's entitlement as at the date of death (to the extent not already exercised) within a period of 12 months following the date of his death.

(j) Effect of Alterations to Share Capital

In the event of an alteration in the capital structure of our Company, whilst any Option remains exercisable, by way of capitalization of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares, or reduction of the share capital of our Company in accordance with legal requirements and requirements of the Stock Exchange (other than any alteration in the capital structure of our Company as a result of an issue of Shares as consideration in a transaction to which our Company is a party), such corresponding adjustments (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised; or
- (ii) the Subscription Price,

or any combination thereof, provided that:

- (a) any such adjustments give a Grantee the same proportion of the equity capital of our Company as that to which that Grantee was previously entitled; and
- (b) notwithstanding paragraph (j)(a) above, any adjustments as a result of an issue of securities with a price-dilutive element, such as a rights issue, open offer or capitalization issue, should be based on a scrip factor similar to the one used in accounting standards in adjusting the earnings per share figures (referred to in Hong Kong Accounting Standards 33) the acceptable adjustments set out in the Supplemental Guidance on Listing Rule 17.03(3) issued by the Stock Exchange on September 5, 2005 and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

but no such adjustments shall be made to the extent that a Share would be issued at less than its nominal value. In respect of any such adjustments, an independent financial advisor or our auditors must confirm to the Directors in writing that the adjustments are in their opinion fair and reasonable.

(k) Rights on a General Offer by way of Takeover

In the event of a general offer by way of takeover (other than by way of scheme of arrangement) being made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, we shall forthwith notify all the Grantees and any Grantee (or his legal personal representative) shall be entitled to exercise the Option in full (to the extent not already exercised) or to the extent as notified by us at any time within such period as shall be notified by us.

(l) Rights on a General Offer by way of Scheme of Arrangement

In the event of a general offer by way of scheme of arrangement being made to all the Shareholders and has been approved by the necessary number of Shareholders at the requisite meetings, we shall forthwith notify all the Grantees and any Grantee (or his legal personal representative) may at any time thereafter, (but before such time as shall be notified by us) exercise the Option either to its full extent or to the extent notified by us.

(m) Rights on Winding-up

In the event a notice is given by us to the Shareholders to convene a Shareholders' meeting to consider and, if thought fit, approve a resolution to voluntarily wind-up our Company, we shall forthwith give notice thereof to all Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by us) exercise the Option either to its full extent or to the extent notified by us, and we shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot and issue and register in the name of the Grantee such number of Shares to the Grantee which fall to be issued on such exercise.

(n) Rights on a Compromise or Arrangement

In the event a compromise or arrangement (other than a scheme of arrangement) between us and our members or creditors is proposed in connection with a scheme for the reconstruction or amalgamation of our Company, we shall give notice to all the Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a compromise or arrangement, and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by us) exercise the Option either to its full extent or to the extent notified by us and we shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot and issue and register in the name of the Grantee such number of Shares which fall to be issued on such exercise.

(o) Ranking of Shares

The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the Articles of Association of the Company for the time being in force and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which these Shares are allotted on exercise of the Option and accordingly shall entitle the holders to participate in all dividend or other distributions paid or made after the date on which the Shares are allotted other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted.

(p) Period of the Share Option Scheme

The Share Option Scheme was adopted for a period of ten years commencing from the Adoption Date. We may, by ordinary resolution in a general meeting or, such date as the board of Directors determines, terminate the Share Option Scheme at any time without prejudice to the exercise of Options granted prior to such termination.

(q) Alterations to the Share Option Scheme

Those specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Participants, and changes to the authority of the Board in relation to any alteration of the terms of the Share Option Scheme shall not be made, in either case, without the prior approval of Shareholders in general meeting. Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature, or any change to the terms of Options granted, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme. The Share Option Scheme so altered must comply with Chapter 17 of the Listing Rules.

(r) Conditions of the Share Option Scheme

The Share Option Scheme shall take effect subject to:

- (i) the passing of the resolution by the Shareholders to approve and adopt the Share Option Scheme and to authorize the Board to grant Options thereunder and to allot and issue Shares pursuant to the exercise of any Options;
- (ii) the Listing Committee granting approval of the listing of and permission to deal in the Shares which fall to be issued pursuant to the exercise of Options (subject to an initial limit of 10% of the aggregate number of Shares in issue on the Listing Date (being 486,000,000 Shares)); and
- (iii) the commencement of trading of the Shares on the Main Board of the Stock Exchange.

(s) Lapse of Option

An Option shall lapse automatically and shall not be exercisable, to the extent not already exercised, on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of the periods referred to in paragraphs (h), (i), (k) to (n) above respectively;
- (iii) the expiry of the period referred to in paragraph (j) above, subject to any court of competent jurisdiction not making an order to prohibit the offeror from acquiring the remaining Shares in the Offer;
- (iv) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph (l) above;
- (v) the date of commencement of the winding-up of the Company;
- (vi) the date on which the Grantee ceases to be a Participant as referred to in paragraph (h)(i) above;
- (vii) the date on which the Grantee commits a breach by selling, transferring, charging, mortgaging, encumbering or creating any interest in favor of any third party over or in relation to any Option; and
- (viii) subject to paragraph h(ii), the date the Grantee ceases to be a Participant for any other reason.

(t) Termination of the Share Option Scheme

We by ordinary resolution in general meeting or the Board may at anytime terminate the Share Option Scheme and in such event no further Options may be granted but in all other respects the Share Option Scheme shall remain in full force and effect in respect of Options which are granted during the life of the Share Option Scheme and which remain unexpired immediately prior to termination of the operation of the Share Option Scheme.

(u) Restriction on Grant of Option

In addition, a grant of Options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published in the newspapers or in such other manner as prescribed by the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (i) the date of the board meeting of our Company (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for us to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or, not required under the Listing Rules),

and ending on the date of the results announcement, no Option may be granted.

(v) Cancellation

Any Options granted but not exercised may be cancelled if the Participant so agrees.

(w) Present Status of the Share Option Scheme

As at the date of this prospectus, no Option has been granted or agreed to be granted pursuant to the Share Option Scheme.

D. OTHER INFORMATION**1. Tax and Other Indemnities**

The Indemnifiers have pursuant to the Deed of Indemnity referred to in the section entitled "Further Information About Our Business — Summary of Material Contracts" in this Appendix given indemnities in connection with taxation resulting from any income, profits, gains earned, accrued or received on or before the date on which the Global Offering becomes unconditional.

The indemnities in the Deed of Indemnity shall not apply in, among others, the following circumstances:

- (a) where provision has been made for such taxation in the audited accounts of any of the member of our Group up to June 30, 2009;
- (b) where taxation falling on any of the member of our Group in respect of its current accounting periods or any accounting period commencing on or after July 1, 2009 unless liability for such taxation would not have arisen but for some act or omission of, or transaction voluntarily effected by, any of such member (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) with the prior written consent or agreement of the Indemnifiers, other than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets on or before June 30, 2009;
 - (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before June 30, 2009; or
 - (iii) consisting of any of the member of the Group ceasing, or being deemed to cease, to be a member of any group of companies or being associated with any other company for the purposes of any matter of taxation;

- (c) where any provisions or reserve made for taxation in the audited accounts of any of the member of our Group up to June 30, 2009 which is finally established to be an over-provision or an excessive reserve provided that the amount of any such provision or reserve applied to reduce the Indemnifiers' liability in respect of taxation shall not be available in respect of any such liability arising thereafter; or
- (d) where such claim arises or is incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law or practice coming into force after the date on which the Global Offering becomes unconditional or to the extent that such claim arises or is increased by an increase in rates of taxation after the date on which the Global Offering becomes unconditional with retrospective effect.

2. Litigation

Save as disclosed in the section entitled "Our Business — Legal Proceedings" to this prospectus, no member of our Group is engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of our Group that would have a material adverse effect on our Group's results of operations or financial condition.

3. Sponsors

The Joint Sponsors have made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, all the Shares in issue and to be issued as referred to in this prospectus (including any Shares which may fall to be issued pursuant to the Share Option Scheme and the exercise of the Over-allotment Option). All necessary arrangements have been made enabling such Shares to be admitted to CCASS.

4. Preliminary Expenses

Our preliminary expenses are estimated to be approximately US\$20,000 (approximately HK\$155,004) and are payable by our Group.

5. Promoters

The promoters of our Company are Mr. Pan and Ms. Zeng. Save as disclosed in this prospectus, no cash, securities or other benefit has been paid, allotted or given, or proposed to be paid, allotted or given, to the promoters within two years preceding the date of this prospectus.

6. Qualifications of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

<u>Name</u>	<u>Qualification</u>
CITIC Securities	Licensed corporation under the SFO to engage in type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO
Deutsche Bank	Licensed corporation under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO, and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
Deloitte Touche Tohmatsu	Certified Public Accountants
Commerce & Finance Law Offices	PRC legal advisors
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Jones Lang LaSalle Sallmanns Limited	Professional property valuers

7. Consents of Experts

- (a) Each of CITIC Securities, Deutsche Bank, Deloitte Touche Tohmatsu, Commerce & Finance Law Offices, Conyers Dill & Pearman and Jones Lang LaSalle Sallmanns Limited has given and has not withdrawn their respective consent to the issue of this prospectus with the inclusion of its report and/or letter and/or summary of valuations and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.
- (b) As of the Latest Practicable Date, save as disclosed in this prospectus or in connection with the Underwriting Agreements, none of the experts named in the paragraph (a) above has any shareholding interest in our Group or the right (whether legally enforceable or not) to subscribe for or, to nominate persons to subscribe for securities in any member of our Group.

8. Compliance Advisor

Conditional on the listing of the Shares on the Stock Exchange, we expect to appoint Partners Capital International Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, we will consult with and seek advice from the compliance advisor in the following circumstances in respect of the following matters:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated (including share issues and share repurchases);
- (c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- (d) where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of the Shares.

In addition, the compliance advisor will also provide, among other things, the following services to us:

- (i) if required by the Stock Exchange, deal with the Stock Exchange in respect of any or all matters listed in paragraphs (a) to (d) above;
- (ii) in relation to an application by us for a waiver from any of the requirements in Chapter 14A of the Listing Rules, advise us on our obligations and in particular the requirement to appoint an independent financial adviser; and
- (iii) assess the understanding of all new appointees to the Board regarding the nature of their responsibilities and fiduciary duties as a Director and, to the extent the compliance advisor forms an opinion that the new appointee's understanding is inadequate, discuss the inadequacies with the Board and make recommendations to the Board regarding appropriate remedial steps.

The term of appointment of the compliance advisor shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date.

9. Binding Effect

This prospectus shall have the effect if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Hong Kong Companies Ordinance insofar as applicable.

10. Advisory Fees or Commissions Received

The Underwriters will receive an underwriting commission and advisory fee as set forth in the section entitled "Underwriting — Underwriting Arrangements and Expenses — Commissions and Expenses" in this prospectus.

11. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of any member of our Group has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of any member of our Group is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no founders, management or deferred shares of any member of our Group have been issued or agreed to be issued;
 - (iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any capital of any member of our Group; and
 - (v) no commission has been paid or is payable (except commissions to the Underwriters) for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share of any member of our Group.
- (b) No member of our Group is presently listed on any stock exchange or traded on any trading system.
- (c) There has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this prospectus.
- (d) All necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement.

12. Bilingual Prospectus

The English language and the Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and the Chinese language version, the English language version shall prevail.

13. Particulars of the Selling Shareholders

<u>Name</u>	<u>Number of Sale Shares</u>	<u>Description</u>	<u>Address</u>
Fantasia (Cayman) Ltd.	182,250,000	an exempted company incorporated in the Cayman Islands with limited liability and is an affiliate of The Goldman Sachs Group, Inc.	M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands
Wellluck Properties Ltd (駿運物業有限公司)	60,750,000	a company incorporated in the BVI with limited liability and is a majority owned subsidiary of HSBC NF China Investors Limited, which is the general partner of the HSBC NF China Real Estate Fund, L.P.	Palm Grove House, P.O. Box 438 Road Town Tortola British Virgin Islands