Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission take no responsibility for the contents of this Web Proof Information Pack, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Web Proof Information Pack.

Web Proof Information Pack of

恒大地產集團®
EVERGRANDE REAL ESTATE GROUP

Evergrande Real Estate Group Limited

恒大地產集團有限公司

(incorporated in the Cayman Islands with limited liability)

WARNING

This Web Proof Information Pack is being published as required by The Stock Exchange of Hong Kong Limited ("HKEx")/ the Securities and Futures Commission solely for the purpose of providing additional information to the public in Hong Kong.

This Web Proof Information Pack is in draft form. The information contained in it is incomplete and is subject to change which can be material. By viewing this Web Proof Information Pack, you acknowledge, accept and agree with Evergrande Real Estate Group Limited (the "Company"), any of its sponsors, advisers and/or members of the underwriting syndicate that:

(a) this Web Proof Information Pack is only for the purpose of facilitating equal dissemination of information to investors in Hong Kong and not for any other purposes. No investment decision should be based on the information contained in this Web Proof Information Pack;

(b) the posting of the Web Proof Information Pack or any supplemental, revised or replacement pages thereof on the website of HKEx does not give rise to any obligation of the Company, any of its sponsors, advisers and/or members of the underwriting syndicate to proceed with an offering in Hong Kong or any other jurisdiction. There is no assurance that the Company will proceed with the offering;

(c) the contents of the Web Proof Information Pack or any supplemental, revised or replacement pages thereof may or may not be replicated in full or in part in the actual prospectus;

(d) this Web Proof Information Pack may be updated or revised by the Company from time to time but neither the Company nor any of its affiliates, sponsors, advisors or members of the underwriting syndicate is under any obligation, legal or otherwise, to update any information contained in this Web Proof Information Pack;

(e) this Web Proof Information Pack does not constitute a prospectus, notice, circular, brochure or advertisement or document offering to sell any securities to the public in any jurisdiction, nor is it an invitation or solicitation to the public to make offers to acquire, subscribe for or purchase any securities, nor is it calculated to invite or solicit offers by the public to aquire, subscribe for or purchase any securities;

(f) this Web Proof Information Pack must not be regarded as an inducement to subscribe for or purchase any securities, and no such inducement is intended;

(g) neither the Company nor any of its affiliates, sponsors, advisers or members of the underwriting syndicate is offering, or is soliciting offers to buy, any securities in any jurisdiction through the publication of this Web Proof Information Pack;

(h) neither the Web Proof Information Pack nor anything contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever;

(i) neither the Company nor any of its affiliates, sponsors, underwriters or advisers makes any express or implied representation or warranty as to the accuracy or completeness of the information contained in the Web Proof Information Pack;

(j) each of the Company and its affiliates, sponsors, underwriters and advisers expressly disclaims any and all liability on the basis of any information contained in or omitted from, or any inaccuracies or errors in, the Web Proof Information Pack;

(k) securities may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended (the "Securities Act") or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The securities referred to in this Web Proof Information Pack have not been registered under the Securities Act. The Company does not intend to register the securities under the Securities Act or conduct a public offering in the United States. This Web Proof Information Pack is not an offer of securities for sale in the United States. You confirm that you are accessing this Web Proof Information Pack from outside of the United States;

(l) as there may be legal restrictions on the distribution of this Web Proof Information Pack or dissemination of any information contained in this Web Proof Information Pack, you agree to inform yourself about and observe any such restrictions applicable to you.

If an offer or an invitation is made to the public in Hong Kong in due course, prospective investors are reminded to make their investment decisions solely based on a prospectus of the Company registered with the Registrar of Companies in Hong Kong, copies of which will be distributed to the public during the offer period. No offer or invitation to the public in Hong Kong will be made until after a prospectus of the Company is registered with the Registrar of Companies in Hong Kong in accordance with the Companies Ordinance (Cap 32).

CONTENTS

This Web Proof Information Pack contains the following information relating to the Company extracted from the draft document:

- **Contents**
- **Summary**
- **Definitions**
- **Risk Factors**
- **Directors**
- **Corporate Information**
- **Industry Overview**
- **Corporate History**
- **Business**
- **Relationship with Our Controlling Shareholder**
- **Directors, Senior Management and Employees**
- **Substantial Shareholders**
- **Financial Information**
- **Future Plans**
- **Appendix I — Accountants' Report**
- **Appendix IV — Property Valuation Report**
- **Appendix V — Taxation**
- **Appendix VI — Summary of PRC Laws Relating to the Property Sector**
- **Appendix VII — Summary of Memorandum and Articles of Association and Cayman Islands Companies Law**
- **Appendix VIII — Statutory and General Information**

YOU SHOULD READ THE SECTION HEADED "WARNING" ON THE COVER OF THIS INFORMATION PACK.

SUMMARY

OVERVIEW

We are one of the largest developers of quality residential property projects and a leader in adopting a standardized operational model to manage our various projects in different cities across China. Founded in Guangzhou, Guangdong Province, in 1996, we have become a leading national property developer through our economies of scale and widely recognized brand name under the leadership of our management team. Over the years, our focus on centralized management system, standardized operational model and quality products has allowed us to quickly replicate our success in Guangzhou across China. Through our standardized operational model, we have been able to simultaneously manage projects in various development and sale stages in 24 cities with high-growth prospects, of which 17 are provincial capitals or municipalities, including Guangzhou, Tianjin, Chongqing, Shenyang, Chengdu, Wuhan, Nanjing, Xi'an, Changsha, Taiyuan and Kunming.

Our residential property development integrates planning, design, construction and property management and follows our standardized process management to ensure development speed and product quality. We have been awarded the highest recognition in China in real estate development, architectural planning and design, construction, construction supervision and property management, and have been ranked among the "Top 10 Property Developers of China" by China Real Estate Top 10 Research Group, an organization constituted by Enterprise Research Institute of the Development Research Center of the State Council, Tsinghua University Real Estate Research Center and China Index Academy, for six consecutive years since 2004.

According to a report published on October 9, 2009 by China Real Estate Assessment and Evaluation Center, a non-profit professional evaluation institution, and CRIC Holdings Limited, or CRIC, we were ranked No. 1 among property developers in China in terms of the total land reserves and GFA under construction as of September 30, 2009. We were also ranked No. 1 among property developers in China in terms of GFA pre-sold for the nine months ended September 30, 2009, and were among the top five property developers in China in terms of contracted sales for the nine months ended September 30, 2009. In addition, we were ranked No. 1 among property developers in China in terms of GFA pre-sold and contracted sales for the three months ended September 30, 2009. CRIC is a subsidiary of E-House China Holdings Limited, or E-House, a New York Stock Exchange listed company, which specializes in providing third-party real estate information and consulting services in the PRC property market. We have not commissioned China Real Estate Assessment and Evaluation Centre and CRIC for this report. For more information about our relationship with E-House, you may refer to "Business — Property Development — Sales and Marketing" in the document.

We have the largest land reserves among all PRC property developers, with a total GFA of approximately 51.2 million square meters of high-quality and low-cost land with an average cost of approximately RMB 445 per square meter. We focus on provincial capitals and municipalities with high-growth potentials and our land reserves cover the most provincial capitals and municipalities among all PRC property developers. As of September 30, 2009, we had a total of 54 property projects, more than 83% of which were urban projects in provincial capitals or municipalities. As of September 30, 2009, we completed development of a total GFA of

approximately 4.1 million square meters since our inception, and we had properties under development with a total GFA of 41.9 million square meters, and properties held for future development with a total GFA of 9.3 million square meters.

As of September 30, 2009, 41 of our property projects under development had construction permits with a total GFA of 17.1 million square meters and a saleable GFA under construction of 16.6 million square meters, and we had obtained pre-sale permits for a total GFA under construction of 7.1 million square meters in 32 projects, of which 2.5 million square meters remained unsold.

Over the years, we have developed and introduced various distinctive product series to the market, including:

- ***High-end series*** represented by products within our Evergrande Palace (恒大華府) series, which account for approximately 10% of the number of our current projects, and are positioned as high-end and premium residential properties in urban centers. Properties of our Evergrande Palace series target high-income residents in such regions.

- ***Mid- to mid-high-end series*** represented by products within our Evergrande Oasis (恒大綠洲) series, Evergrande Metropolis (恒大名都) series and Evergrande City (恒大城) series, which account for approximately 70% of the number of our current projects, and target middle to upper-middle income residents, who currently constitute the largest segment of residential real estate purchasers. Evergrande Metropolis and Evergrande City are urban residential complexes in major cities, while Evergrande Oasis is located in areas with the requisite natural landscape. These series are equipped with well-developed facilities and amenities within the complexes.

- ***Tourism-related series*** represented by products within our Evergrande Splendor (恒大金碧天下) series, which account for approximately 20% of the number of our current projects. Products within our Evergrande Splendor series are positioned as large-scale resort projects that offer a mix of residential, commercial and tourism-related properties.

We design and develop all of our product series under our standardized operational model and market them under the brand name of "Evergrande" on a nationwide basis.

We strive to provide high-quality residential products to the market by focusing on every step of the development process, from site selection, planning, landscaping, construction to fitting-out and property management. We aim to deliver "best-in-class" end-products to our customers. Over the years, our products have gained a wide brand recognition among consumers as reflected by our strong contracted sales and sales records. For the year ended December 31, 2008, our contracted sales amounted to approximately RMB 6.0 billion. For the nine months ended September 30, 2009, our contracted sales amounted to approximately RMB 23.1 billion, as compared to approximately RMB 5.4 billion for the same period in 2008, representing an approximately three-time increase. In addition, we had received approximately RMB 15.7 billion of receipt in advances from our customers in relation to our contracted sales for the nine months ended September 30, 2009, and we expect to receive the remaining RMB

7.4 billion in the future in accordance with the payment schedules in the relevant sales contracts. As of September 30, 2009, our total cash (including cash equivalents and restricted cash) amounted to RMB 10.0 billion, representing approximately 96.1% increase from that of June 30, 2009. As of September 30, 2009, our total equity and total assets were RMB 8.9 billion and RMB 48.1 billion, respectively.

OUR COMPETITIVE STRENGTHS

We believe that we possess the following principal strengths that have allowed us to compete effectively with our peers in the property markets in China:

- We are a leader of the standardized operational model for large-scale quality property developments;
- We have strategically acquired large low-cost land reserves of 51.2 million square meters in 24 cities across China, with a focus on provincial capitals with high-growth potentials;
- We have leveraged our industry-leading brand name and strategic partnerships with renowned suppliers to develop quality products that are well-recognized by the market;
- We offer a comprehensive product mix that caters to different market segment demands;
- We are able to effectively control our costs at every stage of the project development;
- We possess a highly experienced and stable management team with proven execution capabilities to adapt and respond to market changes; and
- We have proven capability to develop projects and achieve asset turnover rapidly.

You should refer to the section entitled "Business — Our Competitive Strengths" for further information about these strengths.

OUR BUSINESS STRATEGIES

We plan to implement the following strategies to achieve our goals:

- Continue to optimize and leverage our standardized operational model;
- Maintain a comprehensive product offering with a primary focus on residential properties;
- Focus on product quality to enhance our brand;
- Maintain sufficient stock of low-cost land reserves for future development needs;
- Continue to pursue scale and rapid property project development; and

- Focus strategically on geographic locations with attractive demand fundamentals.

You should refer to the section entitled "Business — Business Strategies" for further information about these strategies.

SUMMARY FINANCIAL INFORMATION

The following tables summarize our consolidated financial information for the three years ended and as of December 31, 2006, 2007 and 2008 and the six months ended June 30, 2008 and 2009 and as of June 30, 2009. We extracted this summary financial information from the Accountants' Report in Appendix I to this document and you should read the entire audited financial statements, including the notes to the financial statements, included in Appendix I for more details. Our financial statements for the six months ended June 30, 2008 have not been audited.

Summary Consolidated Income Statements Data

	Year ended December 31,						Six months ended June 30,			
	2006		2007		2008		2008		2009	
							(unaudited)			
	(RMB in thousands, except percentages and per share data)									
Revenue	1,983,304	100.0%	3,166,692	100.0%	3,606,791	100.0%	2,525,413	100.0%	1,635,130	100.0%
Cost of sales	(1,426,278)	71.9	(1,945,261)	61.4	(2,124,420)	58.9	(1,585,279)	62.8	(1,089,782)	66.6
Gross profit	557,026	28.1	1,221,431	38.6	1,482,371	41.1	940,134	37.2	545,348	33.4
Fair value gains on investment properties	300,103	15.1	657,067	20.7	77,415	2.1	107,912	4.3	299,657	18.3
Other gains	25,904	1.3	796,877	25.2	531,090	14.7	485,883	19.2	301,094	18.4
Selling and marketing costs	(63,640)	3.2	(220,651)	7.0	(665,299)	18.4	(278,161)	11.0	(415,259)	25.4
Administrative expenses	(150,964)	7.6	(470,579)	14.9	(545,273)	15.1	(218,146)	8.6	(349,034)	21.3
Other operating expenses	(19,572)	1.0	(23,356)	0.7	(34,439)	1.0	(24,243)	1.0	(6,187)	0.4
Operating profit	648,857	32.7	1,960,789	61.9	845,865	23.5	1,013,379	40.1	375,619	23.0
Fair value change on embedded financial derivatives	(2,515)	0.1	(562,684)	17.8	—	—	—	—	—	—
(Provisions)/reversals of financial guarantees	—	—	—	—	(65,997)	1.8	(32,315)	1.3	146,341	8.9
Finance (costs)/income, net	(55,809)	2.8	118,765	3.8	186,520	5.2	183,980	7.3	(12,308)	0.8
Profit before income tax	590,533	29.8	1,516,870	47.9	966,388	26.8	1,165,044	46.1	509,652	31.2
Income tax (expenses)/credit	(265,074)	13.4	(437,766)	13.8	(333,958)	9.3	(304,480)	12.1	12,708	0.8
Profit for the year/period	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	32.0
Other comprehensive income:										
Gain/(loss) recognized directly in equity	—	—	—	—	—	—	—	—	—	—
Total comprehensive income for the year/period	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	32.0
Attributable to:										
Shareholders of the company	325,459	16.4	1,081,533	34.2	524,760	14.5	759,883	30.1	500,172	30.6
Minority interests	—	—	(2,429)	0.1	107,670	3.0	100,681	4.0	22,188	1.4
	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	32.0
Basic and diluted earnings per share for profit attributable to shareholders during the year/period (expressed in RMB per share)	Not applicable	—	Not applicable	—	0.21	—	0.33	—	0.18	—
Dividends	493,518	24.9%	—	—%	125,651	3.5%	125,651	5.0%	—	—%

We recognized certain non-recurring gains during the Track Record Period, primarily including (i) the gain of approximately RMB 760.4 million from our disposal of a 40% interest in a subsidiary in 2007, representing 50.1% of our profit before income tax during the year, (ii) the gain of approximately RMB 474.5 million from our transfer of the property development rights and control rights in two property development projects to Chow Tai Fook Group in 2008,

representing 49.1% of our profit before income tax during the year, and (iii) the gain of approximately RMB 172.5 million from our repurchase of a portion of the Structured Secured Loan at a discount price in the six months ended June 30, 2009, representing 33.8% of our profit before income tax during the six-month period in 2009. The gains relating to the disposal of the partial interest in our subsidiary and transfer of project development rights constituted gains from our ordinary course of business, as such disposal and transfer essentially constituted bulk sales of our property projects.

We incurred a significant amount of interest expenses in relation to our bank borrowings, the Convertible Preferred Shares and the Structured Secured Loan. Most of these interest expenses have been capitalized as properties under development rather than being recorded as expenses in our income statement when they were incurred. As included in our consolidated balance sheets as set out in Appendix I, the amounts of capitalized interest for completed properties held for sale were approximately RMB 13.1 million, RMB 73.3 million and RMB 215.6 million as of December 31, 2006, 2007 and 2008, respectively, and RMB 361.0 million as of June 30, 2009. The amounts of capitalized interest for properties under development were approximately RMB 111.9 million, RMB 707.1 million and RMB 1,616.2 million as of December 31, 2006, 2007 and 2008, respectively, and RMB 1,703.1 million as of June 30, 2009. Such capitalized interest expenses will be recognized as expenses in the consolidated income statement as a portion of cost of sales upon recognition of the sale of the relevant properties. Accordingly, such capitalized interest expenses may adversely affect our gross profit margin upon recognition of the sales of the relevant properties in 2009 and future periods. Our capitalized interests included in cost of sales for the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were RMB 76.7 million, RMB 96.4 million, RMB 150.7 million and RMB 109.0 million, respectively.

SUMMARY

Summary Consolidated Balance Sheets Data

	December 31,			June 30,
	2006	2007	2008	2009
	(RMB in thousands)			
ASSETS				
Non-current assets				
Property and equipment	46,781	217,978	450,141	389,815
Land use rights	378,622	470,820	250,868	278,606
Investment properties	847,487	1,571,468	1,741,390	2,148,108
Other receivables	—	—	281,849	290,351
Deferred income tax assets	19,957	123,904	324,364	401,461
	1,292,847	2,384,170	3,048,612	3,508,341
Current assets				
Land use rights	1,158,544	6,514,092	8,644,245	10,202,174
Properties under development	1,083,477	3,287,017	9,049,192	11,320,250
Completed properties held for sale	290,339	986,962	2,240,713	3,291,744
Trade and other receivables and prepayments	1,918,580	4,845,432	3,590,360	2,931,573
Income tax recoverable	8,128	—	31,816	100,707
Restricted cash	386,092	1,725,849	1,167,942	2,126,399
Cash and cash equivalents	1,655,970	1,640,863	749,718	2,974,188
	6,501,130	19,000,215	25,473,986	32,947,035
Total assets	7,793,977	21,384,385	28,522,598	36,455,376
EQUITY				
Capital and reserves attributable to shareholders of the Company				
Share capital	125,000	125,000	209,332	209,332
Share premium	—	—	6,000,560	6,000,560
Reserves	(744,315)	(640,465)	389,837	389,837
Retained earnings	110,981	1,153,145	1,662,139	2,162,311
	(508,334)	637,680	8,261,868	8,762,040
Minority interests	—	213,593	321,263	244,651
Total equity	(508,334)	851,273	8,583,131	9,006,691
LIABILITIES				
Non-current liabilities				
Borrowings	1,425,721	8,915,516	4,226,413	3,877,886
Convertible Preferred Shares	2,830,322	3,153,928	—	—
Embedded financial derivatives	294,232	816,436	—	—
Deferred income tax liabilities	422,762	482,137	451,527	441,987
	4,973,037	13,368,017	4,677,940	4,319,873
Current liabilities				
Borrowings	829,662	646,200	6,213,843	6,294,425
Trade and other payables	857,081	4,194,060	4,469,168	5,122,154
Receipt in advance from customers	1,472,096	1,763,544	3,503,265	10,765,988
Financial guarantee liabilities	—	—	197,403	51,062
Current income tax liabilities	170,435	561,291	877,848	895,183
	3,329,274	7,165,095	15,261,527	23,128,812
Total liabilities	8,302,311	20,533,112	19,939,467	27,448,685
Total equity and liabilities	7,793,977	21,384,385	28,522,598	36,455,376
Net current assets	3,171,856	11,835,120	10,212,459	9,818,223
Total assets less current liabilities	4,464,703	14,219,290	13,261,071	13,326,564

SUMMARY

Property Projects

Geographical distribution of our property projects as of September 30, 2009 was as follows:

	Completed properties		Properties under development		Properties held for future development	
Location	Total GFA ('000 m^2)	% of total GFA (%)	Total GFA ('000 m^2)	% of total GFA (%)	Total GFA ('000 m^2)	% of total GFA (%)
Guangzhou	2,682.1	65.3	1,198.4	2.9	109.7	1.2
Other cities in Guangdong	263.7	6.4	4,475.0	10.7	—	—
Chongqing	337.8	8.2	2,365.1	5.6	971.2	10.5
Tianjin	49.9	1.2	462.8	1.1	—	—
Wuhan and adjacent areas	130.7	3.2	2,480.8	5.9	462.8	5.0
Chengdu and adjacent areas	299.2	7.3	2,157.5	5.1	—	—
Shenyang	314.7	7.7	1,360.8	3.2	1,503.1	16.2
Xi'an	—	—	1,629.5	3.9	—	—
Nanjing	9.7	0.2	1,430.7	3.4	—	—
Kunming	19.2	0.5	899.6	2.1	—	—
Qidong	—	—	11,957.0	28.5	—	—
Baotou	—	—	1,666.2	4.0	—	—
Taiyuan	—	—	932.3	2.2	915.8	9.9
Guiyang	—	—	312.6	0.7	—	—
Hefei	—	—	1,214.3	2.9	234.6	2.5
Changsha	—	—	2,946.4	7.0	—	—
Nanning	—	—	787.8	1.9	—	—
Zhengzhou	—	—	—	—	1,591.2	17.2
Luoyang	—	—	795.7	1.9	2,368.9	25.6
Nanchang	—	—	2,055.5	4.9	284.0	3.1
Shijiazhuang	—	—	797.9	1.9	819.7	8.9
Total	4,106.9	100.0	41,925.8	100.0	9,260.9	100.0

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

The table below sets forth our project-by-project information as of September 30, 2009.

No.	Project	Location	Site area (m^2)	Total GFA (m^2)	GFA (m^2)			Attributable equity interest (%)
					Completed properties	Properties under development	Properties held for future development	
	Guangdong Province							
1	Jinbi Garden No.1	Guangzhou	63,544	341,683	341,683	—	—	100
2	Jinbi Garden No.2	Guangzhou	69,146	305,722	275,521	—	30,201	100
3	Jinbi Garden No.3	Guangzhou	145,978	460,323	380,778	—	79,545	100
4	Jinbi Palace	Guangzhou	26,686	137,399	137,399	—	—	100
5	Jinbi City Plaza	Guangzhou	21,073	118,483	118,483	—	—	100
6	Jinbi Emerald Court	Guangzhou	5,409	53,453	53,453	—	—	100
7	Jinbi New City Garden	Guangzhou	120,240	428,003	428,003	—	—	100
8	Jinbi Century Garden	Guangzhou	138,116	413,021	413,021	—	—	100
9	Jinbi Bay Garden	Guangzhou	20,403	89,323	89,323	—	—	100
10	Jinbi Atrium	Guangzhou	54,930	209,005	209,005	—	—	100
11	Jinbi Junhong Garden	Guangzhou	36,357	197,013	157,575	39,438	—	100
12	Evergrande Royal Scenic Peninsula	Foshan	543,528	1,073,147	263,650	809,497	—	60
13	Evergrande Scenic Garden	Guangzhou	536,199	751,914	77,886	674,028	—	100
14	Evergrande Oasis Guangzhou	Guangzhou	111,048	484,919	—	484,919	—	100
15	Evergrande Metropolis Foshan	Foshan	171,869	861,897	—	861,897	—	100[(1)]
16	Evergrande Splendor Qingyuan	Qingyuan	1,801,408	2,803,581	—	2,803,581	—	100
	Chongqing Municipality							
17	Evergrande Splendor Chongqing	Chongqing	808,799	813,432	113,372	700,060	—	100
18	Evergrande City Chongqing	Chongqing	316,329	1,174,862	154,319	1,020,543	—	100
19	Evergrande Palace Chongqing	Chongqing	169,812	378,372	70,089	283,565	24,718	100
20	Evergrande Oasis Chongqing	Chongqing	91,928	465,753	—	151,714	314,039	100
21	Evergrande Metropolis Chongqing	Chongqing	191,400	841,597	—	209,188	632,409	100
	Tianjin Municipality							
22	Evergrande Splendor Tianjin	Tianjin	854,165	512,650	49,899	462,751	—	100
	Hubei Province							
23	Evergrande Splendor E'zhou	E'zhou	765,073	858,257	22,685	835,572	—	100
24	Evergrande Palace Wuhan	Wuhan	284,577	564,596	107,968	456,628	—	100[(1)]
25	Evergrande Oasis Wuhan	Wuhan	314,901	815,914	—	537,362	278,552	100
26	Evergrande City Wuhan	Wuhan	370,692	835,480	—	651,230	184,250	100
	Sichuan Province							
27	Evergrande Splendor Pengshan	Meishan	1,205,932	1,128,470	—	1,128,470	—	100
28	Evergrande Oasis Chengdu	Chengdu	142,145	629,449	158,542	470,907	—	100
29	Evergrande City Chengdu	Chengdu	169,501	698,761	140,637	558,124	—	100
	Liaoning Province							
30	Evergrande Oasis Shenyang	Shenyang	602,130	2,291,000	157,972	674,537	1,458,491	100
31	Evergrande City Shenyang	Shenyang	355,000	887,500	156,702	686,231	44,567	100

(1) We have entered into a co-development agreement with Chow Tai Fook Group affiliates for this project. For further details, you may refer to the section entitled "Corporate History — Reorganization — Co-Development of Projects" in this document.

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

No.	Project	Location	Site area (m^2)	Total GFA (m^2)	GFA (m^2)			Attributable equity interest (%)
					Completed properties	Properties under development	Properties held for future development	
	Shaanxi Province							
32	Evergrande Metropolis Xi'an	Xi'an	78,574	309,079	—	309,079	—	100
33	Evergrande Oasis Xi'an	Xi'an	207,175	630,070	—	630,070	—	65
34	Evergrande City Xi'an	Xi'an	162,471	690,339	—	690,339	—	60
	Jiangsu Province							
35	Evergrande Splendor Nanjing	Nanjing	983,033	1,133,523	9,682	1,123,841	—	100
36	Evergrande Oasis Nanjing	Nanjing	137,098	306,862	—	306,862	—	100
37	Evergrande Splendor Qidong	Qidong	5,978,624	11,957,045	—	11,957,045	—	100
	Yunnan Province							
38	Evergrande Splendor Kunming	Kunming	660,891	918,832	19,237	899,595	—	100
	Inner Mongolia Autonomous Region							
39	Evergrande Palace Baotou	Baotou	437,925	1,666,225	—	1,666,225	—	100
	Shanxi Province							
40	Evergrande Oasis Taiyuan	Taiyuan	691,797	1,848,044	—	932,279	915,765	100
	Guizhou Province							
41	Evergrande Oasis Guiyang	Guiyang	146,825	312,583	—	312,583	—	100
	Anhui Province							
42	Evergrande Palace Hefei	Hefei	142,578	516,088	—	281,488	234,600	100
43	Evergrande City Hefei	Hefei	310,929	932,787	—	932,787	—	60
	Hunan Province							
44	Evergrande Palace Changsha	Changsha	144,978	495,207	—	495,207	—	51
45	Evergrande Metropolis Changsha	Changsha	185,376	840,914	—	840,914	—	100
46	Evergrande City Changsha	Changsha	268,506	862,833	—	862,833	—	51
47	Evergrande Oasis Changsha	Changsha	144,187	747,484	—	747,484	—	100
	Guangxi Zhuang Autonomous Region							
48	Evergrande Oasis Nanning	Nanning	341,449	787,756	—	787,756	—	80
	Henan Province							
49	Evergrande Oasis Zhengzhou	Zhengzhou	438,667	1,591,151	—	—	1,591,151	80
50	Evergrande Oasis Luoyang	Luoyang	892,080	3,164,544	—	795,677	2,368,867	100
	Jiangxi Province							
51	Evergrande City Nanchang	Nanchang	976,800	1,367,526	—	1,367,526	—	51
52	Evergrande Oasis Nanchang	Nanchang	1,620,008	972,005	—	687,986	284,019	100
	Hebei Province							
53	Evergrande City Shijiazhuang	Shijiazhuang	245,414	950,972	—	131,266	819,706	100
54	Evergrande Splendor Shijiazhuang	Shijiazhuang	666,667	666,667	—	666,667	—	85
Sub-total			26,370,370	55,293,514	4,106,884	41,925,751	9,260,880	
Total			26,370,370	55,293,514	4,106,884	51,186,631		

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

Completed Properties

Our completed properties represent all properties we have completed since our inception. As of September 30, 2009, we had completed the development of the following 25 property projects with a total GFA of approximately 4.1 million square meters, of which approximately 3.7 million square meters constituted saleable GFA and approximately 3.3 million square meters constituted GFA pre-sold and sold, representing 88.1% of saleable GFA. As of September 30, 2009, we held an aggregate of 231,202 square meters of total GFA of our completed properties as investment properties, including 45,624 square meters of total GFA of commercial spaces and 5,544 carparks. We set forth below the details of these property projects.

No.	Project	Project phase	Completion time	Total GFA ('000 m^2)	Attributable equity interest (%)	Saleable GFA ('000 m^2)	GFA pre-sold and sold ('000 m^2)	GFA unsold (m^2)	Rentable GFA (m^2)	Ref. to Property Valuation Report
1	Jinbi Garden No.1, Guangzhou	1–5	Mar 2005	341.7	100	304.0	303.0	1,011	32,454	1, 4, 14
2	Jinbi Garden No.2, Guangzhou	1–5	Sep 2003	275.5	100	251.3	251.3	—	8,033	2
3	Jinbi Garden No.3, Guangzhou	1–4	May 2007	380.8	100	329.0	329.0	—	13,648	3, 15
4	Jinbi Palace, Guangzhou	1–3	Nov 2004	137.4	100	116.8	116.1	727	19,551	6, 17
5	Jinbi City Plaza, Guangzhou	1	Jun 2006	118.5	100	79.5	79.5	—	23,553	5
6	Jinbi Emerald Court, Guangzhou	1	Dec 2006	53.5	100	40.0	40.0	—	12,353	7
7	Jinbi New City Garden, Guangzhou	1–5	Nov 2008	428.0	100	358.2	356.9	1,281	38,963	8, 18
8	Jinbi Century Garden, Guangzhou	1–5	Jun 2008	413.0	100	353.6	353.6	—	31,208	9, 16
9	Jinbi Bay Garden, Guangzhou	1–2	Mar 2007	89.3	100	78.8	78.7	137	7,685	10, 20
10	Jinbi Atrium, Guangzhou	1–5	Mar 2007	209.0	100	175.2	175.0	251	24,803	11, 19
11	Jinbi Junhong Garden, Guangzhou	1	Apr 2008	157.6	100	142.3	137.4	4,967	8,151	12, 21
12	Evergrande Royal Scenic Peninsula, Guangzhou	1	Jun 2008	263.7	60	238.2	154.8	83,402	10,801	13, 22
13	Evergrande Scenic Garden, Guangzhou	1 (partial)	Mar 2009	77.9	100	77.9	77.9	—	—	23
14	Evergrande Splendor Chongqing	1	Sep 2008	113.4	100	113.4	21.9	91,487	—	26
15	Evergrande City Chongqing	1 (partial)	Sep 2009	154.3	100	154.3	106.4	47,946	—	28
16	Evergrande Palace Chongqing	1 (partial)	Mar 2009	70.1	100	70.1	63.5	6,600	—	25
17	Evergrande Splendor Tianjin	1 (partial)	Sep 2009	49.9	100	49.9	49.6	304	—	34
18	Evergrande Splendor E'zhou	1 (partial)	Sep 2009	22.7	100	22.7	18.6	4,091	—	33
19	Evergrande Palace Wuhan	1 (partial)	Jun 2009	108.0	100	106.1	66.9	39,175	—	27
20	Evergrande Oasis Chengdu	1 (partial)	Jun 2009	158.5	100	158.5	112.9	45,605	—	24
21	Evergrande City Chengdu	1 (partial)	Dec 2008	140.6	100	140.6	93.6	47,016	—	29
22	Evergrande Oasis Shenyang	1 (partial)	Dec 2008	158.0	100	158.0	118.2	39,805	—	31
23	Evergrande City Shenyang	1 (partial)	Sep 2009	156.7	100	156.7	128.6	28,060	—	32
24	Evergrande Splendor Nanjing	1 (partial)	Sep 2009	9.7	100	9.7	9.4	235	—	35
25	Evergrande Splendor Kunming	1 (partial)	Sep 2009	19.2	100	19.2	19.2	—	—	30
	Total			4,106.9		3,704.1	3,262.0	442,101	231,202	

With respect to the table above, you should note that the completed properties that are fully sold and delivered are not covered in the Property Valuation Report in Appendix IV to this document. For all of our completed projects, we have received the land use rights certificates, construction land planning permits, construction works planning permits, construction permits, pre-sale permits and certificates of completion. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project.

Properties Under Development

For all of our property projects under development, we have received the land use rights certificates. With respect to "GFA with construction permits" or "GFA under construction," we have obtained the relevant construction land planning permits, construction works planning permits, construction permits or the governmental approval for early construction. Some of them have also received pre-sale permits. With respect to "GFA without construction permits," we have yet to obtain some or all of the relevant construction land planning permits, construction works planning permits or construction permits. "GFA under development with pre-sale permits" means GFA with construction permits as well as pre-sale permits. "GFA under development without pre-sale permits" means GFA with construction permits but without pre-sale permits. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project. The total costs incurred for each project are computed on an accrual basis; and the outstanding commitments for each project include not only our actual contractual commitments but also estimated costs in the future in order to complete the current phase of the relevant project.

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

As of September 30, 2009, we had 43 property projects under development with a total GFA of approximately 41.9 million square meters. We set forth in the table below details of these property projects.

	Project	Total GFA ('000 m^2)			Attributable equity Interest (%)	Saleable GFA ('000 m^2)	Actual or estimated construction commencement time	Actual or estimated pre-sale commencement time	Total costs incurred as of September 30, 2009	Outstanding commitments for current phase as of September 30, 2009	Ref. to Property Valuation Report
		GFA with construction permits	GFA without construction permits	Subtotal					(RMB in millions)		
	Guangdong Province										
1	Jinbi Junhong Garden	39.4	—	39.4	100	39.4	Mar 2008	Dec 2010	11.4	74.6	36
2	Evergrande Royal Scenic Peninsula	796.2	13.3	809.5	60	794.2	Mar 2005	Oct 2007	1,912.7	176.8	37
3	Evergrande Scenic Garden	598.6	75.4	674.0	100	665.1	Mar 2007	Sep 2008	743.4	485.5	38
4	Evergrande Oasis Guangzhou	483.7	1.3	484.9	100	474.7	Oct 2008	Sep 2009	768.6	477.2	41
5	Evergrande Metropolis Foshan	221.5	640.4	861.9	100[1]	857.5	Apr 2008	May 2010	—	—	40
6	Evergrande Splendor Qingyuan	1,546.5	1,257.1	2,803.6	100	2,794.4	Dec 2007	Jan 2009	1,072.0	1,071.2	39
	Chongqing Municipality										
7	Evergrande Splendor Chongqing	683.9	16.2	700.1	100	698.0	May 2007	Sep 2008	626.7	295.5	45
8	Evergrande City Chongqing	395.4	625.1	1,020.5	100	985.4	Jan 2008	Sep 2008	932.2	230.8	47
9	Evergrande Palace Chongqing	161.7	121.8	283.6	100	282.2	Aug 2007	May 2008	743.1	164.5	46
10	Evergrande Oasis Chongqing	125.2	26.6	151.7	100	149.4	Jan 2008	Sep 2009	273.5	512.4	48
11	Evergrande Metropolis Chongqing	208.7	0.5	209.2	100	209.2	Apr 2008	Aug 2009	248.8	720.1	49
	Tianjin Municipality										
12	Evergrande Splendor Tianjin	418.9	43.8	462.8	100	454.1	Sep 2007	Sep 2009	290.3	125.5	42
	Hubei Province										
13	Evergrande Splendor E'zhou	318.0	517.5	835.6	100	820.7	Jun 2007	Sep 2008	687.9	781.0	68
14	Evergrande Palace Wuhan	252.5	204.2	456.6	100[1]	456.6	Jun 2007	Apr 2008	899.2	163.3	65
15	Evergrande Oasis Wuhan	496.7	40.6	537.4	100	527.9	Oct 2007	Jun 2009	287.8	290.1	63
16	Evergrande City Wuhan	193.8	457.4	651.2	100	641.7	Dec 2007	Mar 2009	657.8	125.4	64
	Sichuan Province										
17	Evergrande Splendor Pengshan	667.1	461.4	1,128.5	100	1,126.5	Dec 2007	Jun 2009	634.2	289.8	52
18	Evergrande Oasis Chengdu	316.7	154.2	470.9	100	468.9	Apr 2007	Apr 2008	662.7	451.9	51
19	Evergrande City Chengdu	558.1	—	558.1	100	543.0	Aug 2007	Jul 2008	817.3	68.3	50
	Liaoning Province										
20	Evergrande Oasis Shenyang	545.4	129.1	674.5	100	672.5	Jun 2007	Dec 2007	589.5	739.9	62
21	Evergrande City Shenyang	439.3	247.0	686.2	100	684.2	Dec 2007	Sep 2008	754.0	411.5	61
	Shaanxi Province										
22	Evergrande Metropolis Xi'an	303.8	5.3	309.1	100	309.1	Nov 2007	Sep 2008	609.9	305.1	53
23	Evergrande Oasis Xi'an	273.2	356.9	630.1	65	627.4	Nov 2007	Sep 2008	798.8	360.1	54
24	Evergrande City Xi'an	133.7	556.6	690.3	60	685.1	Sep 2009	Sep 2009	442.6	72.5	55
	Jiangsu Province										
25	Evergrande Splendor Nanjing	489.2	634.7	1,123.8	100	1,120.0	Aug 2007	Sep 2008	1,469.9	161.8	69
26	Evergrande Oasis Nanjing	272.5	34.4	306.9	100	303.3	Dec 2007	Sep 2008	842.8	164.0	70
27	Evergrande Splendor Qidong	891.6	11,065.4	11,957.0	100	11,866.4	Mar 2010	Oct 2010	285.3	19.4	66
	Yunnan Province										
28	Evergrande Splendor Kunming	882.2	17.4	899.6	100	895.3	Nov 2007	Sep 2008	1,222.1	217.7	56

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

	Project	Total GFA ('000 m^2) GFA with construction permits	GFA without construction permits	Subtotal	Attributable equity Interest (%)	Saleable GFA ('000 m^2)	Actual or estimated construction commencement time	Actual or estimated pre-sale commencement time	Total costs incurred as of September 30, 2009	Outstanding commitments for current phase as of September 30, 2009	Ref. to Property Valuation Report
									(RMB in millions)		
	Inner Mongolia Autonomous Region										
29	Evergrande Palace Baotou	304.7	1,361.6	1,666.2	100	1,662.2	Nov 2008	Aug 2009	780.7	464.5	44
	Shanxi Province										
30	Evergrande Oasis Taiyuan	928.9	3.4	932.3	100	923.5	Dec 2007	Sep 2008	1,491.2	740.2	43
	Guizhou Province										
31	Evergrande Oasis Guiyang	308.0	4.5	312.6	100	310.7	Dec 2007	Sep 2009	267.0	289.4	59
	Anhui Province										
32	Evergrande Palace Hefei	265.0	16.5	281.5	100	279.6	Feb 2008	Jun 2009	532.2	510.2	67
33	Evergrande City Hefei	300.0	632.8	932.8	60	929.0	Sep 2009	Feb 2010	—	449.7	76
	Hunan Province										
34	Evergrande Palace Changsha	442.6	52.7	495.2	51	492.7	Jan 2008	Jan 2009	684.2	767.1	57
35	Evergrande Metropolis Changsha	731.2	109.7	840.9	100	834.5	Aug 2008	May 2009	599.7	212.0	58
36	Evergrande City Changsha	205.5	657.3	862.8	51	853.0	Aug 2009	Dec 2009	424.0	250.2	73
37	Evergrande Oasis Changsha	217.2	530.3	747.5	100	745.6	Sep 2009	Dec 2009	35.4	445.4	72
	Guangxi Zhuang Autonomous Region										
38	Evergrande Oasis Nanning	—	787.8	787.8	80	776.3	—	—	235.2	354.6	60
	Henan Province										
39	Evergrande Oasis Luoyang	373.3	422.4	795.7	100	795.7	Jan 2008	Sep 2009	191.5	723.3	71
	Jiangxi Province										
40	Evergrande City Nanchang	—	1,367.5	1,367.5	51	1,338.9	Oct 2009	Jan 2010	205.4	410.0	75
41	Evergrande Oasis Nanchang	20.9	667.1	688.0	100	683.7	Oct 2009	Mar 2010	30.0	418.8	74
	Hebei Province										
42	Evergrande City Shijiazhuang	131.3	—	131.3	100	129.3	Sep 2009	Jan 2010	55.9	213.5	77
43	Evergrande Splendor Shijiazhuang	125.0	541.7	666.7	85	663.0	Sep 2009	Mar 2010	30.0	210.0	78
	Total	17,066.9	24,858.8	41,925.8		41,569.7			24,846.8	15,414.3	

(1) We have entered into a co-development agreement with Chow Tai Fook Group affiliates for the development of this project. For further details, you may refer to the section entitled "Corporate History — Reorganization — Co-Development of Projects" in this document.

The construction commencement time in the table above is derived from the relevant construction permits or the government approval for early construction.

Total Saleable GFA under Construction and Saleable GFA Completed but Not Delivered

Total saleable GFA under construction refers to total GFA with construction permits that is currently undergoing construction, excluding non-saleable GFA.

As of September 30, 2009, we had a total saleable GFA completed but not delivered and saleable GFA under construction of approximately 17.3 million square meters, of which 4.8 million square meters have been pre-sold and 12.5 million square meters remained unsold. We set forth below the details of these property projects.

	Project	Saleable GFA completed but not delivered ('000 m^2)		Saleable GFA under construction ('000 m^2)			Saleable GFA completed but not delivered and saleable GFA under construction ('000 m^2)	
				With pre-sale permits		Without pre-sale permits (C)		
		Pre-sold (M)	Unsold (A)	Pre-sold (N)	Unsold (B)		Pre-sold (M+N)	Unsold (A+B+C)
1.	Jinbi Junhong Garden	—	—	—	—	39.4	—	39.4
2.	Evergrande Royal Scenic Peninsula	6.9	94.2	278.6	121.9	208.2	285.5	424.4
3.	Evergrande Scenic Garden	3.3	—	160.3	1.1	434.3	163.6	435.4
4.	Evergrande Oasis Guangzhou	—	—	110.3	34.7	328.2	110.3	362.9
5.	Evergrande Metropolis Foshan	—	—	—	—	219.6	—	219.6
6.	Evergrande Splendor Qingyuan	—	—	271.4	349.6	914.3	271.4	1,263.9
7.	Evergrande Splendor Chongqing	5.6	91.5	164.9	19.5	497.6	170.5	608.6
8.	Evergrande City Chongqing	26.9	47.9	235.0	82.6	75.9	261.9	206.4
9.	Evergrande Palace Chongqing	11.5	6.6	67.0	27.8	65.4	78.5	99.8
10.	Evergrande Oasis Chongqing	—	—	30.1	40.4	54.7	30.1	95.0
11.	Evergrande Metropolis Chongqing	—	—	58.9	61.8	88.0	58.9	149.8
12.	Evergrande Splendor Tianjin	—	0.3	157.2	0.3	261.3	157.2	261.9
13.	Evergrande Splendor E'Zhou	6.7	4.1	86.3	144.6	85.3	93.0	233.9
14.	Evergrande Palace Wuhan	20.5	39.2	3.3	32.4	216.8	23.8	288.3
15.	Evergrande Oasis Wuhan	—	—	160.1	35.3	291.9	160.1	327.2
16.	Evergrande City Wuhan	—	—	86.5	8.9	98.5	86.5	107.3
17.	Evergrande Splendor Pengshan	—	—	295.9	33.3	335.9	295.9	369.2
18.	Evergrande Oasis Chengdu	10.8	45.6	117.5	148.1	51.2	128.3	244.9
19.	Evergrande City Chengdu	30.7	47.0	109.9	50.6	395.7	140.6	493.3
20.	Evergrande Oasis Shenyang	27.3	40.1	50.5	119.6	245.1	77.8	404.7
21.	Evergrande City Shenyang	86.8	28.1	99.7	90.8	246.7	186.5	365.6
22.	Evergrande Metropolis Xi'an	—	—	186.0	83.8	28.1	186.0	112.0
23.	Evergrande Oasis Xi'an	—	—	137.6	69.7	64.2	137.6	133.9
24.	Evergrande City Xi'an	—	—	117.7	10.5	3.4	117.7	13.9
25.	Evergrande Splendor Nanjing	6.6	0.2	148.2	120.0	220.9	154.8	341.2
26.	Evergrande Oasis Nanjing	—	—	133.7	3.0	131.8	133.7	134.9
27.	Evergrande Splendor Qidong	—	—	—	—	841.8	—	841.8
28.	Evergrande Splendor Kunming	8.3	—	301.0	26.7	552.6	309.3	579.4
29.	Evergrande Palace Baotou	—	—	100.3	101.3	102.9	100.3	204.2
30.	Evergrande Oasis Taiyuan	—	—	401.2	246.4	279.3	401.2	525.7
31.	Evergrande Oasis Guiyang	—	—	42.8	109.8	155.5	42.8	265.2
32.	Evergrande Palace Hefei	—	—	95.3	163.7	3.9	95.3	167.6
33.	Evergrande City Hefei	—	—	—	—	300.0	—	300.0
34.	Evergrande Palace Changsha	—	—	125.7	12.1	301.5	125.7	313.6
35.	Evergrande Metropolis Changsha	—	—	152.5	144.9	433.9	152.5	578.7
36.	Evergrande City Changsha	—	—	—	—	205.3	—	205.3
37.	Evergrande Oasis Changsha	—	—	—	—	217.0	—	217.0
38.	Evergrande Oasis Luoyang	—	—	84.3	38.1	250.9	84.3	289.0
39.	Evergrande Oasis Nanchang	—	—	—	—	20.9	—	20.9
40.	Evergrande City Shijiazhuang	—	—	—	—	129.3	—	129.3
41.	Evergrande Splendor Shijiazhuang	—	—	—	—	123.0	—	123.0
	Total	251.9	444.8	4,569.8	2,533.3	9,520.0	4,821.7	12,498.2

SUMMARY

Total GFA under Construction and Delivery Schedule of Saleable GFA under Construction

As of September 30, 2009, we had a total GFA under construction of approximately 16.8 million square meters and a total saleable GFA under construction of 16.6 million square meters.

	Project	Total GFA under construction ('000 m^2)	Estimated completion date of saleable GFA under construction ('000 m^2)			
			2009	2010	2011	Total
1.	Jinbi Junhong Garden	39.4	—	39.4	—	39.4
2.	Evergrande Royal Scenic Peninsula	610.8	—	307.3	301.5	608.8
3.	Evergrande Scenic Garden	598.6	109.9	198.8	287.0	595.7
4.	Evergrande Oasis Guangzhou	483.7	—	250.8	222.3	473.2
5.	Evergrande Metropolis Foshan	221.5	—	—	219.6	219.6
6.	Evergrande Splendor Qingyuan	1,546.5	—	725.5	809.8	1,535.4
7.	Evergrande Splendor Chongqing	683.9	—	386.7	295.3	682.0
8.	Evergrande City Chongqing	395.4	—	342.4	51.1	393.5
9.	Evergrande Palace Chongqing	161.7	8.3	152.0	—	160.2
10.	Evergrande Oasis Chongqing	125.2	—	125.2	—	125.2
11.	Evergrande Metropolis Chongqing	208.7	—	99.9	108.8	208.7
12.	Evergrande Splendor Tianjin	418.9	75.0	343.9	—	418.9
13.	Evergrande Splendor E'Zhou	318.0	156.0	160.1	—	316.1
14.	Evergrande Palace Wuhan	252.5	12.8	122.2	117.5	252.5
15.	Evergrande Oasis Wuhan	496.7	—	300.9	186.4	487.3
16.	Evergrande City Wuhan	193.8	—	193.8	—	193.8
17.	Evergrande Splendor Pengshan	667.1	—	480.9	184.2	665.1
18.	Evergrande Oasis Chengdu	316.7	28.9	99.6	188.2	316.7
19.	Evergrande City Chengdu	558.1	67.6	146.4	342.3	556.2
20.	Evergrande Oasis Shenyang	417.2	109.6	98.8	206.8	415.2
21.	Evergrande City Shenyang	439.3	21.7	125.6	289.9	437.3
22.	Evergrande Metropolis Xi'an	303.8	64.9	128.4	104.7	298.0
23.	Evergrande Oasis Xi'an	273.2	42.0	168.0	61.5	271.5
24.	Evergrande City Xi'an	133.7	—	131.6	—	131.6
25.	Evergrande Splendor Nanjing	489.2	173.4	167.3	148.4	489.2
26.	Evergrande Oasis Nanjing	272.5	117.6	65.8	85.2	268.5
27.	Evergrande Splendor Qidong	891.6	—	—	841.8	841.8
28.	Evergrande Splendor Kunming	882.2	28.5	701.9	150.0	880.4
29.	Evergrande Palace Baotou	304.7	—	147.1	157.3	304.4
30.	Evergrande Oasis Taiyuan	928.9	163.3	328.3	435.3	926.9
31.	Evergrande Oasis Guiyang	308.0	—	308.0	—	308.0
32.	Evergrande Palace Hefei	265.0	—	112.6	150.4	263.0
33.	Evergrande City Hefei	300.0	—	300.0	—	300.0
34.	Evergrande Palace Changsha	442.5	7.0	125.1	307.2	439.3
35.	Evergrande Metropolis Changsha	731.2	5.1	399.8	326.3	731.2
36.	Evergrande City Changsha	205.5	—	5.1	200.2	205.3
37.	Evergrande Oasis Changsha	217.2	—	5.1	211.9	217.0
38.	Evergrande Oasis Luoyang	373.3	—	317.9	55.5	373.3
39.	Evergrande Oasis Nanchang	20.9	—	20.9	—	20.9
40.	Evergrande City Shijiazhuang	131.3	—	129.3	—	129.3
41.	Evergrande Splendor Shijiazhuang	125.0	—	123.0	—	123.0
	Total	16,753.3	1,191.5	8,385.2	7,046.4	16,623.1

Properties Held for Future Development

We had 15 projects held for future development as of the Latest Practicable Date. We had entered into a land grant contract or a land transaction confirmation letter but had not obtained the land use rights certificates for the relevant land. These properties were meant for future development and had an aggregate site area of approximately 3.3 million square meters and an estimated total GFA of 9.3 million square meters as of September 30, 2009.

We set forth in the table below further information about our properties held for future development as of September 30, 2009. The total GFA with respect to each project included in our properties held for future development represents estimates by our management on the basis of our current development plans formulated pursuant to the relevant land grant contracts.

	Project	Location	Site area (m^2)	Total estimated GFA (m^2)	Attributable equity interest (%)	Ref. to Property Valuation Report
Guangdong Province						
1.	Jinbi Garden No. 2 Commercial Plaza	Guangzhou	7,932	30,201	100	79
2.	Jinbi Garden No. 3 Phase 5	Guangzhou	26,590	79,545	100	80
Chongqing Municipality						
3.	Evergrande Palace Chongqing	Chongqing	9,442	24,718	100	83
4.	Evergrande Oasis Chongqing	Chongqing	55,614	314,039	100	84
5.	Evergrande Metropolis Chongqing	Chongqing	155,852	632,409	100	85
Hubei Province						
6.	Evergrande Oasis Wuhan	Wuhan	97,666	278,552	100	88
7.	Evergrande City Wuhan	Wuhan	92,858	184,250	100	89
Liaoning Province						
8.	Evergrande Oasis Shenyang	Shenyang	311,406	1,458,491	100	87
9.	Evergrande City Shenyang	Shenyang	23,903	44,567	100	86
Shanxi Province						
10.	Evergrande Oasis Taiyuan	Taiyuan	252,586	915,765	100	82
Anhui Province						
11.	Evergrande Palace Hefei	Hefei	61,547	234,600	100	90
Henan Province						
12.	Evergrande Oasis Zhengzhou	Zhengzhou	438,667	1,591,151	80	92
13.	Evergrande Oasis Luoyang	Luoyang	594,420	2,368,867	100	93
Jiangxi Province						
14.	Evergrande Oasis Nanchang	Nanchang	948,262	284,019	100	96
Hebei Province						
15.	Evergrande City Shijiazhuang	Shijiazhuang	195,413	819,706	100	95
	Total		3,272,157	9,260,880		

For all of our property projects held for future development, we have entered into a land grant contract or a land transaction confirmation letter. We have not, however, received the land use rights certificates, construction land planning permits, construction works planning permits or construction permits. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project.

The following project may be subject to forfeiture of the land or land grant deposit to the PRC government.

Project	Valuation as of September 30, 2009	Total costs paid	Outstanding land premium	Potential loss to us	Ref. to Property Valuation Report
	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	
Guangzhou Juanmachang Project	N/A[1]	130,000	3,970,000	130,000	81

(1) As we have not obtained the land use right certificate, the land is deemed to have no commercial value. You may find further information in the section entitled "Appendix IV — Property Valuation Report" on this project.

Except as disclosed in the table above, we do not believe any of our land and/or land grant deposits will be at risk of forfeiture to the PRC government. In addition, our PRC legal counsel, Commerce & Finance Law Offices, has advised that, except as disclosed in the table above, as of the Latest Practicable Date, we did not commit other breaches of the PRC laws and regulations governing idle land, which may subject us to the payment of idle land fees or forfeiture of any land to the local authorities.

PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2009

We set forth below our profit forecast solely in respect of our net forecasted consolidated profit for the year ending December 31, 2009. However, our actual results of 2009, including the actual net profit, will still be subject to market conditions and our operations in the next three months. Based on the contracted sales and overall construction progress of properties under development as of September 30, 2009, we were on track to meet our 2009 profit forecast for the year ending December 31, 2009. In order to assist you in understanding the basis of our profit forecast, we set out additional information in respect of our top 10 projects that will contribute approximately 70% of our forecasted revenue for the year ending December 31, 2009.

Basis of Preparation

Our Directors prepared the forecast of our net consolidated profit attributable to our shareholders for the year ending December 31, 2009 based on our audited consolidated results for the year ended December 31, 2008 and the six months ended June 30, 2009, the unaudited management accounts for the three months ended September 30, 2009, and the forecast of our consolidated results for the remaining three months of the year ending December 31, 2009. The forecast for the year ending December 31, 2009 has been prepared on the basis of accounting policies consistent with those adopted for the purpose of the Accountants' Report in Appendix I to this document and the assumptions set forth below.

Principal Assumptions for the Profit Forecast

We set forth below the principal assumptions adopted by our Directors in preparing the profit forecast:

- there will be no material changes in the existing governmental policies as well as political, legal, financial or economic conditions in China, Hong Kong or any other jurisdiction in which we currently operate or which are otherwise material to our operations;

- with respect to the real estate industry in particular, the PRC government will not impose material changes or additional austerity measures to dampen sales or prices of the PRC real estate market;

- there will be no changes in laws, rules or regulations as well as in contractual arrangements between the governmental authorities with us in the jurisdictions in which we operate, which may materially adversely affect our business;

- there will be no material changes in the bases or rates of taxation in the jurisdictions in which we operate, except as otherwise disclosed in this document;

- there will be no material changes in interest rates or foreign currency exchange rates from those currently prevailing; and

- in respect of the calculation of the capital value of our investment properties as of December 31, 2009:

    - the current financial, economic and political conditions in China that are material to the rental income generated by our investment properties will remain unchanged;

    - the principal terms and conditions pursuant to which our investment properties are being operated will remain unchanged; and

    - the leases relating to our investment properties will be renewed upon their expiration on normal commercial terms.

Such specific assumptions are consistent with those in the valuation undertaken by CB Richard Ellis Limited, an independent property valuer. The investment properties were valued by CB Richard Ellis Limited as of September 30, 2009 and their valuation is set out in "Appendix IV — Property Valuation Report" to this document.

The independent valuer, CB Richard Ellis Limited, has adopted a direct comparison approach by assuming sales of each of these property interests in its current state with the benefit of vacant possession with references to comparable sale transactions available in the relevant markets. The independent valuer has also adopted a capitalization approach taking into

account the rental income of the properties derived from the existing leases or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have then been capitalized to determine the market value at an appropriate capitalization rate.

We arrived at the estimated fair value gain or loss on investment properties based on (i) the market value of such investment properties as of September 30, 2009 valued by the independent valuer, and (ii) our estimated capital value as of December 31, 2009 based on the anticipated property-specific market trends of the properties projected by the independent valuer. Such estimates rely on certain property valuation techniques that involve estimates of comparable sales in the relevant market, current market rental and the forecasted rental movement for similar properties in a similar location and condition. Based on these estimates, we forecast that the retail property and carpark market in our current operational jurisdictions will remain stable in the fourth quarter of 2009, with the rental and capital value to appreciate in a range of 0–2%. The fair value of our investment properties as of December 31, 2009, and in turn any fair value change, will continue to be dependent on market conditions and other factors beyond our control, and be based on the market movement and other assumptions that are, by their nature, subjective and uncertain.

Under HKFRS, changes in the fair value of investment properties are reflected in our consolidated income statement and accounted for as "Fair value gains/losses on investment properties".

Summary of Property Development of Top 10 Projects

We set forth below a summary of the property development projects or project phases as of September 30, 2009 that are projected to jointly contribute approximately 70% of our forecasted revenue for the year ending December 31, 2009. As of September 30, 2009, we had successfully pre-sold 100% of the projects or project phases which were expected to be completed and delivered in 2009.

		As of September 30, 2009			
	Top 10 projects/project phases to be delivered in 2009	Contracted sales/sales (RMB in thousands)	Pre-sold/ delivered GFA (m^2)	Average selling price for properties pre-sold/ delivered (RMB/m^2)	Actual/ expected delivery date
1	Evergrande Royal Scenic Peninsula (Phases 1 and 2)	672,674	54,500	12,343	Oct-09
2	Evergrande Splendor Tianjin (Phase 1)	525,338	89,776	5,852	Oct-09
3	Evergrande Scenic Garden (Phase 1)[1]	418,085	74,867	5,584	Sep-09
4	Evergrande Oasis Chengdu (Phase 1)	413,539	82,986	4,983	Dec-09
5	Evergrande City Chengdu (Phase 1)	402,573	86,205	4,670	Dec-09
6	Evergrande Oasis Shenyang (Phase 1)	354,885	83,225	4,264	Oct-09
7	Evergrande Oasis Taiyuan (Phase 1)	244,002	51,930	4,699	Oct-09
8	Evergrande Oasis Nanjing (Phase 1)	265,039	52,163	5,081	Dec-09
9	Evergrande Palace Chongqing (Phase 1)[1]	303,089	47,341	6,402	Sep-09
10	Evergrande Metropolis Xi'an (Phase 1)	83,042	19,093	4,349	Oct-09
	Total	3,682,266	642,086		

(1) This project phase had been completed and delivered as of September 30, 2009.

As of September 30, 2009, the construction progress with respect to the top 10 projects or project phases above was as follows (excluding phase 1 of Evergrande Scenic Garden and phase 1 of Evergrande Palace Chongqing that had been completed and delivered as of September 30, 2009):

Evergrande Royal Scenic Peninsula

Deliveries of Evergrande Royal Scenic Peninsula comprise of villas and seven high-rise residential buildings for phase 1, and four high-rise buildings for phase 2. The villas and seven high-rise residential buildings for phase 1 had been completed and are ready for delivery. We commenced development of the four high-rise buildings for phase 2 in December 2006 and commenced pre-sale in June 2008. As of September 30, 2009, the construction of these buildings had substantially been completed. We expect to complete the construction and commence deliveries of undecorated units in October 2009. You may refer to properties 13, 22 and 37 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Splendor Tianjin

Deliveries of Evergrande Splendor Tianjin comprise of 366 villas for phase 1. We commenced development of the project in September 2007, and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, including part of masonry and plastering work. We had completed the construction and commenced deliveries of some undecorated units in September 2009 and we expect to complete the construction of all remaining units in October 2009. You may refer to properties 34 and 42 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Chengdu

Deliveries of Evergrande Oasis Chengdu comprise of 40 condominiums and five high-rise residential buildings for phase 1. The 40 condominiums had been completed and are ready for delivery. We commenced development of the five high-rise buildings in October 2007, and commenced pre-sale in December 2008. As of September 30, 2009, we had completed the main building structure. Decoration and installation work of the public sections are in progress. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 24 and 51 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande City Chengdu

Deliveries of Evergrande City Chengdu comprise of 42 condominiums and four high-rise residential buildings for phase 1. The 42 condominiums had been completed and are ready for delivery. We commenced development of the four high-rise residential buildings in November 2007 and commenced pre-sale in December 2008. As of September 30, 2009, we had completed the main building structure and substantially all of the decoration

and installation work for the public sections. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 29 and 50 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Shenyang

Deliveries of Evergrande Oasis Shenyang comprise of 24 condominiums and high-rise residential buildings for phase 1, among which 20 condominiums and high-rise residential buildings had been completed and are ready for delivery. We commenced development of another four high-rise buildings in January 2008 and commenced pre-sale in April 2008. As of September 30, 2009, we had completed the main building structure, part of the basic installation work, as well as majority of the interior decoration. We expect to complete the construction and commence deliveries in October 2009. You may refer to properties 31, 62 and 87 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Taiyuan

Deliveries of Evergrande Oasis Taiyuan comprise of 38 condominiums for phase 1. We commenced development of the project in December 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, and a majority of the decoration for the public sections and interior installations of these 38 buildings. We expect to commence deliveries in October 2009. The decorations for the public sections and interior installations of the remaining buildings had also been substantially completed. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 43 and 82 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Nanjing

Deliveries of Evergrande Oasis Nanjing comprise of 12 condominiums for phase 1. We commenced development of the project in December 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure while decoration for the public sections and interior installations are in progress. We expect to complete the construction and commence deliveries in December 2009. You may refer to property 70 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Metropolis Xi'an

Deliveries of Evergrande Metropolis Xi'an comprise of 18 high-rise residential buildings for phase 1. We commenced development of the project in November 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, as well as the decoration for the public sections and interior installations of six buildings. These six buildings are expected to be completed and ready for delivery in October 2009. Interior design works for the remaining 12 buildings are in progress. We expect to complete the construction and commence deliveries in November 2009. You may refer to property 53 in "Appendix IV — Property Valuation Report" for additional information.

Sensitivity Analysis

As of September 30, 2009, we had successfully pre-sold 100% of the forecasted revenue and most of these projects or project phases had been substantially completed. Therefore, we did not perform sensitivity analysis on targeted average selling price and targeted GFA sold and delivered.

Sensitivity analysis on fair value changes of investment properties

The total forecasted amount of fair value gain on our investment properties for the year ending December 31, 2009 is RMB 831 million and its related deferred taxation expense are RMB 208 million (including the portion attributable to minority interests). The total forecasted fair value gain is primarily due to the addition of a significant amount of investment properties to our investment portfolio. We set forth below, for the periods indicated, information of our investment properties and the forecasted fair value gains in 2009.

Investment properties as of December 31, 2008	Property type	GFA (m^2)	Number of units	Forecasted fair value gains in 2009 (RMB)
Jinbi Garden No. 1	Commercial spaces	667		1,100,000
	Car parking spaces		375	1,300,000
Jinbi Garden No. 2	Commercial spaces	901		630,000
	Car parking spaces		88	88,000
Jinbi Garden No. 3	Commercial spaces	1,720		—
	Car parking spaces		189	—
Jinbi Big World	Commercial spaces	15,172		63,800,000
Jinbi City Plaza	Commercial spaces	12,004		47,000,000
	Car parking spaces		190	1,000,000
Jinbi Bay Garden	Car parking spaces		196	—
Jinbi Palace	Commercial spaces	581		1,800,000
	Car parking spaces		309	—
Jinbi New City	Commercial spaces	563		—
	Car parking spaces		352	—
Jinbi Emerald Court	Commercial spaces	8,371		11,200,000
	Car parking spaces		141	300,000
Jinbi Century Garden	Commercial spaces	793		1,000,000
	Car parking spaces		1,251	—
Jinbi Atrium	Car parking spaces		779	—
Jinbi Junhong Garden	Car parking spaces		465	50,000
Subtotal		**40,772**	**4,335**	**129,268,000**

New investment properties in 2009	Property type	GFA (m^2)	Number of units	Forecasted fair value gains in 2009 (RMB)
Evergrande Scenic Garden	Car parking spaces		1,643	149,951,932
Evergrande City Chongqing	Car parking spaces		915	57,429,060
Evergrande Metropolis Xi'an	Car parking spaces		601	32,722,481
Evergrande Oasis Xi'an	Car parking spaces		225	11,392,317
Evergrande Oasis Shenyang	Commercial spaces	34,704		225,882,752
Evergrande Oasis Taiyuan	Commercial spaces	2,375		13,487,500
	Car parking spaces		862	40,468,667
Evergrande Royal Scenic Peninsula	Commercial spaces	2,500		12,945,956
	Car parking spaces		276	11,322,000
Jinbi New City Phase 5	Commercial spaces	2,935		40,980,167
	Car parking spaces		935	105,191,168
Subtotal		**42,514**	**5,457**	**701,774,000**
Total fair value gains on investment properties in 2009				**831,042,000**

The following table illustrates the sensitivity of the net profit attributable to our shareholders (net of deferred tax effect) to different levels of revaluation gains on investment properties for the year ending December 31, 2009:

Percentage changes in revaluation gains or losses on investment properties compared to our estimate	(15%)	(10%)	(5%)	5%	10%	15%
Impact on net profit attributable to our shareholders targeted for the year 2009 (RMB in thousands)	(92,400)	(61,600)	(30,800)	30,800	61,600	92,400

If the estimated revaluation gain of our investment properties increases or decreases by 5%, our net profit attributable to our shareholders for the year ending December 31, 2009 is expected to be approximately RMB 1,063.3 million or RMB 1,001.7 million, respectively, representing an increase or a decrease of 3.0%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

If the estimated revaluation gain of our investment properties increases or decreases by 10%, our net profit attributable to our shareholders for the year ending December 31, 2009 is expected to be approximately RMB 1,094.1 million or RMB 970.9 million, respectively, representing an increase or a decrease of 6.0%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

If the estimated revaluation gain of our investment properties increases or decreases by 15%, our net profit attributable to our shareholders for the year ending December 31, 2009 is expected to be approximately RMB 1,124.9 million or RMB 940.1 million, respectively, representing an increase or a decrease of 8.9%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

You should refer to the risk factor under the section entitled "Risk Factors — Risks Relating to Our Business — The fair value of our investment properties is likely to fluctuate from time to time and may decrease significantly in the future, which may materially adversely impact our profitability" for additional information.

The above illustrations are intended for reference only and any variation could exceed the ranges given. The above sensitivity analyses are not purported to be exhaustive. While we have considered for the purposes of this profit forecast what we believe is the best estimate of the fair value changes of our investment properties for the year ending December 31, 2009, the actual fair value changes of our investment properties as of the relevant time may differ materially from our estimates and are dependent on market conditions and other factors which are beyond our control.

Profit Forecast for the Year Ending December 31, 2009

	RMB in millions
Net forecasted consolidated profit attributable to our shareholders before revaluation of investment properties	417
Revaluation increase on investment properties (net of deferred tax effect)	616
Net forecasted consolidated profit attributable to our shareholders after revaluation of investment properties	1,033

	Before revaluation of investment properties	After revaluation of investment properties
	RMB	RMB
Forecasted earnings per Share on a pro forma fully diluted basis	[●]	[●]

The calculation of the forecasted earnings per Share on a pro forma fully diluted basis is based on the forecasted consolidated profit for the year attributable to our shareholders, and a total of [●] Shares had been issued and outstanding during the entire year ending December 31, 2009.

DIVIDENDS

We currently intend to pay dividends of approximately 10% of our profits available for distribution beginning from the year ending December 31, 2009. Going forward, we will reevaluate our dividend policy in light of our financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of our Board and will be based upon our earnings, cash flow, financial condition, capital requirements, statutory fund reserve requirements and any other conditions that our Directors deem relevant. The payment of dividends may also be limited by legal restrictions and by financing agreements that we may enter into in the future.

For the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, we distributed approximately RMB 493.5 million, nil, RMB 125.7 million and nil, respectively, to our shareholders. Our past dividend practice is not an indication of our dividend policy going forward.

On January 31, 2008, following the redemption of the Convertible Preferred Shares and before the Original Shareholder transferred a part of its Shares to the Financial Investors, we declared dividends of US$17,372,026 out of our share premium account to the then holders of our Shares, of which US$17,278,080 (equivalent to approximately RMB 125,000,000) was paid to the Original Shareholder and the balance of US$93,946 was paid to Credit Suisse. The sum paid to the Original Shareholder was used to off-set the amount due from the Original Shareholder.

FUTURE PLANS

We aim to continue to enhance our leadership position in the PRC real estate industry by capitalizing on development opportunities in high-growth areas in major provincial capitals and neighboring areas. We will adhere to our strategy of offering a diversified product range to our customers and further optimize the standardized operational model of developing quality real estate products.

Based on our current development schedule, we will have sufficient land reserves and property developments in the pipeline for the next three to five years and plan to maintain our land reserves at approximately 50 million square meters on a rolling basis.

Consistent with our future plans, we will continue to pursue scale and rapid property project development by focusing on the major provincial capitals across China. Going forward, we expect our GFA under construction to be maintained at approximately 15 million square meters each year. As of September 30, 2009, we had approximately 41.9 million square meters of GFA under development, of which 17.1 million square meters had construction permits.

In the event that there is any change in our development plans, including events and circumstances such as failure to obtain requisite approvals, changes in governmental policies which would render any of the above-mentioned property developments not commercially viable, events of force majeure, and the emergence of new property development opportunities comparable or superior to the projects currently contemplated, we will carefully evaluate the situation and may reallocate the intended funds to other existing or new property developments and/or hold such funds on short-term deposit as we consider to be in our interests and those of our shareholders taken as a whole.

You should refer to the section entitled "Future Plans" in this document for additional information.

SUMMARY

RISK FACTORS

There are risks and uncertainties relating to our business, the PRC real estate industry, China in general. We have described major risks and uncertainties under the section entitled "Risk Factors" in this document. The following is a summary of these risks and uncertainties:

Risks Relating to Our Business

- Our business is subject to extensive governmental regulation and, in particular, we are susceptible to policy changes in the PRC property sector;
- We are highly dependent on the performance of the residential property markets in China, particularly in regional centers where we have or will have operations;
- Current global economic slowdown, crisis in the global financial markets and volatility of the property prices have negatively impacted, and may continue to negatively impact, our business and our ability to obtain necessary financing for our operations;
- We are highly leveraged and a deterioration of our cash flow position could materially and adversely affect our ability to service our indebtedness and to continue our operations;
- We may not have adequate financing to fund our land acquisitions and property developments;
- Our financing costs are subject to changes in interest rates;
- We may not always be able to obtain land reserves that are suitable for development;
- We have limited experience in hotel management and our results in this segment may be adversely affected by our inexperience;
- We may not be able to execute our contemplated expansion plan successfully;
- Our LAT provisions and prepayments may not be sufficient to meet our LAT obligations;
- Our success depends on the continuing services of our key management members;
- We may not be able to complete our development projects on time or at all;
- Our business will be adversely affected if we fail to obtain, or experience material delays in obtaining, necessary governmental approvals for any major property development;
- Our failure to meet all requirements for the issue of property ownership certificates may lead to compensatory liability to our customers;
- If we cannot continue to obtain qualification certificates, our business may be adversely affected;

- The fair value of our investment properties is likely to fluctuate from time to time and may decrease significantly in the future, which may materially adversely impact our profitability;
- The appraisal value of our properties may be different from the actual realizable value and is subject to change;
- We may not be able to obtain land use rights certificates with respect to certain parcels of land under contract;
- We rely on third-party contractors for certain services in our property development;
- We guarantee mortgage loans of our customers and may become liable to mortgagee banks if our customers default on their mortgage loans;
- We bear demolishment and resettlement costs associated with some of our property developments and such costs may increase;
- Property owners may cease to engage us as the provider of property management services;
- We have limited insurance to cover our potential losses and claims;
- Our results of operations may vary significantly from period to period;
- We may be deemed a PRC resident enterprise under the new PRC Enterprise Income Tax Law and be subject to the PRC taxation on our worldwide income;
- Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws;
- We rely principally on dividends paid by our subsidiaries to fund our cash and financing requirements, and any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a materially adverse effect on our ability to conduct our business;
- We may be involved from time to time in material disputes, legal and other proceedings arising out of our operations and may face significant liabilities as a result; and
- We may be exposed to intellectual property infringement, misappropriation or other claims by third parties and a deterioration in our brand image could adversely affect our business.

Risks Relating to the Property Industry in China

- The PRC government may adopt further measures to slow down growth in the property sector;
- Changes of laws and regulations with respect to pre-sale may adversely affect our cash flow position and performance;

- We may forfeit land to the PRC government if we fail to comply with the terms of the land grant contracts;
- We are exposed to pre-sale related contractual and legal risks;
- Our business will be adversely affected if mortgage financing becomes more costly or otherwise less attractive or available;
- Intensified competition might adversely affect our business and our financial position; and
- Potential liability for environmental damages could result in substantial outflow of our resources.

Risks Relating to China

- PRC economic, political and social conditions as well as governmental policies can affect our business;
- Changes in PRC foreign exchange regulations may adversely affect our business operations;
- Fluctuations in the value of Renminbi may adversely affect our business and the value of distributions by our PRC subsidiaries;
- Interpretation of PRC laws and regulations involves uncertainty;
- The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics; and
- We cannot guarantee the accuracy of facts, forecasts and other statistics with respect to China, the PRC economy, the PRC real estate industry and the selected PRC regional data contained in this document.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the following meanings.

"affiliate"	person or entity directly or indirectly controlled by, or under the direct or indirect common control of, another person or entity
"Articles of Association" or "Articles"	our amended and restated articles of association, adopted on October 14, 2009 and as amended, supplemented or otherwise modified from time to time
"associates"	has the meaning ascribed thereto under the Listing Rules, which includes • in relation to an individual, his spouse and children under the age of 18, certain trustees, his or his family holding companies, as well as companies over which he, his family, trustee interests and holding companies exercise at least 30% voting power; • in relation to a company, its subsidiaries, its holding companies, subsidiaries of such holding companies, certain trustees, as well as companies over which such company and its subsidiaries, trustee interests, holding companies and subsidiaries of such holding companies together exercise at least 30% voting power; and • in the context of connected transactions, certain connected persons and enlarged family members of a director, chief executive or substantial shareholder of a listed issuer
"Board of Directors" or "Board"	our board of Directors
"Cayman Companies Law"	the Companies Law (2009 Revision) (as consolidated and revised from time to time) of the Cayman Islands
"CBRC"	China Banking Regulatory Commission (中國銀行業監督管理委員會)
"certificate of completion"	construction project planning inspection and clearance certificate (建設工程規劃驗收合格證) issued by local urban zoning and planning bureaus or equivalent authorities or equivalent certificate issued by relevant authorities in China with respect to the completion of property projects subsequent to their on-site examination and inspection

DEFINITIONS

"China" or "PRC"	the People's Republic of China and, except where the context requires, geographical and statistical references in this document to China or the PRC exclude Hong Kong, Macau and Taiwan
"Chow Tai Fook Group"	Chow Tai Fook Enterprises Limited, which is a company incorporated in Hong Kong and is principally engaged in the business of investment holding. It is wholly and beneficially owned by Dato' Dr. Cheng Yu Tong and is the controlling shareholder of Rise Success Holdings Limited, one of the New Investors
"Companies Ordinance"	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"construction land planning permit"	construction land planning permit (建設用地規劃許可證) issued by local urban zoning and planning bureaus or equivalent authorities in China
"construction permit"	construction works commencement permit (建築工程施工許可證) issued by local construction committees or equivalent authorities in China
"construction works planning permit"	construction works planning permit (建設工程規劃許可證) issued by local urban zoning and planning bureaus or equivalent authorities in China
"contracted sales"	the aggregate value of the sales and pre-sales contracts we enter into
"controlling shareholder"	has the meaning ascribed thereto under the Listing Rules, including any person or group of persons who are entitled to exercise 30% or more of the voting power at our general meetings or are in a position to control the composition of a majority of our Board, and "controlling interest" will be construed accordingly
"Convertible Preferred Shares"	our 800,000,000 secured redeemable mandatory convertible preferred shares issued to the Financial Investors on November 29, 2006, as further described in the section entitled "Corporate History — Reorganization — Introduction of Financial Investors"
"Credit Suisse"	Credit Suisse (Hong Kong) Limited
"Director(s)"	our director(s)

DEFINITIONS

"Dr. Hui"	Dr. Hui Ka Yan, our chairman and ultimate controlling shareholder
"Ever Grace"	Ever Grace Group Limited, our wholly owned subsidiary incorporated in the British Virgin Islands
"Financial Investor"	any of Deutsche Bank AG, Baytree Investments (Mauritius) Pte Ltd, an indirect wholly owned subsidiary of Temasek Holdings (Private) Limited, and Indopark Holdings Limited, an affiliate of Merrill Lynch, who were the original holders of the Convertible Preferred Shares, as subsequently restructured and conditionally transferred, as disclosed in the sections entitled "Corporate History — Reorganization — Introduction of Financial Investors" and " — Share Purchase"
"GDP"	gross domestic product, with all references to GDP growth rates to real, as opposed to nominal, rates of GDP growth
"GFA"	gross floor area
"Guangzhou Chaofeng"	Guangzhou Chaofeng Land Co., Ltd. (廣州市超豐置業有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on April 2, 1996 in Guangdong Province
"Guangzhou Junhong"	Guangzhou Junhong Real Estate Development Co., Ltd. (廣州市俊鴻房地產開發有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on April 12, 1993 in Guangdong Province
"Guangzhou Junhui"	Guangzhou Junhui Real Estate Development Co., Ltd. (廣州市俊匯房地產開發有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on February 23, 1994 in Guangdong Province
"Guangzhou Kailong"	Guangzhou Kailong Land Co., Ltd. (廣州市凱隆置業有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on April 6, 1996 in Guangdong Province
"Guangzhou Tongruida"	Guangzhou Tongruida Real Estate Industrial Co., Ltd. (廣州通瑞達房地產實業有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on December 31, 1996 in Guangdong Province

DEFINITIONS

"Hengda Industrial"	Guangzhou Hengda Industrial Group Co., Ltd. (廣州恒大實業集團有限公司), wholly owned by Dr. Hui and his associates, incorporated as a company with limited liability under the laws of China on February 8, 1996 in Guangdong Province
"Hengda Real Estate Group"	Hengda Real Estate Group Co., Ltd. (恒大地產集團有限公司), formerly known as Guangzhou Hengda Real Estate Development Company Limited (廣州恒大房地產開發有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on June 24, 1996 in Guangdong Province
"Hengda Zengcheng"	Guangzhou Hengda (Zengcheng) Real Estate Development Co., Ltd. (廣州恒大（增城）房地產開發有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on July 18, 2005 in Guangdong Province
"HK$" or "H.K. dollar"	Hong Kong dollar, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong"	the Hong Kong Special Administrative Region of China
"Jinbi Hengying Property Management"	Guangzhou Jinbi Hengying Property Management Co., Ltd. (廣州市金碧恒盈物業管理有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on February 6, 2004 in Guangdong Province
"Jinbi Huafu"	Guangzhou Jinbi Huafu Property Management Co., Ltd. (廣州市金碧華府物業有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on August 20, 2003 in Guangdong Province
"Jinbi Property Management"	Jinbi Property Management Co., Ltd. (金碧物業有限公司), formerly known as Guangzhou Jinbi Property Management Company Limited (廣州市金碧物業有限公司) and Guangzhou Jinbi Property Group Limited (廣州市金碧物業集團有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on September 10, 1997 in Guangdong Province
"Jinbi Real Estate Agency"	Guangzhou Jinbi Real Estate Agency Co., Ltd. (廣州市金碧房地產代理有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on July 18, 2002 in Guangdong Province

"Jinbi Shijia Property Management"	Guangzhou Jinbi Shijia Property Management Co., Ltd. (廣州市金碧世家物業管理有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on November 11, 2003 in Guangdong Province
"land grant contract"	state-owned land use rights grant contract (國有土地使用權出讓合同) between a developer and the relevant PRC governmental land administrative authorities, typically the local state-owned land bureaus
"land use rights certificate"	state-owned land use rights certificate (國有土地使用證) issued by a local real estate and land resources bureau with respect to the land use rights
"LAT"	land appreciation tax (土地增值税) as defined in the PRC Provisional Regulations on Land Appreciation Tax of 1994 and its implementation rules, as described in Appendix V to this document
"Latest Practicable Date"	October 9, 2009, being the latest practicable date for ascertaining certain information in this document prior to its publication
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Memorandum and Articles of Association"	our amended and restated memorandum of association and our Articles, conditionally approved and adopted on October 14, 2009 and to become effective upon October 14, as amended, supplemented or otherwise modified from time to time
"Merrill Lynch"	Merrill Lynch Far East Limited
"Ministry of Construction"	PRC Ministry of Construction (中華人民共和國建設部) and currently known as PRC Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部)
"Ministry of Finance"	PRC Ministry of Finance (中華人民共和國財政部)
"Ministry of Land and Resources"	PRC Ministry of Land and Resources (中華人民共和國國土資源部)
"MOFCOM"	PRC Ministry of Commerce (中華人民共和國商務部)
"Mrs. Hui"	Ms. Ding Yumei, wife of Dr. Hui

"NDRC"	PRC National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
"New Investor"	any of (i) Merrill Lynch Asian Real Estate Opportunity Fund Pte Ltd, an affiliate of Merrill Lynch Asia Real Estate Opportunity Funds, L.P., (ii) Rise Success Holdings Limited, an affiliate of Chow Tai Fook Group, (iii) Deutsche Bank AG, Hong Kong Branch, subsequently succeeded by Yaohua Limited wholly owned by Mrs. Hui with respect to its interest as a New Investor, (iv) CVI GVF (Lux) Master Sarl, an affiliate of CarVal Investors LLC, an investment fund based in the United States, (v) Global Opportunistic Fund II Company B.S.C. (closed), an affiliate of Global Investment House, an investment fund based in Kuwait, (vi) Global Investment House (K.S.C.C.), an affiliate of Global Investment House, an investment fund based in Kuwait, (vii) Topful Holdings Limited, an affiliate of Shikumen Capital Management (HK) Limited, an investment fund based in Hong Kong, and (viii) Cavendish Limited, an affiliate of Abu Dhabi Investment Council, an investment fund based in the United Arab Emirates, as subsequently restructured, as disclosed in the sections entitled "Corporate History — Reorganization — Introduction of New Investors" and "— Share Purchase"
"NPC" or "National People's Congress"	PRC National People's Congress (全國人民代表大會) and its Standing Committee
"Original Shareholder"	Xin Xin (BVI) Limited, wholly owned by Dr. Hui
"PBOC"	People's Bank of China (中國人民銀行), the central bank of China
"PBOC Rate"	the exchange rate of Renminbi for foreign exchange transactions published daily by PBOC based on the China interbank foreign exchange market closing rate of the previous day and with reference to then current exchange rates on the world financial markets
"PRC government"	the central government of China and its political subdivisions, including provincial, municipal and other regional or local government bodies
"pre-sale permit"	commodity property pre-sale permit (商品房預售許可證) issued by local housing and building administrative bureaus or equivalent authorities with respect to the pre-sale of relevant properties

DEFINITIONS

"property ownership certificate"	property ownership and land use rights certificate (房地產權證) issued by a local real estate and land resources bureau with respect to the land use rights and the ownership rights of the buildings on the relevant land
"Property Valuation Report"	property valuation report prepared by CB Richard Ellis Limited, independent property valuer, and included as Appendix IV to this document
"Reorganization"	the reorganization of our assets and liabilities, including assets and liabilities of our subsidiaries and associated companies, as described in the section entitled "Corporate History — Reorganization" in this document
"RMB" or "Renminbi"	Renminbi yuan, the lawful currency of China
"SAFE"	PRC State Administration of Foreign Exchange (中華人民共和國國家外匯管理局)
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share"	an ordinary share, with a nominal value of US$0.01, in our share capital
"Share Option Scheme"	the share option scheme we conditionally adopted pursuant to a resolution passed by our shareholders on October 14, 2009 as described in "Appendix VIII — Statutory and General Information — D. Other Information — 1. Share Option Scheme" in this document
"State Council"	State Council of China (中華人民共和國國務院)
"State Administration of Taxation"	State Administration of Taxation of China (中華人民共和國國家税務總局)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Structured Secured Loan"	the secured loan in the aggregate principal amount of US$430 million and RMB 20 million we borrowed in 2007, as further described in the section entitled "Corporate History — Reorganization — Structured Secured Loan" in this document

"subsidiary"	has the meaning ascribed to it in the Listing Rules, which includes: • a "subsidiary undertaking" as defined in the twenty-third schedule to the Companies Ordinance; • any entity which is accounted for and consolidated in the audited consolidated accounts of another entity as a subsidiary pursuant to HKFRS or International Financial Reporting Standards, as applicable; and • any entity which will, as a result of acquisition of its equity interest by another entity, be accounted for and consolidated in the next audited consolidated accounts of such other entity as a subsidiary pursuant to HKFRS or International Financial Reporting Standards, as applicable
"Track Record Period"	our financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009
"United States" or "U.S."	the United States of America
"US$" or "U.S. dollar"	United States dollar, the lawful currency of the United States
"we," "us," "our" or "our company"	Evergrande Real Estate Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability on June 26, 2006 and, unless the context otherwise requires, all of its subsidiaries or, where the context refers to any time prior to its incorporation, the businesses which the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by such subsidiaries pursuant to the Reorganization
"Xinzhongjian"	Foshan Nanhai Xinzhongjian Real Estate Development Co., Ltd. (佛山市南海新中建房地產發展有限公司), our wholly owned subsidiary in China, incorporated as a company with limited liability under the laws of China on September 11, 2001 in Guangdong Province

RISK FACTORS

RISKS RELATING TO OUR BUSINESS

Our business is subject to extensive governmental regulation and, in particular, we are susceptible to policy changes in the PRC property sector

Our business is subject to extensive governmental regulation. As with other PRC property developers, we must comply with various requirements mandated by the PRC laws and regulations, including the policies and procedures established by local authorities designed to implement such laws and regulations. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, control of foreign exchange, property financing, taxation and foreign investment. Through these policies and measures, the PRC government may restrict or reduce land available for property development, raise benchmark interest rates of commercial banks, place additional limitations on the ability of commercial banks to make loans to property developers and property purchasers, and impose additional taxes and levies on property sales and restrict foreign investment in the PRC property sector. Many of the property industry policies carried out by the PRC government are unprecedented and are expected to be refined and improved over time. Other political, economic and social factors may also lead to further adjustments and changes of such policies. Although since the second half of 2008, in order to combat the impact of the global economic slowdown, the PRC government has adopted measures to encourage domestic consumption in the residential property market and support real estate development, we cannot assure you that such economic rescue measures will be long-lived. Such property industry policies, including their refinement and adjustment, may not necessarily have a positive effect on our operations or our future business development. The favorable policy changes since the second half of 2008 may be revised or terminated by the PRC government from time to time as a result of changes in market conditions. In addition, we cannot assure you that the PRC government will not adopt additional and more stringent industry policies, regulations and measures in the future. If we fail to adapt our operations to new policies, regulations and measures that may come into effect from time to time with respect to the real property industry, or such policy changes disrupt our business or cause us to incur additional costs, our business prospects, results of operations and financial condition may be materially and adversely affected.

You should read the various risk factors under "— Risks Relating to the Property Industry in China" in this document for more risks and uncertainties relating to the extensive PRC regulations.

We are highly dependent on the performance of the residential property markets in China, particularly in regional centers where we have or will have operations

Our business and prospects depend on the performance of the PRC residential property markets. Any housing market downturn in China generally or in the regions where we operate could adversely affect our business, results of operations and financial condition. Historically, our property developments were concentrated in Guangzhou and its vicinities in Guangdong Province. As we expand to most provincial capitals and regional centers across China, our reliance on these markets will increase. As of September 30, 2009, we had 46 properties under

development or held for future development across the country, including eight in Guangdong Province, five in Chongqing municipality, four in Wuhan city and adjacent area, four in Changsha city, three in Jiangsu Province, three in Xi'an city, three in Chengdu city and adjacent area, two in Shenyang city, two in Hefei city, two in Nanchang city and two in Shijiazhuang city. As of September 30, 2009, based on our GFA under development, Jiangsu Province may become our largest regional property market in China, with considerable GFA under development concentrated in Qidong city, which is expected to be completed in phases by 2029. Over-concentration of our properties under development within any particular city or region, such as Qidong city, during any protracted period of time may expose us to more regional risks where we have concentrated operations. Any adverse developments in regional economies where we have significant operations could have a material adverse effect on our results of operations and financial condition.

Overall demand for private residential properties in China, particularly in provincial capitals and regional centers, grew rapidly in recent years. However, the market also experienced fluctuations in property prices during the same period. There have been increasing concerns over housing affordability and sustainability of market growth. In addition, demand for properties in China has been adversely affected and will continue to be so affected by the macro-economic control measures implemented by the PRC government and the current global economic downturn. You may find a more detailed description of the PRC government control measures in the property sector in "— Risks Relating to the Property Industry in China — The PRC government may adopt further measures to slow down growth in the property sector." We cannot assure you that the demand for new residential properties in provincial capitals and regional centers, where we have or will have operations, will continue to grow in the future or that there will not be over-development or market downturn in the domestic residential property sector. Any such adverse development and the ensuing decline in property sales or decrease in property prices in China may adversely affect our business and financial condition.

Current global economic slowdown, crisis in the global financial markets and volatility of the property prices have negatively impacted, and may continue to negatively impact, our business and our ability to obtain necessary financing for our operations

The current global economic slowdown and turmoil in the global financial markets that started in the middle of 2008 have resulted in a general credit crunch, an increased level of commercial and consumer delinquencies, lack of consumer confidence and increased market volatility. The slowdown of worldwide economy, including that of China, has caused a rapid slide in property prices. The negative impact of the current global economic slowdown on our business is manifold. For example:

- we had to abandon our initial public offering in 2008;
- the uncertain economic prospect and tightened credit markets have resulted in a lower demand for our properties than what we had anticipated in 2007; and
- the declining property prices have caused a decline in our sales revenue and a decline in our profit margin.

The global economic slowdown and financial market turmoil have adversely impacted, and may continue to adversely impact, home owners and potential property purchasers, which may lead to a further decline in the general demand for our products and a further erosion of their selling prices.

The current global financial markets turmoil and the tightening of credit due to the rampant lack of liquidity have also negatively impacted our liquidity and our ability to obtain additional financings. We have significantly scaled back our original expansion plan, not only because of the slowdown of the global economy and its anticipated impact on our industry, but also due to the tightened credit market that is making it difficult for us to access affordable financing for the capital expenditure and working capital needs in our expansion plan. The current global financial market crisis and the unavailability or limited availability of financing in China have adversely impacted, and will continue to adversely impact, our liquidity, capital expenditure financing and working capital. You may find additional information on our liquidity and financial condition in the section entitled "Financial Information — Liquidity and Capital Resources" in this document. If the current global economic slowdown and financial market crisis continue on a sustained basis, they will materially adversely impact the demand for our products, materially adversely affect our ability to obtain necessary financing for our operations, and negatively impact our financial condition and results of operations.

We are highly leveraged and a deterioration of our cash flow position could materially and adversely affect our ability to service our indebtedness and to continue our operations

We maintain a significant level of indebtedness to finance our operations. As of December 31, 2006, 2007 and 2008 and June 30, 2009, our aggregate outstanding borrowings were RMB 2,255.4 million, RMB 9,561.7 million, RMB 10,440.2 million and RMB 10,172.3 million, respectively. Our total borrowings described above did not include our guarantees or indemnity obligations of approximately RMB 1,073.9 million, RMB 1,464.2 million, RMB 2,087.0 million and RMB 5,677.5 million, respectively, as of December 31, 2006, 2007 and 2008 and June 30, 2009. Out of our total borrowings of RMB 10,172.3 million as of June 30, 2009, RMB 6,294.4 million was due within a period not exceeding one year, RMB 3,628.9 million was due within a period of more than one year but not exceeding five years and RMB 249.0 million was due within a period of more than five years. We have incurred and will incur a significant amount of interest expenses in relation to our bank borrowings, the Convertible Preferred Shares and the Structured Secured Loan. Most of these interest expenses have been or will be capitalized as properties under development rather than being recorded as expenses in our income statement upon their incurrence. The amounts of the capitalized interests for completed properties held for sale were approximately RMB 13.1 million, RMB 73.3 million and RMB 215.6 million as of December 31, 2006, 2007 and 2008, respectively, and RMB 361.0 million as of June 30, 2009. The amounts of capitalized interests for properties under development were approximately RMB 111.9 million, RMB 707.1 million and RMB 1,616.2 million as of December 31, 2006, 2007 and 2008, respectively, and RMB 1,703.1 million as of June 30, 2009. Such capitalized interest expense will be recorded as expenses in the consolidated income statements as a portion of cost of sales upon recognition of the sale of the relevant properties. Our capitalized interests included in cost of sales for the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were RMB 76.7 million, RMB 96.4 million, RMB 150.7 million and

RMB 109.0 million, respectively. Accordingly, such capitalized interest expenses may adversely affect our gross profit margin upon recognition of the sales of the relevant properties in 2009 and future periods.

Our gearing ratio, as calculated by dividing our total borrowings by our total assets, was 28.9%, 44.7%, 36.6% and 27.9%, respectively, as of December 31, 2006, 2007 and 2008 and June 30, 2009. Although we have recorded net operating cash inflow for the six months ended June 30, 2009, we recorded net operating cash outflow in the years ended December 31, 2006, 2007 and 2008. Therefore, we cannot assure you that we will be able to generate sufficient cash flow from operations to support the repayment of our current indebtedness. If we are unable to make scheduled payments in connection with our debt and other fixed payment obligations as they become due, we may need to renegotiate the terms and conditions of such obligations or to obtain additional equity or debt financing. We cannot assure you that our renegotiation efforts would be successful or timely or that we would be able to refinance our obligations on acceptable terms or at all. If financial institutions decline to lend additional funds to us or to refinance our existing loans when they mature as a result of our credit risk and we fail to raise financing through other means, our financial condition, cash flow position and our business prospects may be materially and adversely affected.

In addition, some of our financing arrangements contain provisions that may not work to our advantage when we encounter difficulties in servicing our debt obligations. For example, our Structured Secured Loan contains an offshore tranche in the aggregate principal amount of US$430 million and an onshore tranche in the aggregate principal amount of RMB 20 million. Our onshore loan is collateralized by the land use rights underlying Evergrande Splendor Qidong, and both the onshore loan and the offshore loan contain cross-default provisions that will make a default in one loan a default in the other as well. As a result, our Structured Secured Loan documentation makes our onshore collateral effectively available for enforcement purposes in the event of a default under the offshore loan. We cannot assure that we will not enter into similar financing arrangements so long as they are fair and reasonable to our company and shareholders as a whole.

Certain events of default occurred in 2008 under the Structured Secured Loan, such as our failure to maintain certain financial ratios during the current global economic downturn and financial crisis. We obtained a forbearance agreement with the lenders of the Structured Secured Loan in December 2008 for them not to accelerate the repayment of the Structured Secured Loan. As a result of occurrence of the events of default, we have obtained additional waivers from the Financial Investors, the Structured Secured Loan lenders and the New Investors with respect to the existing or purported defaults, events of default or cross-defaults under the various investment and loan agreements. You may find additional information on the key terms of the Structured Secured Loan, such events of default and waivers under the sections entitled "Corporate History — Reorganization — Introduction of Financial Investors," "— Structured Secured Loan," "— Introduction of New Investors" and "Financial Information — Indebtedness — Structured Secured Loan" in this document. Such waivers will remain valid until March 31, 2010. We have also obtained an extension of the exercise date of the put option in relation to the Structured Secured Loan from the lenders until March 31, 2010. Although it is never our intention to default under any of our agreements, we cannot assure you that we will be able to maintain the relevant financial ratios from time to time and that we will not default.

While a forbearance agreement and relevant waivers have been obtained from the Financial Investors, the Structured Secured Loan lenders and the New Investors for the existing or purported events of default, such forbearance agreement and waivers will expire on March 31, 2010 and we cannot assure you that the Financial Investors, the Structured Secured Loan lenders and the New Investors will continue to agree to entertain any forbearance or waiver arrangements with us upon any future occurrence of a default, event of default or cross-default. If we are unable to obtain further forbearance or waiver arrangements with the Financial Investors, the Structured Secured Loan lenders and the New Investors upon occurrence of any default, event of default or cross-default in the future, it could lead to, among other things, an acceleration in our debt financing obligations, which could in turn have a materially adverse effect on our financial condition.

We may not have adequate financing to fund our land acquisitions and property developments

Property development is capital intensive. We finance our property projects primarily through a combination of pre-sale and sale proceeds, borrowings from financial institutions, equity financings and internal funds. Historically, we also relied on the issue of the Convertible Preferred Shares and interest-free loans from our Original Shareholder to fund our operations, which sources of funding may not be available to us in the future. Our ability to obtain adequate financing for land acquisition and property development on terms which will allow us to achieve a reasonable return is dependent on a number of factors that are beyond our control, such as general economic conditions, credit availability from financial institutions, as well as monetary policies in China and PRC regulations relating to the property sector.

We have obtained land use rights certificates for all of our properties under development, and have received all of the relevant construction land planning permits, construction works planning permits and construction permits for 17.1 million square meters, or 40.7%, of our GFA under development as of September 30, 2009. We had not received such construction related permits with respect to 24.9 million square meters, or 59.3%, of our GFA under development as of September 30, 2009. As permitted under the PRC laws and regulations, we are allowed to develop our projects in phases, and to apply for the relevant permits when we are ready to commence the relevant phase, with proper design and landscaping plan approved by the government authorities. During the Track Record Period, we experienced delays in obtaining the construction related permits with respect to only a small number of our projects, and we subsequently obtained the relevant construction related permits as approved by the local governments. Therefore we do not expect that such delays have materially adverse impact on our business, results of operations and financial condition. As of the Latest Practicable Date, we have obtained all the required construction related permits or approvals necessary for developing the relevant phase in each of our projects. We cannot assure you, however, that the PRC government will not limit our access to capital, our flexibility and our ability to use bank loans or other forms of financing to finance our property development. We cannot assure you that we will be able to secure adequate financing to fund our land acquisitions (including any unpaid land premium for past acquisitions), to finance our project construction or to renew our existing credit facilities prior to their expiration. Our failure to do so may adversely affect our business, financial condition and results of operations.

Our financing costs are subject to changes in interest rates

Changes in interest rates have affected and will continue to affect our financing costs and, ultimately, our results of operations. The benchmark one-year bank lending rates published by PBOC for the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were 6.12%, 7.47%, 5.31% and 5.31%, respectively. The decrease, however, in the benchmark one-year bank lending rate from 7.47% in December 2007 to 5.31% in December 2008 was a part of PBOC measures to combat the global economic downturn. We also have U.S. dollar denominated loans outstanding, with interest rates benchmarked to the three-month London interbank offered rates for U.S. dollar loans. While we do not believe such increases in the London interbank offered rates for U.S. dollar loans have had or will have a material adverse effect on our ability to obtain adequate financing for our operations or on our overall financial condition, we cannot assure you that the London interbank offered rates for U.S. dollar loans will remain unchanged or that the impact will not increase. As of June 30, 2009, the average annualized interest rate on our outstanding Renminbi borrowings was 6.0%, and the average annualized interest rate on our outstanding foreign currency borrowings was 20.1%. Interest expenses of bank borrowings incurred in 2006, 2007, 2008 and the six months ended June 30, 2009 were RMB 154.2 million, RMB 413.9 million, RMB 1,232.3 million and RMB 529.6 million, respectively. We cannot assure you that PBOC will not raise lending rates or the London interbank offered rates for U.S. dollar loans will not fluctuate significantly. Any further increase in these rates will increase our financing cost and may materially and adversely affect our business, financial condition and results of operations.

We may not always be able to obtain land reserves that are suitable for development

We derive our revenue principally from the sale of properties that we have developed. To have a steady stream of developed properties available for sale and a continuous growth in the long term, we need to replenish and increase our land reserves that are suitable for development. Our ability to identify and acquire suitable development sites is subject to a number of factors, some of which are beyond our control. The availability of substantially all of the land in China is controlled by the PRC government. Thus the PRC government's land policies have a direct impact on our ability to acquire land use rights for development and our costs of acquisition. In recent years, the PRC central and local governments have also implemented various measures to regulate the means by which property developers obtain land for property development. The PRC government also controls land supply through zoning, land usage regulations and other means. All these measures further intensify the competition for land in China among property developers. For example, subsequent re-zoning by the PRC government may adversely affect our ability to obtain land use rights. We won the bidding of a piece of land located in Tianhe district of Guangzhou at a land auction for an offer of RMB 4.1 billion in January 2008, and have paid an auction deposit of RMB 130 million. We have entered into a land grant contract with the government, although we have not yet paid the remaining land premium. This land was originally designated for residential use, but has since been re-designated by Guangzhou city government as a result of its re-zoning of this area as part of a newly established financial district in Guangzhou city. We are in negotiation with the government with respect to the amendments to the terms of our land grant contract, including the use of the land and our payment terms. It is not entirely certain at this stage how the government will agree to amend our land grant contract. If we are unable to reach an agreement in our favor, we may

be subject to forfeiture of the land and the auction deposit of RMB 130 million. If we fail to acquire sufficient land reserves suitable for development in a timely manner and at acceptable prices, our prospects and competitive position may be adversely affected and our business strategies, growth potential and performance may be materially adversely affected.

We have limited experience in hotel management and our results in this segment may be adversely affected by our inexperience

We are currently developing nine extra-large-scale suburban resort development projects, each including upscale hotels and modern conference, entertainment, sports, dining and other commercial facilities, along with a variety of residential complexes. Our experience in hotel management is limited. We plan to operate some of these hotels ourselves and engage hotel and resort management companies to manage the others upon the completion of their construction. We cannot assure you that we will be able to procure the services of professional hotel and resort management companies for such projects. We could face considerable reputational and financial risks if such hotels are mismanaged or do not meet the expectations of our residential, business and other customers. Additionally, we cannot assure you that there will be sufficient demand for such resort and hotel facilities in the localities of these properties. If we fail in our efforts in such hotel and resort business, our financial condition and results of operations will be adversely affected.

We may not be able to execute our contemplated expansion plan successfully

As of September 30, 2009, we completed development of eight projects and partially completed development of 17 projects with a total GFA of 4.1 million square meters. Currently we have 46 properties under development or held for future development with an estimated total GFA of 51.2 million square meters in 24 strategically selected cities across 16 provinces and two municipalities in China. Although our planned projects are carefully chosen after rounds of screening, review and deliberation, such large-scale rapid expansion have placed and may continue to place a substantial strain on our managerial and financial resources. The rapid increase in the volume of our developments brought by such expansion has also presented and may continue to present challenges in terms of project construction and delivery management. Although we have formulated a standardized operational model to facilitate the management of our projects nationwide, any failure to follow our standards or inconsistencies in our compliance across different geographical regions in China may negatively impact our reputation and damage our pursuit for brand and quality. In addition, any failure in effectively managing our large volume of developments within a short period of time may adversely affect our ability to deliver properties to our buyers in a timely manner and harm our reputation and our growth prospect. Also, our expansion plans are based on our forward-looking assessment of the market prospects. Although we believe that such judgments and decisions constitute one of our strengths, we cannot assure you that our market assessment will turn out to be accurate, or that we will be able to execute our contemplated expansion plan successfully or that we will succeed in integrating our expanded operations despite our standardized operational model, especially in light of the uncertain economic conditions as a result of the global economic slowdown and crisis in the global financial markets. There can be no assurance that our expanded operations will generate adequate returns on our investments or positive operating cash flows.

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

In accordance with the current PRC laws and regulations on LAT, all persons, including companies and individuals, that receive income from the sale or transfer of state-owned land use rights, buildings and their attached facilities are subject to LAT at progressive rates ranging from 30% to 60% of the appreciated value of the property, with certain exemptions available for the sale of ordinary residential properties if the appreciated value does not exceed 20% of the deductible items as defined in the relevant LAT regulations. In October 2008, as a part of the PRC governmental measures to combat the global economic slowdown, the Ministry of Finance and the State Administration of Taxation jointly issued the Notice on Adjustments to Taxation on Real Estate Transactions to temporarily exempt sales of residential properties by individual owners from LAT. Sales of villas and commercial properties are not eligible for such exemption. Pursuant to the relevant rules issued by the State Administration of Taxation, LAT obligations must be settled with the relevant tax bureaus within specific timeframes subsequent to the delivery of the completed projects. Accordingly, we have settled LAT payments on our four completed property projects in Guangzhou that are subject to LAT settlement. You may find a more detailed description of the PRC regulations on LAT in the section entitled "Taxation — Mainland China Taxation — Our Operations in Mainland China — Land appreciation tax" in Appendix V to this document.

Between 2005 and December 31, 2007, local tax bureaus in various cities, including Guangzhou, required prepayment of LAT at the rate of 0.5% to 1.0% on the pre-sale proceeds of properties. Since January 1, 2008, the rate of LAT prepayment in Guangzhou has increased to 1% for the ordinary residential properties and 2% for other commercial properties. We prepaid LAT in the aggregate amount of RMB 175.3 million with respect to our pre-sales made during the Track Record Period. For the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, we made LAT provisions in the amount of RMB 64.4 million, RMB 199.7 million, RMB 332.5 million and RMB 59.5 million, respectively. However, there are uncertainties in the interpretation and implementation of the LAT regulations. Although as of the Latest Practicable Date, we had made sufficient prepayments and/or provisions for LAT in compliance with PRC laws and regulations as interpreted by local tax authorities, there can be no assurance that our LAT prepayments and provisions will be sufficient to cover our LAT liabilities and that the relevant tax authorities will agree with the basis on which we calculated our LAT liabilities. Our results of operations, cash flow and financial condition may be adversely affected if our LAT liabilities as finally determined by the relevant tax authorities are substantially higher than our LAT provisions and prepayments.

Our success depends on the continuing services of our key management members

We depend on the services provided by our senior management and other skilled and experienced key staff members, in particular, our chairman, Dr. Hui, and our other executive officers. Most of them have more than 10 years of experience in the PRC property markets with in-depth knowledge of various aspects of the property development. As competition for experienced managerial talents and skilled personnel in the property development market is intense and the pool of qualified candidates is limited, we may not be able to retain the services of our senior executives or key personnel, or attract and retain high-quality senior executives or key personnel in the future. The loss of the services of our senior management or other key

personnel and failure to find qualified replacements could disrupt and adversely affect our operations. Moreover, along with our rapid growth and expansion into other regional markets in China, we will need to hire and retain skilled managers to lead and manage our regional operations. If we cannot attract and retain qualified personnel, our business and future growth may be adversely affected.

We may not be able to complete our development projects on time or at all

Property development projects require substantial capital expenditures prior to and during the construction period, and construction of a property project may take many months or several years before it generates positive cash flow through pre-sales or sales. Meanwhile, the progress and cost for a development project can be adversely affected by many factors, including:

- delays in obtaining necessary licenses, permits or approvals from governmental agencies or authorities;
- relocation of existing residents and/or demolishment of existing structures;
- shortages of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents;
- natural catastrophes; and
- adverse weather conditions.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedules or budgets as a result of the above factors may adversely affect our results of operations and financial position and may also cause reputational damage. As a result of the global economic slowdown and crisis in the global financial markets, we experienced delay in delivery of a small number of our property projects. As of the Latest Practicable Date, we had paid approximately RMB 1.9 million to our customers as late delivery penalties, and we may be subject to possible future claims of approximately RMB 2.9 million by our customers.

Our business will be adversely affected if we fail to obtain, or experience material delays in obtaining, necessary governmental approvals for any major property development

Real estate markets in China are strictly regulated by the PRC government. Property developers must comply with various laws and regulations of the PRC government, including rules issued by local governments to enforce these laws and regulations. To develop and complete a property project, we must apply for various licenses, permits, certificates and approvals, including land use rights certificates, construction land planning permits, construction works planning permits, construction permits, pre-sale permits and certificates of completion, at the relevant government departments. Before the government issues any certificate or permit, we must first meet specific conditions. We cannot guarantee that we will not encounter serious

delays or other difficulties in fulfilling such conditions, or that we will be able to adapt to new rules and regulations that may come into effect from time to time with respect to the property industry. There may also be delays on the part of the relevant regulatory bodies in reviewing our applications and granting approvals. Therefore, in the event that we fail to obtain, or encounter significant delays in obtaining, the necessary governmental approvals for any of our major property projects, we will not be able to continue with our development plans, and our business, financial condition and results of operations will be adversely affected.

Our failure to meet all requirements for the issue of property ownership certificates may lead to compensatory liability to our customers

According to PRC law, property developers must meet various requirements within 90 days after delivery of property or such other time period provided in sales contracts for the customers to apply for property ownership certificates, including passing various governmental clearances, formalities and procedures. We usually stipulate the delivery dates in our sales contracts so as to leave sufficient time for us to complete the formalities and obtain the relevant approvals. However, we cannot assure you that there will not be delays in our property development. There may also be factors beyond our control that may delay the delivery of property ownership certificates, including shortage in human resources at various governmental offices and time-consuming inspections and approval processes at various government agencies. Under current PRC laws and regulations and under our sales contracts, we are required to compensate our customers for delays in our deliveries. In the case of serious delays on one or more property projects, our business and reputation will be harmed.

If we cannot continue to obtain qualification certificates, our business may be adversely affected

As a precondition to engaging in real estate property development in China, a property developer must obtain a qualification certificate and renew it on an annual basis unless the rules and regulations allow a longer renewal period. According to the current PRC regulations on qualification of property developers, a newly established property developer must first apply for a provisional qualification certificate with a one-year validity, which can be extended for a maximum of two years. If the newly established property developer fails to commence a property development project within the one-year period when the provisional qualification certificate is in effect, it will not be allowed to extend its provisional qualification certificate. Experienced property developers must also apply for renewal of their qualification certificates once every two to three years in most cities, subject to an annual verification by relevant governmental authorities. It is mandatory under government regulations that developers fulfill all statutory requirements before obtaining or renewing their qualification certificates.

Property developers in China must also produce valid qualification certificates when they apply for pre-sale permits. We cannot assure you that we will be able to pass the annual verification of the qualification certificates or that we or each of our project companies will be able to obtain formal qualification certificates in a timely manner, or at all, as and when they become due to expire. If we or our project companies do not possess valid qualification certificates, the government will refuse to issue pre-sale and other permits necessary for our property development business. In addition, the government may impose a penalty on us and

our project companies for failure to comply with the relevant licensing requirements. If we or any of our project companies are unable to meet the relevant requirements, and therefore unable to obtain or renew the qualification certificates or pass the annual verification, our business and financial condition could be materially adversely affected.

The fair value of our investment properties is likely to fluctuate from time to time and may decrease significantly in the future, which may materially adversely impact our profitability

We are required to reassess the fair value of our investment properties at every balance sheet date for which we issue financial statements. Under HKFRS, gains or losses arising from changes in the fair value of our investment properties are included in our income statements in the period in which they arise. Our valuations are based on a direct comparison approach, under which our investment properties are directly compared with other comparable properties of similar size, character and location, in order to provide a fair comparison of capital values.

Capitalization approach has also been adopted, under which the estimated net income generated from the investment properties is capitalized at an appropriate rate to arrive at the value conclusions. Our investment properties were revalued by an independent property valuer as of December 31, 2006, 2007 and 2008 and June 30, 2009, respectively, on an open market, existing use basis, which reflected market conditions on those dates. Based on such valuation, we recognized the aggregate fair market value of our investment properties on our consolidated balance sheets, and recognized fair value gains on investment properties and the relevant deferred tax on our consolidated income statements. For the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, the fair value gains on our investment properties were RMB 300.1 million, RMB 657.1 million, RMB 77.4 million and RMB 299.7 million, respectively, and accounted for approximately 50.8%, 43.3%, 8.0% and 58.8%, respectively, of our profit before tax.

The significant increase in the fair market value of our investment properties in the Track Record Period was primarily due to the addition of our new investment properties and the overall appreciation of the existing investment properties in Guangzhou. Fair value gains or losses do not, however, change our cash position as long as the relevant investment properties are held by us and, therefore, do not increase our liquidity in spite of the increased profit. The amount of revaluation adjustments has been, and will continue to be, subject to market fluctuations. We cannot assure you that changes in the market conditions will continue to create fair value gains on our investment properties at the previous levels or at any level at all, or that the fair value of our investment properties will not decrease in the future. In particular, the fair value of our investment properties could decline in the event that our industry experiences a downturn as a result of PRC government policies aimed at "cooling-off" the PRC property market, or the global economic downturn and financial market crisis since mid 2008. Any significant decreases in the fair value of our investment properties may materially and adversely impact our profitability.

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

The appraisal value of our properties as contained in the Property Valuation Report is based on multiple assumptions that include elements of subjectivity and uncertainty. The valuation may differ materially from actual results. Therefore, the appraised value of our properties should not be taken as their actual realizable value or a forecast of their realizable value. Unforeseeable changes to the development of the property projects as well as national and local economic conditions may affect the value of our property holdings. The assumptions, on which the appraised value of our properties and land reserves is based, include that:

- we have obtained or will obtain on a timely basis all approvals from regulators necessary for the development and delivery of the projects;
- the properties are freely transferable/rentable either on strata title basis or as a whole to purchasers upon completion of the proposed development;
- we have paid all the land premiums and demolishment and resettlement costs and obtained all land use rights certificates without any additional payment obligation of additional land premium and demolishment and resettlement costs; and
- the properties will be developed and completed in accordance with their development plan.

For example, Evergrande Splendor Qidong has a total GFA of 11,957,045 square meters and constituted 28.5% of our total GFA under development as of September 30, 2009. This project will be developed on a piece of land that the local government acquired through marine reclamation. In accordance with the local rule, which does not contradict the national laws and regulations of China then in effect, we have paid RMB 53.0 million of relocation fees and RMB 75.3 million of marine use right fees to the local government as the consideration to obtain the land use right for development of this project. However, this project may be transferable only upon our payment of additional land premium to the local government. At present, we are in the preparation stage for the construction of this project, including solidifying the land, and expect to complete its development in phases by 2029. Based on our appraisal assumptions described above, this project is currently assigned a value of approximately RMB 30.2 billion by CB Richard Ellis Limited, an independent property valuer. If we fail to pay the additional premium or any materially adverse change occurs with respect to the development of Evergrande Splendor Qidong, the current valuation of this project may be subject to materially adverse change, which in turn, may materially and adversely affect our business, results of operations and financial condition.

The Property Valuation Report also makes reference to 18 parcels of land under "Group IV — Property interests contracted to be held by the Group in the PRC" that we, as of September 30, 2009, had entered into land grant contracts or land transaction confirmation letter but had not made full payment of the land premiums or satisfied other conditions for obtaining the relevant land use rights certificates. We are not in possession of the proper land use rights certificates with respect to these 18 parcels of land as of the date of this document.

In accordance with the Valuation Standards on Properties of the Hong Kong Institute of Surveyors, PRC properties without proper land use rights certificates may not be assigned any commercial value for purposes of issuing any property valuation report. You should not rely on the estimated value of approximately RMB 99.4 billion attributable to us as disclosed in the Property Valuation Report because the issue by the government of the relevant land use rights certificates depends on our timely payment of the requisite land premiums and many other conditions, some of which are beyond our control.

We may not be able to obtain land use rights certificates with respect to certain parcels of land under contract

As of the Latest Practicable Date, we had entered into land grant contracts or transfer agreements, but had not obtained all land use rights certificates, in respect of 15 projects as disclosed in the section entitled "Business — Our Property Projects — Properties Held for Future Development." As of the same date, the relevant land parcels occupied an aggregate site area of approximately 3.3 million square meters. If we fail to obtain, or experience material delays in obtaining, the land use rights certificates with respect to these parcels of land, our business, financial condition and results of operations may be adversely affected.

We rely on third-party contractors for certain services in our property development

We engage third-party contractors to provide various services, including construction, landscaping, gardening, equipment installation, interior decoration, mechanical and electrical installation and utilities installation. We generally select third-party contractors through our standardized tender process. We endeavor to employ only companies with good reputation, strong track records, performance reliability and adequate financial resources, and we have implemented strict quality control procedures and closely monitor the construction progress. However, we cannot guarantee that any such third-party contractor will always provide satisfactory services at the quality required by us. If the performance of any third-party contractor is not satisfactory, we may need to replace such contractor or take other remedial actions, which could adversely affect the cost and development schedule of our projects. In addition, as we are expanding our business into other regional markets in China, there may be a shortage of third-party contractors that meet our quality requirements in such regions. Moreover, the contractors may undertake projects from other developers, engage in risky undertakings or otherwise encounter financial or other difficulties, which may adversely affect their ability to complete our property projects on time, within budget or at all. All of these third-party related factors may have an adverse impact on our reputation, credibility, financial position and business operations.

We guarantee mortgage loans of our customers and may become liable to mortgagee banks if our customers default on their mortgage loans

As we pre-sell properties before their actual completion of construction, in accordance with industry practice, banks require us to guarantee our customers' mortgage loans. Typically, we guarantee mortgage loans taken out by our customers up until we complete the relevant properties and the property ownership certificates and certificates of other interests with respect to the relevant properties are delivered to the mortgagee banks. If a purchaser defaults on a mortgage loan, we may have to repurchase the underlying property by paying off the mortgage.

If we fail to do so, the mortgagee bank may auction the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage loans. In line with industry practice, we do not conduct any independent credit checks on our customers whose mortgage loans we guarantee but rely on the evaluation of such customers by the mortgagee banks.

As of December 31, 2006, 2007 and 2008 and June 30, 2009, our outstanding guarantees in respect of our customers' mortgage loans amounted to RMB 1,073.9 million, RMB 1,464.2 million, RMB 2,087.0 million and RMB 5,677.5 million, respectively. During the Track Record Period, we encountered defaulted mortgage loans in the aggregate amounts of RMB 4.0 million. We were able to recoup our full guarantee amounts through foreclosure sales. Although we did not sustain any economic loss in these instances, you should not assume that these guarantees are risk free. Should substantial defaults occur and if we are called upon to honor our guarantees, our financial condition and results of operations could be adversely affected.

We bear demolishment and resettlement costs associated with some of our property developments and such costs may increase

We are required to compensate owners and residents of demolished buildings on some of our property developments for their relocation and resettlement in accordance with the PRC urban housing demolition and relocation regulations. The compensation we pay is calculated in accordance with formulas published by the relevant local authorities. These formulas take into account the location, type of building subject to demolition, local income levels and many other factors. There can be no assurance that these local authorities will not change or adjust their formulas from time to time without sufficient advance notice. If they do so, the land costs may be subject to substantial increases, which can adversely affect our cash flow, financial condition and results of operations. In addition, despite these government-sanctioned formulas, if we fail to reach an agreement over the amount of compensation with any existing owner or resident, either we or such owner or resident may apply to the relevant authorities for a ruling on the amount of compensation. Dissenting owners and residents may also refuse to relocate. This administrative process or such resistance or refusal to relocate may delay the timetable of our development projects, and an unfavorable final ruling may result in us paying more than the amount calculated under the formulas. Such delays in our development projects will also lead to an increase in the cost and delay the cash inflow from pre-sales of the relevant projects, which may in turn adversely affect our business, results of operations and financial condition.

Property owners may cease to engage us as the provider of property management services

We provide property management services to our property owners through our wholly owned property management subsidiary, Jinbi Property Management. We believe that property management is an integral part of our business and critical to the successful marketing and promotion of our property developments. Under PRC laws and regulations, the property owners of a residential development have the right to change the property management service provider upon the approval by a certain percentage of the property owners. If owners of the properties

that we have developed choose to terminate our property management services, or our property management services receive unsatisfactory reviews by property owners, our reputation, future sales of our properties and our results of operations could be adversely affected.

We have limited insurance to cover our potential losses and claims

We do not carry insurance against all potential losses or damages with respect to our properties before their delivery to customers other than those buildings over which our lending banks have security interests and for which we are required to maintain insurance coverage under the relevant loan agreements. In addition, we do not maintain insurance coverage against liability from tortious acts or other personal injuries related to our project constructions. We believe that such liabilities should be borne by construction companies. However, we cannot assure you that we would not be sued or held liable for damages due to such tortious acts and other personal injuries. Moreover, there are certain losses for which insurance is not available on commercially practicable terms in China, such as losses suffered due to earthquakes, typhoons, flooding, war and civil disorder. If we suffer from any losses, damages or liabilities in the course of our operations and property development, we may not have sufficient financial resources to remedy the damages or to satisfy our potential obligations. In addition, any payments we make to cover any losses, damages or liabilities may have a material adverse effect on our business, results of operations and financial condition.

Our results of operations may vary significantly from period to period

We derive a majority of our revenue from the sale of residential properties that we have developed. In accordance with our accounting policy, we recognize revenue upon the completion and delivery of the properties to purchasers, which may take place up to 18 months after the commencement of pre-sale. As a result, our results of operations may vary significantly from period to period due to the construction timetables and timing of sales and delivery of our various development projects. Additionally, selling prices of properties vary and are largely determined by local market conditions. Although our properties are developed under the standardized operational model, the average selling price for properties in the same series may vary from city to city, which may affect our business, results of operations and financial condition. Seasonal variations may cause further fluctuations in our interim revenue and profits. For example, we have a number of projects in northern China where winter weather conditions can hinder the execution of our development projects and delay our timetable and revenue recognition. The volatility of our results of operations during the Track Record Period was due to our higher expenses incurred as we expanded our operations on a nationwide basis and was also attributable to the fair value gains on our investment properties, gains from partial disposal of subsidiaries and transfer of project development rights, the provisions or reversals of financial guarantees, gains or losses on repurchase of certain debt outstanding, and the fair value change on the embedded financial derivatives in the Convertible Preferred Shares. We recognized certain non-recurring gains during the Track Record Period, primarily including (i) the gain of approximately RMB 760.4 million from our disposal of a 40% interest in a subsidiary in 2007, representing 50.1% of our profit before income tax during the year, (ii) the gain of approximately RMB 474.5 million from our transfer of the development rights and control rights in two property development projects to Chow Tai Fook Group in 2008, representing 49.1% of our profit before income tax during the year, and (iii) the gain of approximately RMB 172.5

million from our repurchase of a portion of the Structured Secured Loan at a discount price in the six months ended June 30, 2009, representing 33.8% of our profit before tax during the six-month period in 2009. Such gains may not recur and bear little indication to our future financial performance. In addition, our results of operations in the year ended December 31, 2008 and the six months ended June 30, 2009 were also adversely affected by the global economic slowdown and financial market crisis. You should refer to the sections entitled "Financial Information — Indebtedness" and "— Results of Operations" in this document. In light of the above, we believe that period-to-period comparisons of our results of operations may not be as meaningful as they would be for a business with mostly recurring revenue from period to period.

We may be deemed a PRC resident enterprise under the new PRC Enterprise Income Tax Law and be subject to the PRC taxation on our worldwide income

We are a Cayman Islands holding company with substantially all of our operations conducted through our operating subsidiaries in China. Under the new PRC Enterprise Income Tax Law that took effect on January 1, 2008, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" for PRC tax law purposes and will generally be subject to the uniform 25% enterprise income tax rate as to their global income. Under the implementation regulations issued by the State Council relating to the new PRC Enterprise Income Tax Law, a "de facto management body" is defined as the body that has the significant and overall management control over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation promulgated a circular to clarify the definition of "de facto management bodies" for enterprises incorporated overseas with controlling shareholders being PRC enterprises. It, however, remains unclear how the tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise and ultimately controlled by a Hong Kong permanent resident as is in our case. Although we are currently not treated as a PRC resident enterprise by the relevant PRC tax authorities, substantially all of our management is currently based in China and will remain in China in the future. As a result, we may be treated as a PRC resident enterprise for PRC enterprise income tax purposes and subject to the uniform 25% enterprise income tax as to our global income. You should also read the risk factor entitled "— Dividends payable by us to our foreign investors and gains on the sale of our Shares may become subject to withholding taxes under PRC tax laws" below. If we are treated as such a PRC resident enterprise under the PRC tax law, we could face significant adverse tax consequences.

Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws

Under the new PRC Enterprise Income Tax Law and its implementation regulations issued by the State Council, to the extent such dividends for earnings derived since January 1, 2008 are sourced within China and we are considered a "resident enterprise" for PRC tax law purposes, then PRC income tax at the rate of 10% is applicable to dividends payable by us to investors that are "non-resident enterprises" so long as any such "non-resident enterprise" investor does not have an establishment or place of business in China or, despite the existence of such establishment or place of business in China, the relevant income is not effectively connected with such establishment or place of business in China. A lower withholding tax rate may apply if such "non-resident enterprise" is incorporated in a jurisdiction that has entered into

an income tax treaty or agreement with China that allows a lower withholding. Similarly, any gain realized on the transfer of the Shares by such "non-resident enterprise" investors is also subject to a 10% PRC income tax if such gain is regarded as income derived from sources within China and we are considered a "resident enterprise" in China. If we are required under the new tax law to withhold PRC income tax on our dividends payable to our foreign shareholders who are "non-resident enterprises," or if you are required to pay PRC income tax on the transfer of our Shares, the value of your investment in our Shares may be materially adversely affected. It is unclear whether, if we are considered a PRC "resident enterprise," holders of our Shares might be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or regions.

We rely principally on dividends paid by our subsidiaries to fund our cash and financing requirements, and any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a materially adverse effect on our ability to conduct our business

We are a holding company and rely principally on dividends paid by our subsidiaries for cash requirements, including the funds necessary to service any debt we incur and to pay any dividend we declare. If any of our subsidiaries incurs debt in its own name, the instruments governing the debt may restrict dividends or other distributions on its equity interest to us. Furthermore, applicable PRC laws, rules and regulations permit payment of dividends by our PRC subsidiaries on a combined basis only out of their retained earnings, if any, determined in accordance with the PRC accounting standards. Our PRC subsidiaries are required to set aside a certain percentage of their after-tax profit based on the PRC accounting standards each year for their reserve fund in accordance with the requirements of relevant laws and provisions in their respective articles of associations. As a result, our PRC subsidiaries combined may be restricted in their ability to transfer any portion of their net income to us whether in the form of dividends, loans or advances. Any limitation on the ability of our subsidiaries to pay dividends to us could materially adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends, service our debts or otherwise fund and conduct our business. Under the new PRC Enterprise Income Tax Law and its implementation regulations, PRC income tax at the rate of 10% is applicable to dividends paid by PRC enterprises from their earnings derived since January 1, 2008 to "non-resident enterprises" (enterprises that do not have an establishment or place of business in China, or that have such establishment or place of business but the relevant income is not effectively connected with such establishment or place of business) subject to any lower withholding tax rate as may be contained in any income tax treaty or agreement that China has entered into with the government of the jurisdiction where such "non-resident enterprises" were incorporated. If we or our non-PRC subsidiaries are considered "non-resident enterprises" under the PRC tax law, any dividend that we or any such non-PRC subsidiary receive from our PRC subsidiaries may be subject to PRC taxation at the 10% rate unless any lower treaty rate is applicable.

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

We may be involved from time to time in material disputes with various parties involved in the development and the sale of our properties, including contractors, suppliers, construction workers, original residents, partners, banks and purchasers. These disputes may lead to

protests, legal or other proceedings and may result in damage to our reputation, substantial costs and diversion of resources and management's attention. As most of our projects are comprised of multiple phases, purchasers of our properties in earlier phases may commence legal actions against us if our subsequent planning and development of the projects are perceived to be inconsistent with our representations and warranties made to such earlier purchasers. In addition, we may have compliance issues with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decrees that result in liabilities and cause delays to our property developments. For more information, you should refer to the section entitled "Business — Legal Proceedings" in this document for more information.

We may be exposed to intellectual property infringement, misappropriation or other claims by third parties and a deterioration in our brand image could adversely affect our business

We believe that we have built an excellent reputation in China for the quality of our various product series. We have also placed great importance on the continuous enhancement of our brand name and the increase in our brand recognition. Our brand strategy, however, depends on our ability to use, develop and protect our intellectual properties, such as our trademarks. Although we have applied for trademark registration for our names and logos, we have not successfully registered all of these trademarks in China or elsewhere. As a result, we could be subject to trademark disputes. The defense and prosecution of intellectual property lawsuits and related legal and administrative proceedings can be both costly and time-consuming and may significantly divert our resources and the time and attention of our management personnel. An adverse ruling in any such litigation or proceedings could subject us to significant liabilities to third parties, require us to seek licenses from third parties, to pay ongoing royalties, or subject us to injunctions prohibiting the use of our name and logo.

RISKS RELATING TO THE PROPERTY INDUSTRY IN CHINA

The PRC government may adopt further measures to slow down growth in the property sector

Along with the economic growth in China, investments in the property sectors have increased significantly in the past few years. In response to concerns over the increase in property investments, from 2004 to the first half of 2008, the PRC government introduced various policies and measures to curtail property developments, including:

- requiring real estate developers to finance, with their internal resources, at least 35% of the total investment (excluding affordable housing projects);
- limiting the monthly mortgage payment to 50% of an individual borrower's monthly income and limiting all monthly debt service payments of an individual borrower to 55% of his or her monthly income;
- suspending land supply for villa construction and restricting land supply for high-end residential property construction;

- requiring that at least 70% of the land supply approved by any local government for residential property development during any given year must be used for developing low- to medium-cost and small- to medium-size units for sale or as low-cost rental properties;

- requiring that at least 70% of the total development and construction area of residential projects approved or constructed on or after June 1, 2006 in any administrative jurisdiction must consist of units with a unit floor area of less than 90 square meters and that projects which have received project approvals prior to this date but have not obtained construction permits must adjust their planning in order to comply with this new requirement, with the exception that municipalities under direct administration of the PRC central government and provincial capitals and certain cities may deviate from such ratio under special circumstances upon approval from the Ministry of Construction;

- requiring any first-time home owner to pay the minimum amount of down-payment at 20% of the purchase price of the underlying property if the underlying property has a unit floor area of less than 90 square meters and the purchaser is buying the property as a primary residence;

- requiring any second-time home buyer to pay an increased minimum amount of down-payment at 40% of the purchase price of the underlying property and an increased minimum mortgage loan interest rate at 110% of the relevant PBOC benchmark one-year bank lending interest rate;

- for a commercial property buyer, (i) requiring banks not to finance any purchase of pre-sold properties, (ii) increasing the minimum amount of down-payment to 50% of the purchase price of the underlying property, (iii) increasing the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark one-year bank lending interest rate, and (iv) limiting the terms of such bank borrowings to no more than 10 years, with commercial banks allowed flexibility based on their risk assessment;

- for a buyer of commercial/residential dual-purpose properties, increasing the minimum amount of down-payment to 45% of the purchase price of the underlying property, with the other terms similar to those for commercial properties;

- limiting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties; and

- imposing more restrictions on the types of property developments that foreign investments may engage in.

Although since the middle of 2008, in order to combat the impact of the global economic slowdown, the PRC government has adopted measures to encourage consumption in the residential property market and to support real estate development, including reducing the minimum capital funding requirement for real estate development from 35% to 20% for affordable housing projects and ordinary commodity residential property projects and to 30% for other property projects, we cannot assure that the PRC government will not change or modify

these temporary measures in the future. For more information on the various restrictive measures taken by the PRC government, you should refer to "Appendix VI — Summary of PRC Laws Relating to the Property Sector" in this document. These measures may limit our access to capital resources, reduce market demand for our products and increase our operating costs in complying with these measures. We cannot assure you that the PRC government will not adopt additional and more stringent measures, which could further slow down property development in China and adversely affect our business and prospects.

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

We depend on cash flows from pre-sale of properties as an important source of funding for our property projects. Under current PRC laws and regulations, property developers must fulfill certain conditions before they can commence pre-sale of the relevant properties and may only use pre-sale proceeds to finance the development of such properties. In August 2005, PBOC in a report entitled "2004 Real Estate Financing Report" recommended to discontinue the practice of pre-selling unfinished properties because such practices, in the PBOC's opinion, create significant market risks and generate transactional irregularities. Although this and similar recommendations have not been adopted by the PRC government, there can be no assurance that the PRC government will not adopt such recommendations and ban the practice of pre-selling unfinished properties or implement further restrictions on the pre-sale practice, such as imposing additional conditions for obtaining a pre-sale permit or imposing further restrictions on the use of pre-sale proceeds. Any such measure will adversely affect our cash flow position and force us to seek alternative sources of funding for most of our property development business.

We may forfeit land to the PRC government if we fail to comply with the terms of the land grant contracts

Under PRC laws, if we fail to develop a property project according to the terms of the land grant contract, including those relating to the payment of land premium, demolishment and resettlement costs and other fees, specified usage of the land and the time for commencement and completion of the property development, the PRC government may issue a warning, impose a penalty and/or order us to forfeit the land. Under the current PRC laws and regulations, if we fail to pay any outstanding land premium by the stipulated deadline, we may be subject to a late payment penalty calculated on a per-day basis. As of September 30, 2009, we had outstanding land premiums with respect to a small number of projects which we had not paid based on the underlying land grant contracts. We have obtained the relevant local governments' approvals to either extend the payment of the outstanding land premiums or pay such outstanding land premiums in installments, except for several projects that we are in discussions with the relevant local governments regarding their potential re-zoning plans. Although we do not expect that we will be subject to any penalties imposed by the local governments with respect to the outstanding land premiums, we cannot assure you that we will be able to secure similar government approvals if we fail to pay land premiums in the future.

In addition, without the approval from the relevant PRC land bureau, if we fail to commence development of a property project within the stipulated period as required under the current PRC laws, the relevant PRC land bureau may serve a warning notice on us and impose a idle land

fee of up to 20% of the land premium unless such failure is caused by a government action or a force majeure event. The Notice on Promoting Economization of Land Use issued by the State Council in January 2008 further confirmed the idle land fee at 20% of the land premium. If we fail to commence such development for more than two years, the land is subject to forfeiture to the PRC government unless the delay in development is caused by government actions or force majeure. Even if the commencement of the land development complies with the land grant contract, if the developed GFA on the land is less than one-third of the total GFA of the project or if the total capital expenditure is less than 25% of the total investment of the project and the suspension of the development of the land is more than one year without government approval, the land will still be treated as idle land. During the Track Record Period, we did not receive any notice from the PRC government that any of our projects had been or would be determined as idle land, and we were not required to pay any idle land fee or forfeit any land as a result of noncompliance with the relevant rules.

The following project may be subject to forfeiture of the land or land grant deposit to the PRC government.

Project	Valuation as of September 30, 2009	Total costs paid	Outstanding land premium	Potential loss to us	Ref. to Property Valuation Report
	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	
Guangzhou Juanmachang Project	N/A[1]	130,000	3,970,000	130,000	81

(1) As we have not obtained the land use right certificate, the land is deemed to have no commercial value. You may find further information in the section entitled "Appendix IV — Property Valuation Report" on this project.

The government has not delivered the land underlying Guangzhou Juanmachang Project to us as a result of its re-zoning plan, and we have not obtained the land use right certificate and land use right for such land. We are in negotiation with the government on amending the terms of the land grant contract, including the use of the land and the payment terms. It is not entirely certain at this stage how the government will agree to amend our land grant contract, and accordingly we are currently not able to evaluate the necessity for us to make any impairment provisions at this stage. In addition, since the government has not delivered the land to us and we have not obtained the relevant land use right certificate and land use right, our PRC legal counsel, Commerce & Finance Law Offices, has advised that the land will not be determined as idle land, and that therefore we will not be subject to any idle land fees with respect to such land.

Except as disclosed above, we do not believe any of our land and/or land grant deposits will be at risk of forfeiture to the PRC government. Our PRC legal counsel, Commerce & Finance Law Offices, has also advised that, as of the Latest Practicable Date, except as disclosed above, we did not commit other breaches of the PRC laws and regulations governing idle land, which may subject us to the payment of idle land fees and forfeiture of the land to the local authorities.

If we are required to pay substantial idle land fees, our results of operations and our reputation may be adversely affected. If we forfeit land, we will not only lose the opportunity to develop the property projects on such land, but may also lose all our investments in the land, including land premiums paid and development costs incurred.

We are exposed to pre-sale related contractual and legal risks

We make certain undertakings in our pre-sale contracts. These pre-sale contracts and PRC laws and regulations provide for remedies with respect to any breach of such undertakings. For example, if we pre-sell a property project and we fail to complete that property project, we will be liable to the purchasers for their losses. Should we fail to complete a pre-sold property project on time, our purchasers may seek compensation for late delivery pursuant to either their contracts with us or PRC laws and regulations. If our delay extends beyond a specified period, our purchasers may terminate the pre-sale contracts and claim compensation. We cannot assure you that we will not experience delays in completion and delivery of our projects.

Our business will be adversely affected if mortgage financing becomes more costly or otherwise less attractive or available

Substantially all purchasers of our residential properties rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing and affect the affordability of residential properties. In addition, the PRC government and commercial banks may also increase the down-payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive or less available or less attractive to potential property purchasers. Under current PRC laws and regulations, purchasers of residential properties with a unit floor area of less than 90 square meters generally must pay at least 20% of the purchase price of the properties before they can finance their purchases through mortgages. Since September 2007, for second home buyers that use mortgage financing, the PRC government has increased the minimum down-payment to 40% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark one-year bank lending interest rate. For commercial property buyers, banks are no longer allowed to finance the purchase of any pre-sold properties. The minimum down-payment for commercial property buyers has increased to 50% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark one-year bank lending interest rate and maximum maturities of no more than 10 years. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income or if the total debt service of the individual borrower would exceed 55% of such individual's monthly income. If the availability or attractiveness of mortgage financing is reduced or limited, many of our prospective customers may not be able to purchase our properties and, as a result, our business, liquidity and results of operations could be adversely affected.

Intensified competition might adversely affect our business and our financial position

In recent years, many property developers, including overseas developers, have entered the property development markets in Guangdong Province and other regions of China where we have operations. Competition among property developers may cause an increase in land premiums and raw material costs, shortages in quality construction contractors, further delays in issue of government approvals, and higher costs to attract or retain talented employees.

Moreover, residential property markets across China are influenced by various other factors, including changes in economic conditions, banking practices and consumer sentiments. If we fail to compete effectively or to adapt to the changes in market conditions, our business operations and financial condition will suffer.

Potential liability for environmental damages could result in substantial outflow of our resources

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

As required by PRC laws and regulations, each project we develop is required to undergo environmental assessments and we are required to submit an environmental impact assessment report to the relevant governmental authorities for approval before commencement of its construction. Although the environmental audits conducted by the relevant PRC environmental protection agencies to date have not revealed any environmental violations that we believe would have a material adverse effect on our business, financial condition or results of operations, it is possible that there are potential material environmental liabilities of which we are unaware. In addition, we cannot ensure that our operations will not result in environmental liabilities or that our contractors will not violate any environmental laws and regulations in their operations that may be attributed to us. You should refer to the section entitled "Business — Environmental and Safety Matters" in this document for more information in respect of environmental matters.

RISKS RELATING TO CHINA

PRC economic, political and social conditions as well as governmental policies can affect our business

The PRC economy differs from the economies of most of the developed countries in many aspects, including:

- political structure;
- degree of government involvement and control;

- degree of development;
- level and control of capital investment and reinvestment;
- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a centrally planned economy to a more market-oriented economy. For approximately three decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC economy. Although we believe these reforms will have a positive effect on the overall and long-term development of China, we cannot predict whether changes in the PRC economic, political and social conditions and in its laws, regulations and policies will have any adverse effect on our current or future business, financial condition or results of operations.

Changes in PRC foreign exchange regulations may adversely affect our business operations

The PRC government imposes controls on the convertibility between Renminbi and foreign currencies and the remittance of foreign exchange out of China. We receive substantially all our revenue in Renminbi. Under our current corporate structure, our income is primarily derived from dividend payments from our PRC subsidiaries. Our PRC subsidiaries must convert their Renminbi earnings into foreign currency before they may pay cash dividends to us or service their foreign currency denominated obligations. Under existing PRC foreign exchange regulations, payments of current-account items may be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements.

However, approval from appropriate governmental authorities is required when Renminbi is converted into foreign currencies and remitted out of China for capital-account transactions, such as the repatriation of equity investment in China and the repayment of the principal of loans denominated in foreign currencies. Such restrictions on foreign exchange transactions under capital accounts also affect our ability to finance our PRC subsidiaries. Our choice of investment is affected by the relevant PRC regulations with respect to capital-account and current-account foreign exchange transactions in China. Our investment decisions are additionally affected by various other measures taken by the PRC government relating to the PRC property market as we have disclosed in the section entitled "Industry Overview — PRC Property Markets — Measures Taken by PRC Government in Recent Years Relating to PRC Property Markets" in this document. In addition, our transfer of funds to our subsidiaries in China is subject to approval by PRC governmental authorities in the case of an increase in registered capital, and subject to approval by and registration with PRC governmental authorities in case of shareholder loans to the extent that the existing foreign investment approvals received by our PRC subsidiaries permit any such shareholder loans at all. These limitations on the flow of funds between us and our PRC subsidiaries could restrict our ability to act in response to changing market conditions.

RISK FACTORS

Fluctuations in the value of Renminbi may adversely affect our business and the value of distributions by our PRC subsidiaries

The value of Renminbi depends, to a large extent, on the PRC domestic and international economic, financial and political developments and governmental policies, as well as the currency's supply and demand in the local and international markets. Since 1994 till 2005, the conversion of Renminbi into foreign currencies were based on exchange rates set and published daily by PBOC in light of the previous day's interbank foreign exchange market rates in China and the then current exchange rates on the global financial markets. The official exchange rate for the conversion of Renminbi into the U.S. dollar was largely stable until July 2005. On July 21, 2005, PBOC revalued Renminbi by reference to a basket of foreign currencies, including the U.S. dollar. As a result, the value of Renminbi appreciated by more than 2% on that day. Since then, the PRC central bank has allowed the official Renminbi exchange rate to float against a basket of foreign currencies. There can be no assurance that such exchange rate will not fluctuate widely against the U.S. dollar or any other foreign currency in the future. Since our income and profits are denominated in Renminbi, any appreciation of Renminbi will increase the value of dividends and other distributions payable by our PRC subsidiaries in foreign currency terms. Conversely, any depreciation of Renminbi will decrease the value of dividends and other distributions payable by our PRC subsidiaries in foreign currency terms. Fluctuation of the value of Renminbi will also affect the amount of our foreign debt service in Renminbi terms since we have to convert Renminbi into foreign currencies to service our indebtedness denominated in foreign currencies.

Interpretation of PRC laws and regulations involves uncertainty

Our core business is conducted within China and is governed by PRC laws and regulations. The PRC legal system is based on written statutes, and prior court decisions can only be used as a reference. Since 1979, the PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial law, including laws relating to property ownership and development. However, due to the fact that these laws and regulations have not been fully developed, and because of the limited volume of published cases and the non-binding nature of prior court decisions, interpretation of PRC laws and regulations involves a degree, sometimes a significant degree, of uncertainty.

Depending on the governmental agency or the presentation of an application or case to such agency, we may receive less favorable interpretations of laws and regulations than our competitors. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. All these uncertainties may cause difficulties in the enforcement of our land use rights, entitlements under our permits, and other statutory and contractual rights and interests.

RISK FACTORS

The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics

Our business is subject to general economic and social conditions in China. Natural disasters, epidemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in China. Some regions in China, including the cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought, or epidemics such as Severe Acute Respiratory Syndrome, or SARS, H5N1 avian flu or the human swine flu, also known as Influenza A (H1N1). For instance, a serious earthquake and its successive aftershocks hit Sichuan Province in May 2008 and resulted in tremendous loss of lives and destruction of assets in the region. In addition, past occurrences of epidemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. A recurrence of SARS or an outbreak of any other epidemics in China, such as the H5N1 avian flu or the human swine flu, especially in the cities where we have operations, may result in material disruptions to our property development and our sales and marketing, which in turn may adversely affect our financial condition and results of operations.

We cannot guarantee the accuracy of facts, forecasts and other statistics with respect to China, the PRC economy, the PRC real estate industry and the selected PRC regional data contained in this document

Facts, forecasts and other statistics in this document relating to China, the PRC economy, the PRC real estate industry and the selected PRC regional data have been derived from various official government publications available in China and may not be consistent with other information compiled within or outside China. However, we cannot guarantee the quality or reliability of such source materials. We have, however, taken reasonable care in the reproduction and/or extraction of the official government publications for the purpose of disclosure in this document. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, these facts, forecasts and statistics in this document may be inaccurate or may not be comparable to facts, forecasts and statistics produced with respect to other economies. Further, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as in other jurisdictions. Therefore, you should not unduly rely upon the facts, forecasts and statistics with respect to China, the PRC economy, the PRC real estate industry and the selected PRC regional data contained in this document.

DIRECTORS

DIRECTORS

Name	Residential address	Nationality
Executive Directors		
Hui Ka Yan	Flat A, 6th Floor, Cheung King Mansion 144 Austin Road, Tsimshatsui Kowloon, Hong Kong	Hong Kong, China
Xia Haijun	B 1742, New World Apartment 24 Salisbury Road Tsim Sha Tsui, Hong Kong	Canada
Li Gang	Room 1702, 21 Huafu Street Tianhe District, Guangzhou, China	China
Tse Wai Wah	Flat 1E, Block 7, Classicial Garden 8 Ma Wo Road, Tai Po, Hong Kong	Hong Kong, China
Xu Xiangwu	Room 401, 20 Ningquandong Street Jiang Nan Garden Tonghe Road, Baiyun District Guangzhou, China	China
Xu Wen	Room 601 5 Yujingdongwu Road Haizhu District Guangzhou, China	China
Lai Lixin	Room 901, 18 Huacui Street Tianhe District Guangzhou, China	China
He Miaoling	Room 1501 12 Jinjun Street Haizhu District Guangzhou, China	China
Independent non-executive Directors		
Yu Kam Kee, Lawrence	38 Wiltshire Road Kowloon Tong Kowloon, Hong Kong	Hong Kong, China
Chau Shing Yim, David	Flat I, 15/F, Hoi Kung Court 268 Gloucester Road Causeway Bay Hong Kong	British
He Qi	Flat 2–16, Building 2 No.1 Changwa Street Haidian District Beijing, China	China

CORPORATE INFORMATION

Headquarters	23rd Floor, Talent Building 45 Tianhe Road Guangzhou, Guangdong Province China (Postal Code: 510075)
Registered office in Cayman Islands	P.O. Box 309 Ugland House Grand Cayman, KY1-1104 Cayman Islands
Principal place of business in China	23rd Floor, Talent Building 45 Tianhe Road Guangzhou, Guangdong Province China (Postal Code: 510075)
Place of business in Hong Kong	1201 Two Pacific Place 88 Queensway Hong Kong
Website address	www.evergrande.com
Company secretary	Fong Kar Chun, Jimmy Solicitor of Hong Kong
Authorized representatives	Hui Ka Yan Flat A, 6th Floor, Cheung King Mansion 144 Austin Road, Tsimshatsui Kowloon, Hong Kong Fong Kar Chun, Jimmy Flat 19B, South Tower 3, Phase II Residence Bel-Air Island South, Hong Kong
Audit committee	Chau Shing Yim, David *(Chairman)* Yu Kam Kee, Lawrence He Qi
Remuneration committee	Hui Ka Yan *(Chairman)* Yu Kam Kee, Lawrence He Qi
Nomination committee	Hui Ka Yan *(Chairman)* He Qi Chau Shing Yim, David

CORPORATE INFORMATION

Cayman Islands principal share registrar and transfer office	Butterfield Fulcrum Group (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 609 Grand Cayman KY1-1107 Cayman Islands
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Principal bankers	Agricultural Bank of China Limited No. 69, Jianguomen Nei Avenue Dongcheng District Beijing, China Industrial and Commercial Bank of China Limited No. 55, Fuxingmennei Avenue Xicheng District Beijing, China China Construction Bank Corporation No. 25, Finance Street Xicheng District Beijing, China Bank of China Limited No. 1, Fuxingmen Nei Dajie Beijing, China China CITIC Bank Corporation Limited Block C, Fuhua Building No. 8, Chaoyangmen Beidajie Dongcheng District Beijing, China Shanghai Pudong Development Bank Co., Ltd. No. 12, Zhongshan Dong Yi Road Shanghai, China
Compliance advisor	Taifook Capital Limited 25th Floor, New World Tower 16–18 Queen's Road Central Hong Kong

INDUSTRY OVERVIEW

We have extracted and derived the information and statistics in the section below, in part, from various official government publications and sources as identified. The information and statistics may not be consistent with other information and statistics compiled within or outside China.

CHINA'S ECONOMY

The PRC economy has grown significantly since the PRC government introduced economic reforms in the late 1970's. China's accession to the World Trade Organization, or WTO, in 2001 has further accelerated the reform of the PRC economy. China's GDP increased from approximately RMB 15,987.8 billion in 2004 to approximately RMB 30,067.0 billion in 2008 at a compound annual growth rate, or CAGR, of approximately 17.1%. Per capita disposable income in China reached RMB 15,781.0 in 2008, representing an increase of approximately 14.5% over 2007. Investments in real estate in China were approximately RMB 3,058.0 billion in 2008, representing an increase of approximately 21.0% over 2007.

The table below sets out selected economic statistics for China for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	15,987.8	18,386.8	21,087.1	24,661.9	30,067.0
GDP growth rate (%)	10.1	10.4	11.1	11.4	9.0
GDP per capita (RMB)	12,336.0	14,103.0	16,084.0	18,665.0	22,640.0
GDP per capita growth rate (%)	9.4	9.8	10.5	16.0	21.3
Total imports and exports (US$ billion)	1,154.6	1,421.9	1,760.4	2,173.8	2,561.6
Utilized FDI (US$ billion)	60.6	60.3	69.5	74.8	92.4
Per capita disposable income (RMB)	9,421.6	10,493.0	11,759.0	13,785.8	15,781.0
Total savings of urban households (RMB billion)	11,955.5	14,105.1	16,158.7	17,621.3	22,150.3

Source: National Bureau of Statistics of China

INDUSTRY OVERVIEW

PRC PROPERTY MARKETS

Reform of the PRC property market did not commence until the 1990s. Prior to such reform, the PRC real estate development industry was part of the nation's centrally planned economy. In the 1990s, the PRC government initiated the housing reform and, as a result, the real estate and housing sector of China began its transition to a market-based system. A brief timeline of key housing reforms is set out below:

1988	The NPC amended the national constitution to permit the transfer of state-owned land use rights
1992	Sale of formerly public housing commenced in major cities
1994	The PRC government further implemented the reform and established an employer/employee-funded housing fund, and issued a regulation regarding pre-sale of commodity housing in cities
1995	The PRC government issued regulations regarding the transfer of real estate, establishing a regulatory framework for real estate sales
1998	The PRC government abolished the state-allocated housing policy
1999	The PRC government extended the maximum mortgage term to 30 years and formalized procedures for the sale of real estate in the secondary market
2000	The PRC government issued regulations to standardize the quality of construction projects, establishing a framework for administering construction quality
2002	The PRC government promulgated rules to require that state-owned land use rights be granted by way of tender, auction and listing-for-sale and eliminated the dual system for domestic and overseas home buyers in China
2003	The PRC government promulgated rules to require more stringent administration of real estate financing for the purpose of reducing credit and systemic risks associated with such financing
2004	The PRC government required real estate development projects (excluding affordable housing programs) to be financed by developers themselves from their capital funds with respect to 35%, rather than 20%, of the total projected capital outlay for such projects, imposed more restrictive requirements on pre-sale of commodity housing in cities and issued guidelines to commercial banks to further strengthen their risk control over real estate financing

2005	The PRC government adopted additional measures to discourage speculation in real properties, such as increasing the minimum down-payment to 30% of the total purchase price in selected cities where the housing price increased too fast, eliminating the preferential mortgage interest rate for residential housing, imposing a business tax of 5% on the proceeds from sales that occur within two years of purchase, and prohibiting resale of unfinished properties
2006	The PRC government implemented additional land supply, bank financing and other measures to curb fast increases in property prices, to encourage the development of middle- to low-end housing and to promote healthy development of the PRC property industry
2007	The PRC government issued regulations to increase the annual land use tax, and to impose such land use tax on foreign invested enterprises as well and to require that land use right certificates be issued only upon full payment of the land premium with respect to all of the land use rights under a land grant contract, which effectively stopped the practice of issuing land use right certificates in installments
2008	The PRC government took additional measures during the first half of the year to control money supply and discourage speculations in the residential property market, but took other measures during the second half of the year to combat the impact of the global economic downturn, to encourage domestic consumption in the residential property market and to support real estate development
2009	The PRC government reduced the minimum capital funding requirement for real estate development from 35% to 20% for ordinary commodity housing projects and affordable housing projects, and to 30% for other real estate projects

You may find additional information on housing reforms and recent regulatory developments with respect to the property industry of China in "— Measures Taken by PRC Government in Recent Years Relating to PRC Property Markets" below and "Appendix VI — Summary of PRC Laws Relating to the Property Sector" in this document.

The housing reforms, together with the economic growth of China, emergence of the mortgage lending market and increasing urbanization rate, are key factors in creating a real estate market in China and in sustaining the growth of China's real estate market. These and other government housing reform measures will continue to encourage private housing ownership in China. According to the National Bureau of Statistics of China, China's urbanization rate, i.e. the proportion of the population residing in urban areas, rose from approximately 29.0% in 1995 to approximately 45.7% in 2008. Increases in the urban population of China will likely result in increases in demand for residential properties.

The table below shows China's urbanization rate for the periods indicated.

	2004	2005	2006	2007	2008
Total population (millions)	1,299.9	1,307.6	1,314.5	1,321.3	1,328.0
Urban population (millions)	542.8	562.1	577.1	593.8	606.7
Urbanization rate (%)	41.8	43.0	43.9	44.9	45.7

Source: National Bureau of Statistics of China

Measures Taken by PRC Government in Recent Years Relating to PRC Property Markets

From 2004 to the first half of 2008, in order to prevent the overheating of the PRC economy and to achieve a balanced and sustainable economic growth, the PRC government took measures to control money supply, credit availability and fixed assets investment. The PRC government also took measures to discourage speculation in the residential property market and to increase the supply of affordable housing rather than high-end residential properties. In response to concerns over the scale of the increase in property investment, the PRC government introduced policies and measures to restrict such increase, including:

- limiting the monthly mortgage payment to 50% of an individual borrower's monthly income and limiting all monthly debt service payments of an individual borrower to 55% of his or her monthly income;
- requiring real estate developers to finance 35% rather than 20% of the total projected capital outlay of any property development with their capital funds;
- increasing the required reserve ratio of funds that a commercial bank must hold on deposit from 7.5% in first half of 2006 to 15% in January 2008, effectively reducing the amount of money a bank is able to lend;
- increasing the PBOC benchmark one-year bank lending interest rates and public housing funds rates in December 2007, with the PBOC one-year benchmark lending interest rate at 7.47% and the public housing funds rates at 4.77% for loans with maturities of no more than five years and 5.22% for loans with maturities of over five years; and
- tightening regulations governing mortgage lending and restricting approval of new development zones.

In April 2005, the Ministry of Construction and other relevant PRC government authorities jointly issued their Opinions on Stabilizing Property Prices《關於做好穩定住房價格工作的通知》followed by a set of certain measures to tackle the overheating of the real estate industry including:

- a business tax levy on the sales proceeds subject to the length of holding period and type of properties starting from June 1, 2005;
- a ban on onward transfer of pre-sold properties;

- strict enforcement of the imposition of an idle land fee for any land that has remained undeveloped for one year or longer starting from the commencement date as stipulated in the land grant contract and forfeiture of land use rights for any land that has remained idle for two years or longer;

- a stop order and cancellation for projects not in compliance with their construction plans; and

- a ban on land provision for villa construction and a restriction on land provision for high-end residential property development.

In May 2006, the Ministry of Construction, NDRC, PBOC and other relevant PRC government authorities jointly issued their Opinions on Housing Supply Structure and Stabilization of Property Prices《關於調整住房供應結構穩定住房價格的意見》. Such opinions reiterated the existing measures and ushered additional measures that aim at further curbing the rapid increases then in property prices in large cities and promoting healthy development of the PRC property market. These measures include:

- requiring that at least 70% of the land supply approved by a local government for residential property development for any given year must be used for developing low- to medium-cost and small- to medium-size units and low-cost rental properties;

- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006 must consist of units with a unit floor area of less than 90 square meters per unit and that projects which have received approvals prior to this date but have not obtained construction permits must adjust their planning in order to be in conformity with this new requirement, with the exception that municipalities under direct administration of the PRC central government, such as Beijing, Chongqing and Shanghai, provincial capitals and certain other cities may deviate from such ratio under special circumstances upon approval from the Ministry of Construction;

- increasing the minimum amount of down-payment from 20% to 30% of the purchase price of the underlying property if the unit floor area for the project is 90 square meters or more, effective from June 1, 2006;

- prohibiting commercial banks from lending to real estate developers with an internal capital ratio, calculated by dividing the internal funds by the total project capital required for the relevant projects, of less than 35%, restricting the grant or extension of revolving credit facilities to property developers holding a large amount of idle land or vacant commodity properties, and prohibiting commercial banks from accepting commodity properties which have been vacant for more than three years as security for their loans; and

- imposing a business tax levy on the entire sales proceeds from re-sale of properties if the holding period is shorter than five years, effective from June 1, 2006, as opposed to two years when such levy was initially introduced in June 2005, and allowing such business tax to be levied on the difference between the price for such re-sale and the

original purchase price in the event that an individual transfers a property that is not an ordinary residential property even though such transfer takes place after five years from his/her date of purchase.

In May 2006, the Ministry of Land and Resources published an urgent notice to tighten up land administration《關於當前進一步從嚴土地管理的通知》. In this notice, the Ministry of Land and Resources stressed that local governments must adhere to their annual overall land use planning and land supply plans and tighten up the control on land supply for non-agricultural use. The notice also requires local governments to suspend the supply of land for new villa projects to ensure adequate supply of land for more affordable housing.

In May 2007, MOFCOM and SAFE issued the Circular on Strengthening and Regulating the Examination and Approval and Supervision of Foreign Direct Investment in the Real Estate Sector《關於進一步加強規範外商直接投資房地產業審批和監管的通知》, commonly known as Circular 50. Under Circular 50, prior to applying for establishment of real estate companies, foreign investors must first obtain land use rights or property ownership certificates, or must first enter into pre-sale or pre-grant agreements with respect to the land use rights or property ownership certificates. If foreign-invested enterprises in China engage in real estate development or operations or if foreign-invested real estate enterprises, or FIREEs, in China engage in new real estate project developments, they must first apply to the relevant PRC governmental authorities to expand their scope of business in accordance with the PRC laws and regulations related to foreign investments. In addition, the local PRC governmental authorities must file with MOFCOM for record their approvals of establishment of FIREEs, and must exercise due control over foreign investments in high-end properties. Foreign exchange authorities may not allow capital-account foreign exchange sales and settlements by FIREEs that have been established in contravention of these requirements.

In July 2007, SAFE issued a notice, commonly known as Notice 130, together with a list of FIREEs that had effected their filings with MOFCOM. According to Notice 130, SAFE will no longer process foreign debt registrations or applications by FIREEs for permission to purchase foreign exchange to service their foreign debt if such FIREEs have not obtained their approval certificates from the government before June 1, 2007. As a result of Notice 130, unless the approval certificate of an FIREE as of May 31, 2007 contained an aggregate investment amount, which includes its registered capital and foreign debt, sufficient to permit foreign currency to be injected into its operations in China, such FIREE effectively will no longer be able to borrow foreign debt, including shareholder loans and overseas commercial loans, to finance its operations in China. It can only use its capital contributions instead. SAFE further informed in Notice 130 that it will not process any foreign exchange registration (or change of such registration) or application for settlement of foreign currency under the capital account by any FIREE if it has obtained the relevant approval certificates from local government authorities on or after June 1, 2007 but has not completed its filing with MOFCOM.

In October 2007, the PRC government revised its Catalog of Guidance on Industries for Foreign Investment《外商投資產業指導目錄》by, among other things, removing the development of ordinary residences from the foreign-investment-encouraged category and adding the secondary market residential property trading and brokering into the foreign-investment-restricted category.

In January 2008, the State Council issued a Notice on Promoting Economization of Land Use 《關於促進節約集約用地的通知》 with respect to the collection of additional land premium, establishment of a land utilization priority planning scheme, formulation of a system for assessing the optimal use of land and other proposed measures. The notice urges the full and effective use of existing construction land and the preservation of farming land. The notice also emphasizes the enforcement of the current rules on idle land fee for any land left idle for over one year but less than two years, with such idle land fee charged at 20% of the land grant premium. The notice further urges the financial institutions to exercise caution when they process loan applications from property developers that have failed to commence construction, to complete development of at least one third of the site area or to invest at least 25% of the total investment within one year of the construction date provided in the land grant contract.

Since October 2008, due to the global economic slowdown and financial market crisis, the PRC government has adopted a series of measures with respect to money supply, credit availability, fixed assets investment, tax reduction, and other areas to encourage domestic consumption, including support to the property market and real estate development such as the following:

- reducing the capital funding requirement for real estate developers from 35% to 20% for ordinary commodity housing projects and affordable housing projects, and 30% for other real estate projects;

- reducing the required deposit reserve ratio for commercial banks to 14.5% for large deposit-taking financial institutions and 13.5% for middle-to-small-sized deposit-taking financial institutions;

- reducing the PBOC benchmark one-year bank lending interest rate to 5.31%; and

- reducing the public housing funds rates to 3.33% (for loans with maturities of no more than five years) and 3.87% (for loans with maturities of over five years), respectively.

In October 2008, the Ministry of Finance and the State Administration of Taxation issued a Notice on Adjustments to Taxation on Real Estate Transactions 《關於調整房地產交易環節税收政策的通知》 to reduce the deed tax to 1% for first-time buyers of ordinary residential properties with a unit floor area of less than 90 square meters. In addition, sales and purchases of residential properties are temporarily exempted from the stamp duty, and sales of residential properties are temporarily exempted from land value-added tax.

In December 2008, the General Office of the State Council released Several Opinions on Facilitating the Healthy Development of the Real Estate Market 《關於促進房地產市場健康發展的若干意見》, and the Ministry of Finance and the State Administration of Taxation jointly issued the Notice on the Policy of Business Tax on Re-sale of Personal Residential Properties 《關於個人住房轉讓營業税政策的通知》 to encourage the consumption of ordinary residential properties and support the real estate development in response to the market changes, including:

- effective between January 1, 2009 and December 31, 2009, business tax will be imposed on transfers of non-ordinary residential properties that occur within two years, instead of five years as previously required, from their purchase dates;

- for ordinary residential properties, business tax is exempted if they are transferred after two years from the purchase dates;

- for transfers of non-ordinary residential properties two years after their purchase dates and ordinary residential properties within two years of their purchase dates, business tax is levied on the balance between the relevant sale prices and purchase prices;

- individuals with existing ordinary residential properties smaller than the average size under their local standards may buy second ordinary residential properties with the favorable loan terms similar to first-time buyers; and

- the government will provide support to real estate development in response to the changing market conditions, including increasing credit financing to "low-to-medium-priced" or "small-to-medium-sized" ordinary commodity housing projects, particularly those under construction, and providing financial support to real estate developers with good credit standing for merger and acquisition activities.

Commodity Property Sales

Demand for real estate in China has seen a steady increase over the years. According to the National Bureau of Statistics of China, the total revenue from real property sales in China increased from approximately RMB 251.3 billion in 1998 to approximately RMB 2,407.1 billion in 2008. During the same period, the aggregate GFA sold in China increased from approximately 121.9 million square meters in 1998 to approximately 620.9 million square meters in 2008. Of the 620.9 million square meters of aggregate GFA sold in 2008, approximately 558.9 million square meters were residential properties, representing a decrease of approximately 20.3% from 2007.

The average price of commodity properties sold in China increased from RMB 2,778.0 per square meter in 2004 to RMB 3,877.0 per square meter in 2008, while the average price of residential properties sold increased from RMB 2,608.0 per square meter to RMB 3,655.0 per square meter during the same period. The average price of commodity properties sold in China in 2008 was calculated by dividing total sales proceeds by the aggregate GFA sold.

The table below sets out selected statistics relating to the PRC property market for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	1,315.8	1,590.9	1,942.3	2,528.0	3,058.0
Total GFA sold (million square meters)	382.3	554.9	618.6	761.9	620.9
GFA of residential properties sold (million square meters)	338.2	495.9	554.2	691.0	558.9
Average price of commodity properties (RMB/square meter)	2,778.0	3,168.0	3,367.0	3,885.0	3,877.0
Average price of residential properties (RMB/square meter)	2,608.0	2,937.0	3,119.0	3,665.0	3,655.0
Total sales revenue for commodity properties (RMB billion)	1,037.6	1,757.6	2,082.6	2,960.4	2,407.1
Total sales revenue for residential properties (RMB billion)	861.9	1,456.4	1,728.8	2,532.4	2,042.4

Source: National Bureau of Statistics of China

Top 10 PRC Real Estate Developers by Land Reserves

We set forth below the top 10 property developers in China as measured by land reserves as of September 30, 2009 as compiled by China Real Estate Assessment and Evaluation Center and CRIC.

Ranking	Company
1	**Evergrande Real Estate Group Limited**
2	Country Garden Holdings Company Limited
3	Agile Property Holdings Limited
4	Hopson Development Holdings Limited
5	Shimao Property Holdings Limited
6	Greentown China Holdings Limited
7	China Overseas Land & Investment Ltd.
8	China Resources Land Limited
9	China Vanke Co., Ltd.
10	Poly Real Estate Group Co., Ltd.

Source: China Real Estate Assessment and Evaluation Center and CRIC

Top 20 PRC Real Estate Developers by Contracted Sales

We set forth below the top 20 property developers in China as measured by contracted sales for the nine months ended September 30, 2009 as compiled by China Real Estate Assessment and Evaluation Center and CRIC.

Ranking	Company
1	China Vanke Co., Ltd.
2	Poly Real Estate Group Co., Ltd
3	China Overseas Land & Investment Ltd
4	Greentown China Holdings Limited
5	**Evergrande Real Estate Group Limited**
6	a private company
7	Guangzhou R&F Properties Co., Ltd
8	Shimao Property Holdings Limited
9	China Resources Land Limited
10	Gemdale Corporation
11	a private company
12	China Merchants Property Development Co., Ltd.
13	a private company
14	a private company
15	Sino-Ocean Land Holdings Limited
16	Yanlord Land Group Limited
17	Agile Property Holdings Limited
18	Country Garden Holdings Company Limited
19	a private company
20	a private company

Source: China Real Estate Assessment and Evaluation Center and CRIC

INDUSTRY OVERVIEW

We set forth below the top 20 property developers in China as measured by contracted sales for the three months ended September 30, 2009 as compiled by China Real Estate Assessment and Evaluation Center and CRIC.

Ranking	Company
1	**Evergrande Real Estate Group Limited**
2	China Vanke Co., Ltd.
3	Greentown China Holdings Limited
4	Poly Real Estate Group Co., Ltd
5	a private company
6	China Overseas Land & Investment Ltd
7	a private company
8	China Resources Land Limited
9	a private company
10	Gemdale Corporation
11	Shimao Property Holdings Limited
12	Guangzhou R&F Properties Co., Ltd
13	China Merchants Property Development Co., Ltd.
14	a private company
15	Yanlord Land Group Limited
16	Sino-Ocean Land Holdings Limited
17	a private company
18	Country Garden Holdings Company Limited
19	a private company
20	Hopson Development Holdings Limited

Source: China Real Estate Assessment and Evaluation Center and CRIC

Top 20 PRC Real Estate Developers by GFA Pre-sold

We set forth below the top 20 property developers in China as measured by GFA pre-sold for the nine months ended September 30, 2009 as compiled by China Real Estate Assessment and Evaluation Center and CRIC.

Ranking	Company
1	**Evergrande Real Estate Group Limited**
2	China Vanke Co., Ltd.
3	a private company
4	Poly Real Estate Group Co., Ltd
5	China Overseas Land & Investment Ltd
6	a private company
7	Country Garden Holdings Company Limited
8	Shimao Property Holdings Limited
9	Greentown China Holdings Limited
10	Guangzhou R&F Properties Co., Ltd
11	China Resources Land Limited
12	a private company
13	a private company
14	Gemdale Corporation
15	Agile Property Holdings Limited
16	Sino-Ocean Land Holdings Limited
17	Jiangsu Future Land Co., Ltd.
18	China Merchants Property Development Co., Ltd.
19	a private company
20	a private company

Source: China Real Estate Assessment and Evaluation Center and CRIC

We set forth below the top 20 property developers in China as measured by GFA pre-sold for the three months ended September 30, 2009 as compiled by China Real Estate Assessment and Evaluation Center and CRIC.

Ranking	Company
1	**Evergrande Real Estate Group Limited**
2	a private company
3	Poly Real Estate Group Co., Ltd
4	China Vanke Co., Ltd.
5	China Overseas Land & Investment Ltd
6	a private company
7	Country Garden Holdings Company Limited
8	Greentown China Holdings Limited
9	Shimao Property Holdings Limited
10	China Resources Land Limited
11	a private company
12	a private company
13	Gemdale Corporation
14	Guangzhou R&F Properties Co., Ltd
15	Sino-Ocean Land Holdings Limited
16	Agile Property Holdings Limited
17	Jiangsu Future Land Co., Ltd
18	China Merchants Property Development Co., Ltd.
19	a private company
20	Yanlord Land Group Limited

Source: China Real Estate Assessment and Evaluation Center and CRIC

CHINA REAL ESTATE TOP 10 RESEARCH GROUP

China Real Estate Top 10 Research Group is an independent research institute constituted by Enterprise Research Institute of the Development Research Center of the State Council, Tsinghua University Real Estate Research Center and China Index Academy. It conducts surveys on an annual and nationwide basis with respect to various aspects of the property industry. Its evaluation results are published for public consumption and available at no cost on its website: http://industry.soufun.com. Contents available at such website do not constitute a part of this document.

GUANGZHOU CITY

Guangzhou is the capital city of Guangdong Province. It covers a total area of approximately 7,434 square kilometers and had a population of approximately 10.2 million as of December 31, 2008. It is the third largest city in China in terms of GDP and the largest city in southern China. Guangzhou is approximately two hours away from Hong Kong and Shenzhen by train.

INDUSTRY OVERVIEW

The growth in the economy and population of Guangzhou has generated an increase in housing demand in the city. From 1996 to 2008, the population of Guangzhou has increased by more than 3.6 million, representing an increase of approximately 55.2%. The table below sets out selected economic statistics for Guangzhou for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	445.1	515.4	607.4	705.1	821.6
GDP per capita (RMB)	45,906.0	53,809.0	63,100.0	70,186.0	80,690.0
GDP per capita growth rate (%)	16.2	14.3	14.3	11.2	15.0
Year-end registered population (million)	7.4	7.5	7.6	7.7	10.2
Per capita disposable income (RMB)	16,884.0	18,287.0	19,851.0	22,469.0	25,317.0

Sources: Guangzhou Bureau of Statistics; National Bureau of Statistics of China

Residential real estate investments in Guangzhou have increased over the years. Total real estate investments in the city amounted to approximately RMB 76.2 billion in 2008, representing an increase of approximately 8.2% over 2007. GFA of completed residential properties in Guangzhou in 2008 was approximately 6.7 million square meters, representing a decrease of approximately 3.9% from 2007. In 2008, total residential GFA sold in Guangzhou amounted to approximately 9.3 million square meters, representing a decrease of approximately 27.3% from 2007. The average price of total residential GFA sold in Guangzhou in 2008 reached RMB 8,501.0 per square meter, representing an increase of approximately 6.4% over 2007.

The table below sets out key statistics relating to the property market in Guangzhou for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	44.1	50.8	55.7	70.4	76.2
GFA of residential properties completed (million square meters)	7.4	8.0	7.7	6.7	6.7
GFA of residential properties sold (million square meters)	8.1	11.3	11.6	12.8	9.3
Sales revenue from residential properties (RMB billion)	35.1	57.0	71.1	102.4	79.3
Average price of residential properties (RMB/square meter)	4,356.0	5,041.0	6,152.0	7,993.0	8,501.0

Sources: Guangzhou Bureau of Statistics; National Bureau of Statistics of China

GUANGDONG PROVINCE

Guangdong Province is located in the heart of the Pearl River delta, adjacent to Hong Kong to its south. It covers a total area of approximately 179,757.0 square kilometers and had a population of approximately 95.4 million as of December 31, 2008. The Pearl River delta has been an important economic region in China with significant development and growth over the past decades. In line with the economic growth in Guangdong Province, the purchasing power of Guangdong residents has increased significantly over the years, which has supported the growth of the real estate market in Guangdong Province. The table below sets out selected economic statistics for Guangdong Province for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	1,886.5	2,236.7	2,620.4	3,067.4	3,569.6
GDP per capita (RMB)	20.876.0	24,438.0	28,332.0	32,713.0	37,588.0
GDP per capita growth rate (%)	13.1	12.4	12.9	12.9	8.7
Year-end registered population (million)	78.0	79.0	80.5	81.6	95.4
Per capita disposable income (RMB)	13,628.0	14,770.0	16,015.6	17,699.3	19,732.9

Sources: Guangdong Province Bureau of Statistics; National Bureau of Statistics of China

Aggregate real estate investments in Guangdong Province reached approximately RMB 293.2 billion in 2008, representing an increase of approximately 16.5% over 2007. The GFA of completed residential properties in Guangdong Province was approximately 34.8 million square meters in 2008, representing an increase of approximately 5.1% over 2007. Total residential GFA sold in Guangdong Province in 2008 was approximately 43.8 million square meters, representing a decrease of approximately 22.8% from 2007. The average price of residential GFA sold in Guangdong Province in 2008 was RMB 5,754.0 per square meter, representing an increase of approximately 1.8% over 2007. The table below sets out selected statistics relating to the property market in Guangdong Province for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	135.6	159.2	183.4	251.9	293.2
GFA of residential properties completed (million square meters)	27.8	34.8	34.2	33.1	34.8
GFA of residential properties sold (million square meters)	30.1	45.5	46.9	56.7	43.8
Sales revenue from residential properties (RMB billion)	99.2	188.6	215.4	320.3	251.9
Average price of residential properties (RMB/square meter)	3,298.0	4,149.0	4,589.0	5,653.0	5,754.0

Sources: Guangdong Province Bureau of Statistics; National Bureau of Statistics of China

CHONGQING MUNICIPALITY

Chongqing is one of the four municipalities under the direct administration of the PRC central government and an important economic hub in southwestern China. The table below sets out selected economic statistics for Chongqing for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	269.3	307.1	349.2	411.2	509.7
GDP per capita (RMB)	9,624.0	10,982.0	12,457.0	14,622.0	18,025.0
GDP per capita growth rate (%)	12.6	11.6	12.0	15.2	13.7
Year-end registered population (million)	31.4	31.7	32.0	28.2	28.4
Per capita disposable income (RMB)	9,221.0	10,244.0	11,570.0	13,715.0	14,368.0

Source: Chongqing Bureau of Statistics

Real estate investments in Chongqing reached approximately RMB 99.1 billion in 2008, representing an increase of approximately 16.7% over 2007. The GFA of completed residential properties in Chongqing was approximately 19.5 million square meters in 2008, representing an increase of approximately 10.2% over 2007. Total residential GFA sold in Chongqing in 2008 was approximately 26.7 million square meters, representing a decrease of approximately 19.3% from 2007. The average price of residential GFA sold in Chongqing in 2008 was RMB 2,640.0 per square meter, representing an increase of approximately 2.0% over 2007. The table below sets out selected statistics relating to the property market in Chongqing for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	39.3	51.8	63.0	84.9	99.1
GFA of residential properties completed (million square meters)	11.9	17.1	17.0	17.7	19.5
GFA of residential properties sold (million square meters)	11.4	17.9	20.1	33.1	26.7
Sales revenue from residential properties (RMB billion)	17.9	34.1	41.9	85.7	70.5
Average price of residential properties (RMB/square meter)	1,573.0	1,901.0	2,081.0	2,588.0	2,640.0

Sources: Chongqing Bureau of Statistics; National Bureau of Statistics of China

TIANJIN MUNICIPALITY

Tianjin is one of the four municipalities under the direct administration of the PRC central government and an economic and cultural center in China. The table below sets out selected economic statistics for Tianjin for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	311.1	369.8	435.9	501.8	635.4
GDP per capita (RMB)	30,575	35,783	41,163	45,829.0	55,473.0
GDP per capita growth rate (%)	14.9	12.9	11.9	11.2	11.3
Year-end registered population (million)	9.3	9.4	9.5	9.6	11.8
Per capita disposable income (RMB)	11,467.0	12,639.0	14,283.0	16,357.0	19,423.0

Source: Tianjin Bureau of Statistics

Real estate investments in Tianjin reached approximately RMB 65.4 billion in 2008, representing an increase of approximately 29.4% over 2007. The GFA of completed residential properties in Tianjin was approximately 14.6 million square meters in 2008, representing an increase of approximately 4.6% over 2007. Total residential GFA sold in Tianjin in 2008 was approximately 11.4 million square meters, representing a decrease of approximately 19.1% from 2007. The average price of residential GFA sold in Tianjin in 2008 was RMB 5,598.0 per square meter, representing an increase of approximately 0.7% over 2007. The table below sets out selected statistics relating to the property market in Tianjin for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	26.4	32.8	40.2	50.5	65.4
GFA of residential properties completed (million square meters)	10.1	12.7	13.1	14.4	14.6
GFA of residential properties sold (million square meters)	8.0	12.6	13.3	14.1	11.4
Sales revenue from residential properties (RMB billion)	23.5	50.4	62.0	78.1	63.6
Average price of residential properties (RMB/square meter)	2,950.0	3,987.0	4,649.0	5,557.0	5,598.0

Sources: Tianjin Bureau of Statistics; National Bureau of Statistics of China

WUHAN CITY

Wuhan is the capital city of Hubei Province and an economic and industrial hub in central China. The table below sets out selected economic statistics for Wuhan for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	188.2	223.8	259.0	314.2	396.0
GDP per capita (RMB)	23,148.0	26,279.0	29,899.0	37,904.0	47,526.0
GDP per capita growth rate (%)	14.5	13.0	12.9	26.8	25.4
Year-end registered population (million)	7.9	8.0	8.2	8.3	8.3
Per capita disposable income (RMB)	9,564.0	10,849.7	12,360.0	14,357.6	16,712.4

Source: Wuhan Municipal Bureau of Statistics

Real estate investments in Wuhan reached approximately RMB 57.0 billion in 2008, representing an increase of approximately 24.1% over 2007. The GFA of completed residential properties in Wuhan was approximately 7.7 million square meters in 2008, representing a decrease of approximately 5.3% from 2007. Total residential GFA sold in Wuhan in 2008 was approximately 6.8 million square meters, representing a decrease of approximately 36.1% from 2007. The average price of residential GFA sold in Wuhan in 2008 was RMB 4,680.0 per square meter, representing an increase of approximately 3.6% over 2007. The table below sets out selected statistics relating to the property market in Wuhan for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	23.3	29.8	36.6	46.0	57.0
GFA of residential properties completed (million square meters)	6.1	7.2	7.7	8.1	7.7
GFA of residential properties sold (million square meters)	6.1	8.3	9.1	10.7	6.8
Sales revenue from residential properties (RMB billion)	15.1	24.9	32.1	48.3	32.0
Average price of residential properties (RMB/square meter)	2,463.0	2,986.0	3,535.0	4,516.0	4,680.0

Sources: Wuhan Municipal Bureau of Statistics; National Bureau of Statistics of China

CHENGDU CITY

Chengdu is the capital city of Sichuan Province and an economic center in southwestern China. The table below sets out selected economic statistics for Chengdu for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	203.1	237.1	275.0	332.4	390.1
GDP per capita (RMB)	19,307.0	22,139.0	25,171.0	26,527.0	30,855.0
Year-end registered population (million)	10.6	10.8	11.0	11.1	11.3
Per capita disposable income (RMB)	10,394.0	11,360.0	12,790.0	14,849.0	16,943.0

Source: Chengdu Municipal Bureau of Statistics

Real estate investments in Chengdu reached approximately RMB 91.3 billion in 2008, representing an increase of approximately 0.3% over 2007. The GFA of completed residential properties in Chengdu was approximately 8.2 million square meters in 2008, representing a decrease of approximately 5.2% from 2007. Total residential GFA sold in Chengdu in 2008 was approximately 11.9 million square meters, representing a decrease of approximately 43.3% from 2007. The average price of residential GFA sold in Chengdu in 2008 was RMB 4,869 per square meter, representing an increase of approximately 16.2% over 2007. The table below sets out selected statistics relating to the property market in Chengdu for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	29.1	45.1	61.4	90.1	91.3
GFA of residential properties completed (million square meters)	7.0	6.0	9.6	8.6	8.2
GFA of residential properties sold (million square meters)	6.8	11.1	14.8	21.0	11.9
Sales revenue from residential properties (RMB billion)	15.2	31.9	51.9	88.1	58.0
Average price of residential properties (RMB/square meter)	2,224.0	2,870.0	3,499.0	4,190.0	4,869.0

Sources: Chengdu Municipal Bureau of Statistics; National Bureau of Statistics of China

SHENYANG CITY

Shenyang is the capital city of Liaoning Province and an economic and industrial center in northeastern China. The table below sets out selected economic statistics for Shenyang for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	177.3	208.4	248.3	307.4	386.1
GDP per capita (RMB)	25,640.0	29,935.0	N/A	43,499.0	54,106.0
Year-end registered population (million)	6.9	7.0	7.0	7.1	7.8
Per capita disposable income (RMB)	8,924.0	10,098.0	11,651.0	14,606.5	17,295.0

Source: Shenyang Municipal Bureau of Statistics

Real estate investments in Shenyang reached approximately RMB 101.1 billion in 2008, representing an increase of approximately 38.5% over 2007. The GFA of completed residential properties in Shenyang was approximately 10.8 million square meters in 2008, representing a decrease of approximately 1.2% from 2007. Total residential GFA sold in Shenyang in 2008 was approximately 13.1 million square meters, representing a decrease of approximately 3.7% from 2007. The average price of residential GFA sold in Shenyang in 2008 was RMB 3,856.0 per square meter, representing an increase of approximately 9.4% over 2007. The table below sets out selected statistics relating to the property market in Shenyang for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	34.3	41.4	53.8	73.0	101.1
GFA of residential properties completed (million square meters)	7.2	9.3	10.2	10.9	10.8
GFA of residential properties sold (million square meters)	4.9	9.3	11.5	13.6	13.1
Sales revenue from residential properties (RMB billion)	14.0	28.2	36.6	47.9	50.4
Average price of residential properties (RMB/square meter)	2,852.0	3,027.0	3,184.0	3,525.0	3,856.0

Sources: Shenyang Municipal Bureau of Statistics; National Bureau of Statistics of China

XI'AN CITY

Xi'an is the capital city of Shaanxi Province and an economic and cultural center in northwestern China. The table below sets out selected economic statistics for Xi'an for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	110.2	127.0	147.4	173.7	219.0
GDP per capita (RMB)	15,294.0	15,859.0	18,089.0	21,017.0	26,259.0
Year-end registered population (million)	7.3	7.4	7.5	7.6	8.4
Per capita disposable income (RMB)	8,544.0	9,628.0	10,905.0	12,662.0	15,207.0

Sources: Xi'an Bureau of Statistics; National Bureau of Statistics of China

Real estate investments in Xi'an reached approximately RMB 54.0 billion in 2008, representing an increase of approximately 39.5% over 2007. The GFA of completed residential properties in Xi'an was approximately 3.4 million square meters in 2008, representing a decrease of approximately 19.7% from 2007. Total residential GFA sold in Xi'an in 2008 was approximately 7.1 million square meters, representing a decrease of approximately 9.0% from 2007. The average price of residential GFA sold in Xi'an in 2008 was RMB 4,056.0 per square meter, representing an increase of approximately 26.2% over 2007. The table below sets out selected statistics relating to the property market in Xi'an for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	16.3	21.2	28.6	38.7	54.0
GFA of residential properties completed (million square meters)	1.4	3.0	3.4	4.2	3.4
GFA of residential properties sold (million square meters)	1.9	4.4	5.8	7.8	7.1
Sales revenue from residential properties (RMB billion)	4.5	11.7	18.0	25.2	28.8
Average price of residential properties (RMB/square meter)	2,394.0	2,686.0	3,073.0	3,215.0	4,056.0

Sources: Xi'an Bureau of Statistics; National Bureau of Statistics of China

NANJING CITY

Nanjing is the capital city of Jiangsu Province and an economic and cultural center in eastern China. The table below sets out selected economic statistics for Nanjing for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	206.7	241.1	277.4	327.5	377.5
GDP per capita (RMB)	35,770.0	40,887.0	46,114.0	44,852.0	50,327.0
GDP per capita growth rate (%)	15.2	12.8	10.9	11.5	9.1
Year-end registered population (million)	5.8	6.0	6.1	6.2	6.2
Per capita disposable income (RMB)	11,602.0	14,997.0	17,538.0	20,317.0	23,123.0

Source: Nanjing Bureau of Statistics

Real estate investments in Nanjing reached approximately RMB 50.8 billion in 2008, representing an increase of approximately 13.9% over 2007. The GFA of completed residential properties in Nanjing was approximately 8.9 million square meters in 2008, representing an increase of approximately 54.0% over 2007. Total residential GFA sold in Nanjing in 2008 was approximately 6.6 million square meters, representing a decrease of approximately 38.3% from 2007. The average price of residential GFA sold in Nanjing in 2008 was RMB 4,786.0 per square meter, representing a decrease of approximately 4.5% from 2007. The table below sets out selected statistics relating to the property market in Nanjing for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	29.3	29.6	35.1	45.6	50.8
GFA of residential properties completed (million square meters)	5.6	5.8	6.7	5.8	8.9
GFA of residential properties sold (million square meters)	5.4	9.0	9.4	10.7	6.6
Sales revenue from residential properties (RMB billion)	16.8	34.5	40.2	53.3	31.4
Average price of residential properties (RMB/square meter)	3,098.0	3,850.0	4,270.0	5,011.0	4,786.0

Sources: Nanjing Bureau of Statistics; National Bureau of Statistics of China

ZHENGZHOU CITY

Zhengzhou is the capital city of Henan Province and an economic center in central China. The table below sets out selected economic statistics for Zhengzhou for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	133.5	166.1	201.4	242.1	300.4
GDP per capita (RMB)	18,995.0	23,320.0	27,956.0	33,169.0	40,617.0
Year-end registered population (million)	7.1	7.2	7.2	7.4	7.4
Per capita disposable income (RMB)	9,667.0	10,640.0	11,822.0	13,692.0	15,732.0

Source: Zhengzhou Bureau of Statistics

Real estate investments in Zhengzhou reached approximately RMB 43.0 billion in 2008, representing an increase of approximately 43.8% over 2007. The GFA of completed residential properties in Zhengzhou was approximately 5.7 million square meters in 2008, representing an increase of approximately 5.6% over 2007. Total residential GFA sold in Zhengzhou in 2008 was approximately 6.3 million square meters, representing a decrease of approximately 37.6% from 2007. The average price of residential GFA sold in Zhengzhou in 2008 was RMB 3,648 per square meter, representing an increase of approximately 9.6% over 2007. The table below sets out selected statistics relating to the property market in Zhengzhou for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	12.2	16.8	23.0	29.9	43.0
GFA of residential properties completed (million square meters)	2.8	3.6	4.1	5.4	5.7
GFA of residential properties sold (million square meters)	3.0	5.6	7.5	10.1	6.3
Sales revenue from residential properties (RMB billion)	6.0	13.3	20.3	33.5	22.8
Average price of residential properties (RMB/square meter)	2,004.0	2,387.0	2,691.0	3,328.0	3,648.0

Sources: Zhengzhou Bureau of Statistics; National Bureau of Statistics of China

HENAN PROVINCE

Henan Province is in central western China and a few hours away from Beijing and Tianjin by train or highway. The table below sets out selected economic statistics for Henan Province for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	855.4	1,058.7	1,249.6	1,505.8	1,840.8
GDP per capita (RMB)	9,201.0	11,346.0	13,313.0	16,060.0	19,593.0
GDP per capita growth rate (%)	13.9	13.8	13.7	14.5	11.9
Year-end registered population (million)	97.2	97.7	98.2	98.7	99.2
Per capita disposable income (RMB)	7,705.0	8,668.0	9,810.0	11,477.0	13,200.0

Sources: Henan Province Bureau of Statistics; National Bureau of Statistics of China

Real estate investments in Henan Province reached approximately RMB 118.6 billion in 2008, representing an increase of approximately 41.7% over 2007. The GFA of completed residential properties in Henan Province was approximately 23.7 million square meters in 2008, representing an increase of approximately 1.3% over 2007. Total residential GFA sold in Henan Province in 2008 was approximately 27.4 million square meters, representing a decrease of approximately 23.5% from 2007. The average price of residential GFA sold in Henan Province in 2008 was RMB 2,169.0 per square meter, representing an increase of approximately 4.4% over 2007. The table below sets out selected statistics relating to the property market in Henan Province for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	25.9	38.9	58.2	83.7	118.6
GFA of residential properties completed (million square meters)	9.7	11.5	14.1	23.4	23.7
GFA of residential properties sold (million square meters)	9.4	15.4	21.9	35.8	27.4
Sales revenue from residential properties (RMB billion)	13.5	25.5	40.4	74.3	59.5
Average price of residential properties (RMB/square meter)	1,443.0	1,659.0	1,843.0	2,080.0	2,169.0

Sources: Henan Province Bureau of Statistics; National Bureau of Statistics of China

KUNMING CITY

Kunming is the capital city of Yunnan Province and an economic and cultural center in southwestern China. The table below sets out selected economic statistics for Kunming for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	94.6	106.2	120.3	139.4	160.5
GDP per capita (RMB)	18,773.0	17,560.0	19,633.0	22,578.0	25,826.0
Year-end registered population (million)	5.0	5.1	5.1	5.2	6.2
Per capita disposable income (RMB)	9,045.9	9,615.9	10,766.0	12,083.0	14,482.0

Sources: National Bureau of Statistics of China; Kunming Bureau of Statistics

Real estate investments in Kunming reached approximately RMB 26.2 billion in 2008, representing an increase of approximately 14.8% over 2007. The GFA of completed residential properties in Kunming was approximately 3.7 million square meters in 2008, representing an increase of approximately 37.6% over 2007. Total residential GFA sold in Kunming in 2008 was approximately 4.9 million square meters, representing a decrease of approximately 42.4% from 2007. The average price of residential GFA sold in Kunming in 2008 was RMB 3,595.0 per square meter, representing an increase of approximately 19.0% over 2007. The table below sets out selected statistics relating to the property market in Kunming for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	8.7	14.9	18.9	22.2	26.2
GFA of residential properties completed (million square meters)	1.7	3.8	4.9	2.6	3.7
GFA of residential properties sold (million square meters)	2.4	7.3	8.4	8.5	4.9
Sales revenue from residential properties (RMB billion)	5.8	18.5	23.0	25.6	17.8
Average price of residential properties (RMB/square meter)	2,437.0	2,513.0	2,733.0	3,020.0	3,595.0

Source: National Bureau of Statistics of China

JIANGSU PROVINCE

Jiangsu Province is in eastern China and one of the most prosperous regions in China. The table below sets out selected economic statistics for Jiangsu Province for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	1,500.4	1,830.6	2,164.5	2,556.0	3,031.3
GDP per capita (RMB)	20,223.0	24,560.0	28,814.0	33,689.0	40,000.0
GDP per capita growth rate (%)	20.2	21.4	17.3	16.9	18.7
Year-end registered population (million)	74.3	74.7	75.5	76.2	76.8
Per capita disposable income (RMB)	10,482.0	12,319.0	14,084.0	16,378.0	18,680.0

Source: Jiangsu Province Bureau of Statistics

Real estate investments in Jiangsu Province reached approximately RMB 306.4 billion in 2008, representing an increase of approximately 21.8% over 2007. The GFA of completed residential properties in Jiangsu Province was approximately 54.9 million square meters in 2008, representing an increase of approximately 6.4% over 2007. Total residential GFA sold in Jiangsu Province in 2008 was approximately 47.3 million square meters, representing a decrease of approximately 30.2% from 2007. The average price of residential GFA sold in Jiangsu in 2008 was RMB 3,871.0 per square meter, representing an increase of approximately 1.6% over 2007. The table below sets out selected statistics relating to the property market in Jiangsu Province for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	127.0	154.5	190.7	251.5	306.4
GFA of residential properties completed (million square meters)	32.2	45.0	47.5	46.4	54.9
GFA of residential properties sold (million square meters)	27.6	45.2	53.2	65.8	47.3
Sales revenue from residential properties (RMB billion)	66.7	142.2	179.5	250.8	183.1
Average price of residential properties (RMB/square meter)	2,418.0	3,146.0	3,375.0	3,811.0	3,871.0

Sources: Jiangsu Province Bureau of Statistics; National Bureau of Statistics of China

INNER MONGOLIA AUTONOMOUS REGION

Inner Mongolia is one of the provincial-level autonomous regions in China and borders Beijing to its south. The table below sets out selected economic statistics for Inner Mongolia for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	304.1	389.6	479.2	601.9	776.2
GDP per capita (RMB)	12,767.0	16,331.0	20,053.0	25,092.0	32,214.0
Year-end registered population (million)	23.8	23.9	23.9	24.1	24.1
Per capita disposable income (RMB)	8,123.0	9,137.0	10,358.0	12,378.0	14,431.0

Sources: Inner Mongolia Autonomous Region Bureau of Statistics; National Bureau of Statistics of China

Real estate investments in Inner Mongolia reached approximately RMB 73.6 billion in 2008, representing an increase of approximately 46.9% over 2007. The GFA of completed residential properties in Inner Mongolia was approximately 14.3 million square meters in 2008, representing a decrease of approximately 7.7% from 2007. Total residential GFA sold in Inner Mongolia in 2008 was approximately 18.7 million square meters, representing an increase of approximately 3.1% over 2007. The average price of residential GFA sold in Inner Mongolia in 2008 was RMB 2,239.0 per square meter, representing an increase of approximately 11.5% over 2007. The table below sets out selected statistics relating to the property market in Inner Mongolia for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	11.1	16.2	32.5	50.1	73.6
GFA of residential properties completed (million square meters)	4.8	7.2	11.0	15.5	14.3
GFA of residential properties sold (million square meters)	5.3	9.2	12.5	18.1	18.7
Sales revenue from residential properties (RMB billion)	6.5	12.9	20.3	36.3	41.8
Average price of residential properties (RMB/square meter)	1,225.0	1,402.0	1,627.0	2,008.0	2,239.0

Source: National Bureau of Statistics of China

TAIYUAN CITY

Taiyuan is the capital city of Shanxi Province in northern China. The table below sets out selected economic statistics for Taiyuan for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	76.4	89.3	101.3	125.5	146.8
GDP per capita (RMB)	22,423.0	26,175.0	29,497.0	36,377.0	42,378.0
Year-end registered population (million)	3.3	3.4	3.4	3.5	3.5
Per capita disposable income (RMB)	9,353.0	10,476.0	11,741.0	13,745.0	15,230.0

Source: Taiyuan Bureau of Statistics

Real estate investments in Taiyuan reached approximately RMB 12.2 billion in 2008, representing an increase of approximately 28.4% over 2007. The GFA of completed residential properties in Taiyuan was approximately 1.36 million square meters in 2008, representing an increase of approximately 51% over 2007. Total residential GFA sold in Taiyuan in both 2007 and 2008 was approximately 1.5 million square meters. The average price of residential GFA sold in Taiyuan in 2008 was RMB 3,556.0 per square meter, representing a decrease of approximately 0.6% from 2007. The table below sets out selected statistics relating to the property market in Taiyuan for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	6.3	7.9	8.0	9.5	12.2
GFA of residential properties completed (million square meters)	1.3	1.7	1.2	0.9	1.36
GFA of residential properties sold (million square meters)	1.1	1.8	1.2	1.5	1.5
Sales revenue from residential properties (RMB billion)	2.6	5.3	3.9	5.3	5.2
Average price of residential properties (RMB/square meter)	2,333.0	2,903.0	3,156.0	3,577.0	3,556.0

Source: National Bureau of Statistics of China

CHANGSHA CITY

Changsha is the capital city of Hunan Province and an economic center in south central China. The table below sets out selected economic statistics for Changsha for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	129.7	152.0	179.1	219.0	300.1
GDP per capita (RMB)	20,625.0	23,968.0	27,853.0	33,711.0	45,765.0
GDP per capita growth rate (%)	15.8	13.9	13.3	14.8	15.1
Year-end registered population (million)	6.1	6.2	6.3	6.4	6.6
Per capita disposable income (RMB)	11,021.0	12,434.0	13,924.0	16,153.0	18,282.0

Source: Changsha Bureau of Statistics

Real estate investments in Changsha reached approximately RMB 47.0 billion in 2008, representing an increase of approximately 15.3% over 2007. The GFA of completed residential properties in Changsha was approximately 6.3 million square meters in 2008, representing an increase of approximately 8.3% over 2007. Total residential GFA sold in Changsha in 2008 was approximately 7.7 million square meters, representing a decrease of approximately 18.1% from 2007. The average price of residential GFA sold in Changsha in 2008 was RMB 3,201.0 per square meter, representing an increase of approximately 0.3% over 2007. The table below sets out selected statistics relating to the property market in Changsha for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	17.6	25.6	30.4	41.3	47.0
GFA of residential properties completed (million square meters)	4.4	4.7	4.8	5.8	6.3
GFA of residential properties sold (million square meters)	4.1	6.1	6.9	9.4	7.7
Sales revenue from residential properties (RMB billion)	7.2	12.8	16.9	29.8	24.6
Average price of residential properties (RMB/square meter)	1,775.0	2,089.0	2,431.0	3,191.0	3,201.0

Sources: Changsha Bureau of Statistics; National Bureau of Statistics of China

GUIYANG CITY

Guiyang is the capital city of Guizhou Province and an economic center in southwestern China. The table below sets out selected economic statistics for Guiyang for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	44.4	52.6	60.3	69.6	81.1
GDP per capita (RMB)	12,755	14,989	17,006	19,444	20,638
GDP per capita growth rate (%)	15.5	17.5	13.5	14.3	12.6
Year-end registered population (million)	3.5	3.5	3.5	3.6	3.9
Per capita disposable income (RMB)	8,989	9,928	11,222	12,781	13,817

Source: Guiyang Bureau of Statistics

Real estate investments in Guiyang reached approximately RMB 17.0 billion in 2008, representing an increase of approximately 25.6% over 2007. The GFA of completed residential properties in Guiyang was approximately 2.6 million square meters in 2008, representing an increase of approximately 15.4% over 2007. Total residential GFA sold in Guiyang in 2008 was approximately 3.9 million square meters, representing a decrease of approximately 4.9% from 2007. The average price of residential GFA sold in Guiyang in 2008 was RMB 2,866 per square meter, representing an increase of approximately 9.4% over 2007.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	7.2	9.1	10.8	13.5	17.0
GFA of residential properties completed (million square meters)	2.8	2.3	2.4	1.8	2.6
GFA of residential properties sold (million square meters)	2.0	3.3	3.6	4.1	3.9
Sales revenue from residential properties (RMB billion)	3.3	6.0	7.6	10.6	11.2
Average price of residential properties (RMB/square meter)	1,643	1,801	2,138	2,620	2,866

Source: Guiyang Bureau of Statistics

HEFEI CITY

Hefei is the capital city of Anhui Province and an economic center in eastern China. The table below sets out selected economic statistics for Hefei for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	56.0	85.4	107.4	133.4	166.5
GDP per capita (RMB)	13,378	18,960	23,203	28,134	34,482
GDP per capita growth rate (%)	24.8	41.7	22.4	21.3	22.6
Year-end registered population (million)	4.4	4.5	4.7	4.8	4.9
Per capita disposable income (RMB)	8,610	9,684	11,013	13,427	15,591

Source: Hefei Bureau of Statistics

Real estate investments in Hefei reached approximately RMB 56.5 billion in 2008, representing an increase of approximately 45.9% over 2007. The GFA of completed residential properties in Hefei was approximately 3.6 million square meters in 2008, representing an decrease of approximately 30.4% from 2007. Total residential GFA sold in Hefei in 2008 was approximately 8.6 million square meters, representing a decrease of approximately 8.5% from 2007. The average price of residential GFA sold in Hefei in 2008 was RMB 3,459 per square meter, representing an increase of approximately 9.1% over 2007.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	13.8	19.1	28.2	38.5	56.5
GFA of residential properties completed (million square meters)	3.0	4.1	4.5	5.1	3.6
GFA of residential properties sold (million square meters)	3.1	5.4	5.8	9.4	8.6
Sales revenue from residential properties (RMB billion)	7.0	15.0	16.6	29.8	29.9
Average price of residential properties (RMB/square meter)	2,271	2,799	2,891	3,172	3,459

Source: Hefei Bureau of Statistics

NANNING CITY

Nanning is the capital city of Guangxi Zhuang Autonomous Region and an economic center in southwestern China. The table below sets out selected economic statistics for Nanning for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	61.9	72.3	87.0	106.3	131.6
GDP per capita (RMB)	9,542	10,967	12,947	15,685	19,142
GDP per capita growth rate (%)	17.3	14.9	18.1	21.1	22.0
Year-end registered population (million)	6.5	6.6	6.7	6.8	6.9
Per capita disposable income (RMB)	9,531	10,037	10,938	11,877	14,446

Source: Nanning Bureau of Statistics

Real estate investments in Nanning reached approximately RMB 19.9 billion in 2008, representing an increase of approximately 6.4% over 2007. The GFA of completed residential properties in Nanning was approximately 3.5 million square meters in 2008, representing an increase of approximately 2.2% over 2007. Total residential GFA sold in Nanning in 2008 was approximately 4.4 million square meters, representing a decrease of approximately 25.4% from 2007. The average price of residential GFA sold in Nanning in 2008 was RMB 3,720 per square meter, representing an increase of approximately 13.7% over 2007.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	6.6	10.6	13.9	18.7	19.9
GFA of residential properties completed (million square meters)	3.2	3.2	3.0	3.4	3.5
GFA of residential properties sold (million square meters)	3.1	4.2	4.2	5.9	4.4
Sales revenue from residential properties (RMB billion)	7.7	10.0	11.2	19.2	16.5
Average price of residential properties (RMB/square meter)	2,482	2,388	2,656	3,272	3,720

Source: Nanning Bureau of Statistics

SHIJIAZHUANG CITY

Shijiazhuang is the capital city of Hebei Province and an economic center in northern China. The table below sets out selected economic statistics for Shijiazhuang for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	163.3	185.2	206.4	239.3	283.8
GDP per capita (RMB)	17,798	19,972	21,969	25,056	29,368
GDP per capita growth rate (%)	17.72%	12.21%	10.00%	14.05%	17.21%
Year-end registered population (million)	9.2	9.3	9.4	9.6	9.7
Per capita disposable income (RMB)	8,622	10,040	11,495	13,205	15,062

Source: China Index Academy

Real estate investments in Shijiazhuang reached approximately RMB 28.2 billion in 2008, representing an increase of approximately 43.1% over 2007. The GFA of completed residential properties in Shijiazhuang was approximately 1.8 million square meters in 2008, representing an increase of approximately 12.5% over 2007. Total residential GFA sold in Shijiazhuang in 2008 was approximately 2.9 million square meters, representing a decrease of approximately 17.1% from 2007. The average price of residential GFA sold in Shijiazhuang in 2008 was RMB 2,646 per square meter, representing an increase of approximately 0.08% over 2007. The table below sets out selected statistics relating to the property market in Shijiazhuang for the years indicated.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	8.8	12.2	13.1	19.7	28.2
GFA of residential properties completed (million square meters)	0.8	1.7	2.2	1.6	1.8
GFA of residential properties sold (million square meters)	1.2	2.1	2.7	3.5	2.9
Sales revenue from residential properties (RMB billion)	1.8	3.6	5.4	9.3	7.6
Average price of residential properties (RMB/square meter)	1,534	1,705	1,977	2,644	2,646

Source: China Index Academy

NANCHANG CITY

Nanchang is the capital city of Jiangxi Province and an economic center in south eastern China. The table below sets out selected economic statistics for Nanchang for the years indicated.

	2004	2005	2006	2007	2008
GDP (RMB billion)	77.1	100.8	118.5	139.0	166.0
GDP per capita (RMB)	16,720.0	22,390.0	26,145.0	30,464.0	36,105.0
GDP per capita growth rate (%)	16.5	16.8	15.3	15.5	15.0
Year-end registered population (million)	4.6	4.8	4.8	4.9	5.0
Per capita disposable income (RMB)	8,744.0	10,301.0	11,243.0	13,076.0	15,112.0

Source: Nanchang Bureau of Statistics

INDUSTRY OVERVIEW

Real estate investments in Nanchang reached approximately RMB 16.3 billion in 2008, representing an increase of approximately 29.4% over 2007. The GFA of completed residential properties in Nanchang was approximately 3.0 million square meters in 2008, representing a decrease of approximately 14.3% from 2007. Total residential GFA sold in Nanchang in 2008 was approximately 3.3 million square meters, representing a decrease of approximately 28.3% from 2007. The average price of residential GFA sold in Nanchang in 2008 was RMB 3,361 per square meter, representing a decrease of approximately 4.2% from 2007.

	2004	2005	2006	2007	2008
Real estate investment (RMB billion)	8.5	11.0	11.1	12.6	16.3
GFA of residential properties completed (million square meters)	2.1	3.4	3.5	3.5	3.0
GFA of residential properties sold (million square meters)	1.9	2.3	3.6	4.6	3.3
Sales revenue from residential properties (RMB billion)	4.6	5.7	11.0	16.2	11.0
Average price of residential properties (RMB/square meter)	2,429	2,519	3,053	3,509	3,361

Sources: Nanchang Bureau of Statistics; National Bureau of Statistics of China

CORPORATE HISTORY

OUR CORPORATE DEVELOPMENT HISTORY

Since our inception, we have formulated and implemented a highly systematic corporate development strategy, tailored to grow our business within an increasingly competitive property development market in China. Although we were not the first privately owned property developer in China, our corporate development strategy allowed us to establish an operational infrastructure to achieve our overall objective of eventually becoming a large-scale nationwide developer with a strong brand, all within a relatively short period of time. Our development can be broadly divided into three stages as further described below. At each stage, we adopted three-year business plans based on our resources during that development stage, the then market conditions and the competitive landscape in order to best leverage our competitive advantages at the time. We believe that such forward-looking corporate strategic planning and our steadfast implementation have played a key part in our rapid development into a leading property developer in China.

Initial Stage (1996–2004): Expansion in Scale

In 1996, when the PRC government started to abolish the nationwide public housing rental system and to establish a private housing ownership system in China, we were established with an initial focus on projects consisting of smaller apartments with lower unit prices. This decision was the result of our corporate developmental strategy to create scale in our business. This strategy was based on our analysis of our target market and its size, our evaluation of the general consumer affordability within our target market and our assessment of the financial resources available to us at the time. In 1996 and 1997, we were managing only one construction site in Guangzhou. By 2004, we were developing over ten construction sites simultaneously. The number of our employees increased from less than 20 in 1996 to over 2,000 by 2004. Through our concerted and consistent efforts during this initial stage of our corporate development history, we became one of the top 10 property developers in Guangzhou, one of the most competitive property developers in Guangdong Province, one of the top 10 PRC property developers and one of the top 10 property development brands, each as ranked in the industry league tables in China.

Second Stage (2004–2007): Transition to "Scale-plus-Brand" Strategy

Beginning in 2004, as the PRC property market was becoming more mature and competition becoming more intense, we made a change in our corporate development strategy. Instead of focusing primarily on scale expansion, we started to emphasize both scale and brand to ensure sustainable development. In terms of building scale, we expanded beyond Guangdong Province to selected provincial capitals. As a result, our property portfolio increased significantly from hundreds of thousand of square meters to millions of square meters under development. During this process, we also gained valuable experiences and capabilities to simultaneously manage multiple projects across different locations. In terms of brand development, we decided

to take a disciplined approach to our projects under development, and started to implement a nationwide standardized operational model. Our operational developments aimed at supporting and building up our core strengths in scale and brand under the market conditions at the time, and can be summarized in the following four areas:

- *Human resources.* We believed that human resources were a key driver of our expansion strategy amid the increasingly competitive market. In order to effectively implement our scale-plus-brand strategy during this period, we actively recruited and trained our managerial, engineering and staff members in accordance with our anticipated human resource needs. Our employees increased from 2,116 as of January 1, 2004 to 4,433 as of December 31, 2007, among whom over 1,000 were trained for key management and technical positions for our planned nationwide expansion. Our human resource strategy laid a solid foundation for our development into a national enterprise. We were able to fill all of our key regional management and technical positions, such as local company chairmen, general managers and principal department heads, with experienced and well-trained managers from our headquarters in Guangzhou.

- *Land reserves.* In May 2004, in order to implement our corporate development strategy with respect to our land reserves, we dispatched nearly 100 experienced professionals to all major provincial capitals across the nation to conduct market research and economic analyses, to collect relevant land information and to evaluate potential property projects. We also participated in the preliminary land preparation processes in various locations prior to the land auction, engaged in preliminary discussions with the local governments relating to investment conditions, and conducted substantial market investigation on land parcels to be auctioned. We also established an extensive network in the land reserves market to collect information, to prepare for potential negotiation on land acquisition, and to formulate various transaction terms and timetable on the basis of existing conditions. By 2006, our land search team grew to more than 200 members. Through such extensive research and selection efforts, we were able to collect useful information on our targeted projects in various cities, paving the way for our nationwide expansion.

- *Capital position.* In line with our nationwide expansion, we also actively built up our capital reserve during this period. Since 2006, as a result of our capital raising efforts, Merrill Lynch, Temasek Holding (Private) Limited, Deutsche Bank AG, Chow Tai Fook Group and other international strategic investors invested in our company through equity and project level investments. These transactions optimized our capital structure and strengthened our capital base to support our expansion strategy.

- *Brand.* We believe the essence of a strong brand to be the product quality it implies. As the PRC property market became more mature and the consumer purchasing power became significantly improved at the time, we started to increasingly focus on the development of products of distinction and quality, as a part of our scale-plus-brand strategy. Since 2004, we organized a series of firmwide training sessions in a campaign to instill in our employees a strong sense of brand and quality required in our development work. Our campaign for brand and quality covered the entire

property development cycle, starting with our construction design, to our landscape and gardening, procurement of materials and equipment, and interior design and fitting-out. We developed over 1,000 internal quality standards for the various processes and areas in our property development and established a comprehensive internal monitoring system to supervise the implementation of our quality standards. As part of our efforts to enhance our brand and product quality, we established strategic partnership relationships with top-tier domestic and international service providers and material and equipment suppliers. On project planning, we work with Wimberly Allison Tong & Goo, Inc., Atkins Shenzhen, Shenzhen General Institute of Architectural Design and Research, China Construction Design International (Beijing), the Architectural Design and Research Institute of Guangdong Province and other renowned design firms; on building construction, we work with China State Construction Engineering Corporation, or CSCEC, Zhong-Tie Construction Group Corporation Limited and other leading domestic contractors; on fitting-out, we work with Suzhou Gold Mantis Construction & Decoration Co., Ltd., Shenzhen Grandland Decoration & Construction Co., Ltd. and other top 10 PRC players in this field; on materials and equipment, we partner with such domestic and international brands as Otis, Moen, TOTO, Siemens, and others. Our consistent brand and quality efforts over the years have resulted in significantly improved recognition of our products by our property owners and other consumers. We believe that our ability to sell our products at a rapid pace and, in certain cases, higher prices than neighboring projects is a testimony to the effectiveness of our brand and quality development strategy.

Third Stage (After 2007): Nationwide "Scale-Plus-Brand" Expansion Through Standardized Operational Model

Since 2007, we have continued our focus on our scale-plus-brand strategy. In order to effectively implement this strategy on a nationwide basis, we have further leveraged on our standardized operational model to facilitate our rapid nationwide expansion. With years of experience and fine-tuning, our standardized operational model has proven to be very effective in expanding our operations across China.

In 2008, we faced many challenges as the global economic slowdown and financial market crisis, including the deterioration of the PRC property market which resulted in the tightening of our cashflow position. Our management team reacted quickly to these challenges and proactively made a series of strategic decisions which aimed to sustain our long-term growth. Despite the challenges, our management team made a conscious decision at the time that we would not deviate from our operating strategy and would not compromise our brand name and product quality. As a result, we resisted pre-selling projects before they met our internal pre-sale criteria and resisted outright sale of land sites. We believed that selling projects prematurely would damage our brand name and that outright sale of land sites would have a negative impact on our long-term development pipeline.

Meanwhile, we took a number of actions to improve our liquidity and long-term viability:

Adjustment of Operating Strategy to Maximize Cashflow

- With respect to project development and construction, we made reasonable adjustments to the construction plan and prioritized projects based on their pre-sale readiness and importance;

- We implemented marketing strategies that focused on delivering quality products at reasonable prices, which enabled us to achieve sales growth and shorten cash conversion cycle; and

- We further strengthened our financial management with an emphasis on capital planning and cost control throughout the entire project development process.

Heightened Efforts to Broaden Channels for External Financing

- In June 2008, we successfully raised US$506 million in new equity capital from New Investors including Chow Tai Fook Group and Kuwait-based Global Investment House as well as existing shareholders including Merrill Lynch and Deutsche Bank AG, Hong Kong Branch; and

- We received continuous support from large commercial banks, including Industrial and Commercial Bank of China, Agricultural Bank of China and China Construction Bank. As of December 31, 2008, our total outstanding Renminbi-denominated bank borrowings amounted to RMB 7.2 billion.

During the national day holiday period of China in October 2008, we launched 18 property projects in 12 cities nationwide simultaneously and the total contracted sales amounted to approximately RMB 2.1 billion. We believe that this was the result of our product quality, competitive prices as well as our targeted marketing strategy. Our successful project co-development efforts during the economic downturn also enhanced our liquidity position. More importantly, with so many of our projects simultaneously moving from the construction phase to pre-sale phase, it demonstrated our ability to manage a wide portfolio of development projects across China at any given time.

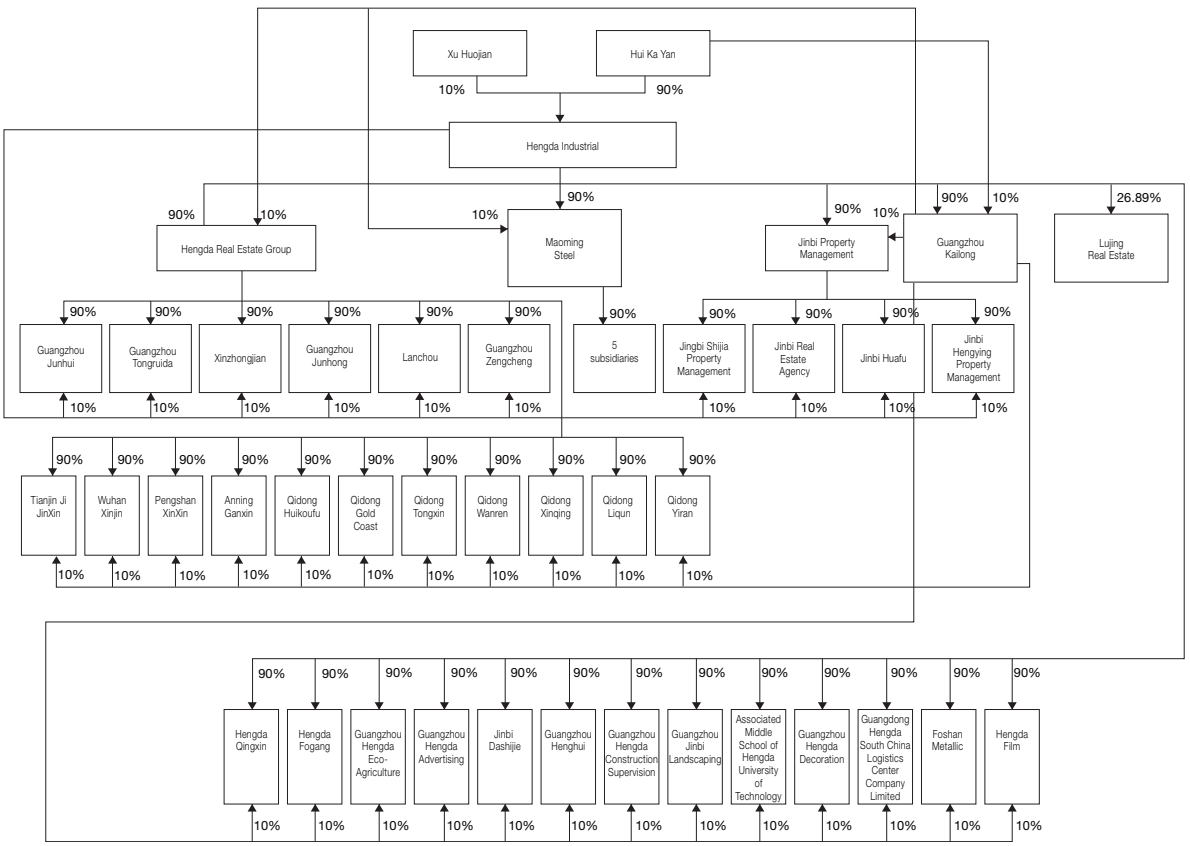
Since the beginning of 2009, our management team has again promptly reacted to the gradual market recovery and was able to moderately increase the average selling prices for our properties based on market conditions in different cities without materially affecting our growth in unit sales volume. While the total contracted sales increased significantly to RMB 23.1 billion for the nine months ended September 30, 2009, the average monthly selling prices in September 2009 also increased approximately 46% from that in January 2009.

Looking ahead, as we continue to embark on our nationwide scale-plus-brand expansion through our standardized operational model, we aim to achieve our corporate development goal of becoming a first-class real estate developer in China with superior scale, brand and team.

CORPORATE HISTORY

CORPORATE STRUCTURE PRIOR TO REORGANIZATION

The following chart sets forth our corporate structure prior to our Reorganization:



Prior to the Reorganization, our PRC operations were held by Hengda Industrial, which was then held as to 90% by Dr. Hui and as to 10% by Mr. Xu Huojian, a nephew of Dr. Hui, who held such interest for Dr. Hui. The reason for such an arrangement was that, prior to January 1, 2006, according to the then effective PRC Company Law, companies with limited liability established in China must have at least two shareholders. In order to comply with such shareholding requirements, Mr. Xu Huojian held the relevant equity interest for Dr. Hui. The rights and liabilities attached to the equity interests were enjoyed and borne by Dr. Hui. As advised by our PRC legal advisor, Commerce & Finance Law Offices, such entrustment arrangement was valid and legally binding on the parties according to the then-effective PRC laws and regulations. As the PRC Company Law has since been amended to permit companies with limited liability to have only one shareholder, the entrustment arrangement is no longer required and was terminated in July 2006. As a result, Mr. Xu Huojian transferred all the equity interest he held in trust in Hengda Industrial to Dr. Hui at nil consideration, and Mr. Xu Huojian no longer has a function or role in our company.

CORPORATE HISTORY

REORGANIZATION

In mid-2006, we commenced the Reorganization. As a part of the Reorganization, our company was incorporated on June 26, 2006 in the Cayman Islands to be the ultimate holding company for all of our operating and project subsidiaries, and we established ANJI (BVI) Limited on June 26, 2006 in the British Virgin Islands as an intermediate holding company to hold all of our businesses.

Details of the Reorganization are set out in "Appendix VIII — Statutory and General Information — A. Further Information about Our Company — 4. Corporate Reorganization" in this document. A summary of the steps involved are set out below:

Reorganization of Our Operating Subsidiaries in China

- Guangzhou Chaofeng was previously a trading company with no material business activities. Hengda Industrial acquired the 100% interests in Guangzhou Chaofeng at a consideration of RMB 80 million, which represented the paid-in capital of Guangzhou Chaofeng at the time of the acquisition.

- Guangzhou Kailong transferred its 10% interest in Jinbi Property Management to Hengda Industrial.

- Hengda Real Estate Group transferred its 90% interest in Guangzhou Junhui to Hengda Industrial.

- Hengda Real Estate Group transferred its 90% interest in Guangzhou Tongruida to Hengda Industrial.

- Hengda Real Estate Group transferred its 90% interest in Guangzhou Junhong to Hengda Industrial.

- Hengda Real Estate Group transferred its 90% interest in Hengda Zengcheng to Hengda Industrial.

Pursuant to the Reorganization, all of the on-shore transfers involved were based on the respective registered capital of the relevant companies at the time of the transfers. As the transfers were a part of the internal reorganization, our Directors consider that the use of the registered capital as the basis of consideration for the transfers was fair and reasonable.

Reorganization of Companies into Hengda Real Estate Group

- Pursuant to the Reorganization, Hengda Industrial and Dr. Hui transferred their respective 90% and 10% interests in Guangzhou Kailong to Guangzhou Chaofeng on June 16, 2006. The transfers were completed on June 26, 2006 and Guangzhou Kailong became a wholly owned subsidiary of Guangzhou Chaofeng.

- Hengda Industrial transferred its 90% interest in Hengda Real Estate Group to Guangzhou Kailong on June 17, 2006. The transfer was completed on June 26, 2006. After the transfer, Hengda Real Estate Group was held as to 100% by Guangzhou Kailong.

- Pursuant to the Reorganization, except for companies that were reorganized as subsidiaries of Jinbi Property Management, other companies in China were reorganized to become subsidiaries of Hengda Real Estate Group.

Acquisition of Our Operating Subsidiaries in China

Subsequent to the reorganization of our operating subsidiaries in China and reorganization of companies in Hengda Real Estate Group, ANJI (BVI) Limited acquired the entire equity interest of the following companies from Hengda Industrial at the consideration specified below. The consideration for each acquisition was determined by reference to a valuation of the target company, including its consolidated subsidiaries, conducted at the relevant time of such acquisition by independent valuers qualified in China and in compliance with the relevant requirements of the PRC laws and regulations for foreign acquisitions of PRC domestic companies.

- Guangzhou Chaofeng, at a consideration of RMB 671,170,000, which, with the approval of Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China;

- Jinbi Property Management, at a consideration of RMB 530,640,000, which, with the approval of Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China;

- Guangzhou Junhui, at a consideration of RMB 234,260,000, which, with the approval of Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China;

- Guangzhou Tongruida, at a consideration of RMB 158,650,000, which, with the approval of the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China;

- Guangzhou Junhong, at a consideration of RMB 120,850,000, which, with the approval of the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China; and

- Hengda Zengcheng, at a consideration of RMB 47,990,000, which, with the approval of the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006, was converted into our wholly foreign-owned enterprise in China.

The consideration ANJI (BVI) Limited paid for the entire interest in Guangzhou Chaofeng from Hengda Industrial was significantly higher than the consideration Hengda Industrial paid when it acquired Guangzhou Chaofeng as disclosed in "— Reorganization of Our Operating Subsidiaries in China" above. This was due to the fact that, subsequent to the acquisition by

Hengda Industrial of Guangzhou Chaofeng, substantial assets and businesses, including those held by Guangzhou Kailong and Hengda Real Estate Group, were injected into Guangzhou Chaofeng before its acquisition by ANJI (BVI) Limited. Therefore, the valuation of Guangzhou Chaofeng conducted at the time of acquisition by ANJI (BVI) Limited also included such newly injected assets and businesses.

Reorganization of Companies under Jinbi Property Management

- Transfer of Jinbi Shijia Property Management to Hengda Real Estate Group

  Prior to the Reorganization, Jinbi Shijia Property Management was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred 90% and 10% interests, respectively, in Jinbi Shijia Property Management to Hengda Real Estate Group on June 16, 2006. After the transfer, Jinbi Shijia Property Management has been held as to 100% by Hengda Real Estate Group.

- Transfer of Jinbi Hengying Property Management to Hengda Real Estate Group

  Prior to the Reorganization, Jinbi Hengying Property Management was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred their 90% and 10% interests, respectively, in Jinbi Hengying Property Management to Hengda Real Estate Group on June 16, 2006. After the transfers, Jinbi Hengying Property Management has been held as to 100% by Hengda Real Estate Group.

- Transfer of Jinbi Real Estate Agency to Hengda Real Estate Group

  Prior to the Reorganization, Jinbi Real Estate Agency was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred 90% and 10% interests, respectively, in Jinbi Real Estate Agency to Hengda Real Estate Group on June 16, 2006. After the transfers, Jinbi Real Estate Agency has been held as to 100% by Hengda Real Estate Group.

- Reorganization of Jinbi Huafu to Jinbi Property Management

  Prior to the Reorganization, Jinbi Huafu was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Hengda Industrial transferred its 10% interest in Jinbi Huafu to Jinbi Property Management on June 16, 2006. After the transfer, Jinbi Huafu has been held as to 100% by Jinbi Property Management.

- Transfer of Xinzhongjian to Jinbi Huafu

  Prior to the Reorganization, Xinzhongjian was held as to 90% by Hengda Real Estate Group and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Hengda Real Estate Group and Hengda Industrial transferred their 90% and 10% interests, respectively, in Xinzhongjian to Jinbi Huafu on June 16, 2006. After the transfers, Xinzhongjian has been held as to 100% by Jinbi Huafu.

Excluded Business

Prior to the Reorganization, Hengda Industrial was interested in 26.89% of Lujing Real Estate Corporation Limited, or Lujing Real Estate, a company listed on the Shenzhen Stock Exchange, which was also engaged in property development. As Lujing Real Estate does not form a part of our group and Hengda Industrial did not have control over Lujing Real Estate, in order to eliminate competition with us, Hengda Industrial entered into an agreement in July 2006 with an independent third party, pursuant to which Hengda Industrial transferred the entire 41,864,466 shares it owned in Lujing Real Estate to the purchaser for a total consideration of RMB 78.9 million.

Prior to the Reorganization, Guangzhou Kailong held a 10% interest in Maoming Hengda Steel Group Limited, or Maoming Steel, on trust for Hengda Industrial. On August 8, 2006, Guangzhou Kailong entered into an agreement with Guangzhou Hengda Film and Television Cultural Co., Ltd., or Hengda Film, a subsidiary of Hengda Industrial, which does not form a part of our group, pursuant to which Guangzhou Kailong transferred its 10% interests in Maoming Steel back to Hengda Industrial upon termination of the trust arrangement at a consideration of RMB 54.46 million which is equivalent to the proportional registered capital of Maoming Steel. Maoming Steel and its subsidiaries were involved in the manufacturing and sale of steel materials. Such interest and the subsequent disposal are not reflected in our financial statements.

Introduction of Financial Investors

On November 29, 2006, we adopted resolutions to (a) sub-divide and reclassify our authorized and issued share capital from 50,000 Shares of US$1.00 each into 5,000,000 ordinary shares of US$0.01 each, and (b) increase our authorized share capital from US$50,000 to US$50,000,000, divided into 4,200,000,000 ordinary shares of US$0.01 each and 800,000,000 preferred shares of US$0.01 each.

On November 29, 2006, we allotted and issued 1,599,990,000 new Shares credited as nil paid to the Original Shareholder.

On November 29, 2006, we, Dr. Hui, the Original Shareholder and the Financial Investors entered into an investment agreement pursuant to which the Financial Investors agreed to subscribe for an aggregate of 800,000,000 Convertible Preferred Shares in our company for an aggregate subscription amount of US$400 million subject to adjustment and finalization upon completion of a Qualified IPO, defined as our initial public offering on the Stock Exchange, the NASDAQ Stock Market, the New York Stock Exchange or another internationally recognized stock exchange acceptable to each of the Financial Investors with gross proceeds of not less

than US$500 million and the market capitalization of at least US$2 billion subsequent to the offering. We completed the transaction on December 6, 2006 when Deutsche Bank AG became the holder of 266,000,000 Convertible Preferred Shares, Baytree Investments (Mauritius) Pte Ltd the holder of 268,000,000 Convertible Preferred Shares and Indopark Holdings Limited the holder of 266,000,000 Convertible Preferred Shares subject to adjustment and finalization upon completion of the Qualified IPO. The pricing for the offering of the Convertible Preferred Shares was based on arm's-length negotiations with the Financial Investors. We used the net proceeds from the issue of our Convertible Preferred Shares to repay an outstanding bridge loan from Industrial and Commercial Bank of China (Asia) Limited in the aggregate principal amount of approximately US$230 million in full, with the remaining net proceeds injected as capital contribution into our subsidiaries in China, which in turn used them to pay land premiums and other land acquisition costs. We borrowed the bridge loan to effect the Reorganization. The cash received from the bridge loan was injected as capital contribution into our subsidiaries in China, which in turn was used to pay land premiums and other land acquisition costs.

On December 11, 2007 (as amended on June 26, 2008), we entered into a restructuring agreement with the Financial Investors pursuant to which we repurchased and cancelled the 800 million Convertible Preferred Shares in our company for an aggregate consideration of US$400 million. The repurchase was financed by a loan in the same amount lent by the Financial Investors, including their affiliates, to the Original Shareholder, which had been injected as capital into our company. The effect of the restructuring included the conversion of the Convertible Preferred Shares into our Shares to be registered in the names of the Financial Investors on a conditional basis, together with our Original Shareholder becoming an obligor for a loan in the aggregate principal amount of US$400 million in favor of the Financial Investors. Security for the loan included a guarantee provided by our company. The fair value of the financial guarantee provided by us amounted to RMB 23 million as at the date of the restructuring of the Convertible Preferred Shares. The fair value of the financial guarantee was assessed jointly by DTZ Debenham Tie Leung Limited and Real Actuarial Consulting Limited. The valuation was carried out using a probability of default model which measures the credit spread and likelihood of the Financial Investors exercising the default option when our assets are insufficient to cover our obligations. The probability of default model adopted is the Merton's Model and is normally adopted for valuation of private companies' financial guarantees. The model measures the implicit put option value held by the Financial Investors based on the size of our assets compared to our liabilities, as well as our asset growth rate and asset volatility rate. The loan will be repaid in kind by the Original Shareholder, with a portion of the Shares held by the Original Shareholder conditionally transferred to the Financial Investors. Accordingly, on January 31, 2008, pursuant to the restructuring agreement, the Original Shareholder conditionally transferred 266 million Shares to Deutsche Securities Nominees Hong Kong Limited, 268 million Shares to Baytree Investments (Mauritius) Pte Ltd and 266 million Shares to Indopark Holdings Limited. Immediately after such conditional transfers, we were held as to 66.13% by the Original Shareholder, as to 11.08% by Deutsche Securities Nominees Hong Kong Limited, as to 11.17% by Baytree Investments (Mauritius) Pte Ltd and as to 11.08% by Indopark Holdings Limited, each on a conditional basis. In June 2009, Mrs. Hui, through her wholly owned company, Yaohua Limited, acquired the entire issued share capital of Even Honour Holdings Limited, which owns 310,360,190 Shares in our company, including the conditional 266 million

Shares originally owned by Deutsche Securities Nominees Hong Kong Limited, together with its loans to the Original Shareholder. You may find additional information on such acquisition in the section entitled "— Share Purchase" below in this document.

Pursuant to the adjustment mechanism provided in the deed of undertaking relating to the original investment agreement, as amended in connection with the restructuring agreement, the Original Shareholder may transfer additional Shares to each of the Financial Investors or each of the Financial Investors may return to the Original Shareholder a portion of the Shares received conditionally from the Original Shareholder.

We entered into the restructuring arrangement in order to remove the adverse impact of convertible instruments on our results of operations. We incurred significant non-cash financial charges in our financial statements due to Convertible Preferred Shares which distort our true operating performance in 2007. The said impact to the financial statements brought by the Convertible Preference Shares vanished after the restructuring, and therefore the restructuring provided a clearer picture of our financial performance, which also benefited our shareholders as a whole.

Similar to the arrangements under the original investment agreement relating to the Convertible Preferred Shares, the restructuring loan documents have also inherited the following provisions:

- *Interest:* The Financial Investors are entitled to receive interest payments on their restructuring loan at an annual rate of 5%.
- *Minimum Return Mechanism:* [●]
- *Achieved Return:* [●]
  - — If the Pre-Adjustment Return is above 70%, the Financial Investors will receive the sum of (i) the Minimum Return, (ii) 12% and (iii) 20% of the return that is in excess of 70%.
- *Lock-up:* [●]
- *Guarantees and Share Charges:* [●]
- *Board Representation:* The Financial Investors continue to be entitled to representations on our Board, to veto certain specified reserved matters, and to receive specified information about our financial and operational affairs. Each of the Financial Investors has agreed in the restructuring agreement to cause its designated Director to tender a letter of resignation with immediate effect after the receipt of the approval-in-principle for a Qualified IPO from the Stock Exchange. All special rights currently enjoyed by the Financial Investors will terminate and, to the extent that any Financial Investor continues to own any Share, it will not have any rights that are not generally available to our other shareholders.

CORPORATE HISTORY

On January 31, 2008, the 1,599,990,000 Shares we issued and allotted to the Original Shareholder on November 29, 2006 were credited as fully paid.

We have sought and the Financial Investors have granted waivers with respect to, among others, (i) our incurrence or potential incurrence of indebtedness under certain bank facilities in violation of certain covenant under the restructuring agreement, (ii) all alleged cross defaults from the Structured Secured Loan, (iv) all alleged cross defaults from the agreement between the shareholders of our majority-owned subsidiary, Success Will Group Limited, and (v) all alleged cross defaults from our new investment agreement with the New Investors. These waivers are effective until March 31, 2010.

Further Reorganization of Jinbi Property Group

- On July 5, 2007, Success Will Group Limited was incorporated in Hong Kong as a wholly owned subsidiary of ANJI (BVI) Limited.

- On September 6, 2007, ANJI (BVI) Limited transferred its entire interest in Jinbi Property Management to Success Will Group Limited. The transfer was approved by the Guangzhou Foreign Trade and Economic Cooperation Bureau on September 26, 2007. As a result, Success Will Group Limited indirectly owns 100% of our Evergrande Royal Scenic Peninsula project.

- On September 28, 2007, Success Will Group Limited redesignated its issued share capital of 1,000 ordinary shares of HK$1.00 each into 600 A ordinary shares of HK$1.00 each and 400 B ordinary shares of HK$1.00 each. ANJI (BVI) Limited and Pearl River Investment Limited, an affiliate of Merrill Lynch, entered into a share purchase agreement on the same date pursuant to which Pearl River Investment Limited acquired the 400 B ordinary shares of Success Will Group Limited from ANJI (BVI) Limited for US$130 million.

The A ordinary shares and B ordinary shares of Success Will Group Limited rank *pari passu* to each other, with the rights to dividends actually declared and distributed by Success Will Group Limited initially distributable on a 60%–40% basis between its A ordinary shares and B ordinary shares until the total amount of dividends distributed to the holders of the B ordinary shares is equivalent to a 25% compounded annual return on the purchase price of the B ordinary shares, after which the A ordinary shares will be entitled to 80% of any dividend declared and distributed and the B ordinary shares will be entitled to 20% of such dividend.

We established Success Will Group Limited as an investment holding company solely for the purpose of Merrill Lynch's investment. Our joint venture with Merrill Lynch relates to the Evergrande Royal Scenic Peninsula development only. The transaction was effectively a bulk pre-sale of the project, which allows us to liquidate a portion of our investment. We have used the net proceeds from the transaction to fund our nationwide expansion plans.

The consideration of US$130 million was arrived at based on arm's length negotiations between us and Merrill Lynch by reference to the expected operational and financial performance of Success Will Group Limited, which was primarily driven by the expected selling prices and sales schedules of our Evergrande Royal Scenic Peninsula project and the then prevailing property market conditions. This transaction was consented to by the other two Financial Investors.

Evergrande Royal Scenic Peninsula became eligible for pre-sale since October 1, 2007 on a phase-by-phase basis. Pursuant to the share subscription agreement between ANJI (BVI) Limited and Pearl River Investment Limited, our cooperation with Merrill Lynch is limited to the Evergrande Royal Scenic Peninsula project. We have agreed, however, that, in the event that we intend to form more joint ventures with third parties, we will allow Merrill Lynch a right of first refusal with respect to such joint venture opportunities at the same terms and subject to the connected transaction requirements under the Listing Rules. Such right of first refusal does not give Merrill Lynch any preferential treatment and we have not formed any such joint ventures other than the investment by New Investors as described in the section entitled "— Introduction of New Investors" below.

Merrill Lynch is a passive financial investor in Success Will Group Limited, with the right to receive distributions of profits legally available for distribution in Success Will Group Limited. In addition, Merrill Lynch has a proportionate representation on the board of Success Will Group Limited based on our and its respective shareholdings. Merrill Lynch also has the right to appoint a financial controller at Success Will Group Limited and its subsidiaries.

Structured Secured Loan

On August 27, 2007, we entered into a loan agreement (as amended on January 24, 2008, June 26, 2008 and September 21, 2009) with an affiliate of Credit Suisse, as initial lender, to raise the Structured Secured Loan with a maximum aggregate principal amount of approximately US$500 million. The aggregate amount drawn down was US$430 million as an offshore loan and RMB 20 million as an onshore loan, and there has been no further draw-down on the loan. The Credit Suisse affiliate has since sold or syndicated out a substantial portion of the Structured Secured Loan to 15 other institutions, and it held an economic interest of approximately US$31 million in the Structured Secured Loan as of the Latest Practicable Date. Other than our buyback through our wholly owned subsidiary, Tianji Holding Limited, described below, none of the lenders are affiliated with us or our connected persons.

On June 24, 2009, Tianji Holding Limited, our wholly owned subsidiary, entered into a sale and purchase agreement with Shikumen Capital Management Limited, an affiliate of a New Investor and an independent third party, to purchase the entire issued share capital of Ever Grace, which is one of the lenders and owns US$48.5 million of the Structured Secured Loan, for an aggregate consideration of US$34.0 million. As a result of our buyback, the effective outstanding balance of the offshore loan is US$381.5 million as of the date of this document.

The direct borrower of the Structured Secured Loan is Shengjian (BVI) Limited, a British Virgin Islands company and our indirect wholly owned subsidiary. The loan is secured by a first-priority security interest over the equity interests and land use rights of our subsidiaries related to our Evergrande Splendor Qidong project, guarantees of the Original Shareholder and second-

priority charges (after the Financial Investors) over the shares held by Dr. Hui in the Original Shareholder, the Shares held by the Original Shareholder in us and our shareholding in ANJI (BVI) Limited as additional collateral. The security interest over such equity interests and land use rights will remain but will be released upon repayment of the loan. If we complete a Qualified IPO by March 31, 2010, we will be required to repay one third of the offshore Structured Secured Loan, or approximately US$127.2 million in principal amount net of the repurchased portion of US$48.5 million, upon completion of such Qualified IPO with a portion of our net proceeds from such Qualified IPO. The remaining two-thirds of the offshore Structured Secured Loan, or approximately US$254.3 million in principal amount, as well as the onshore loan of RMB 20 million will become due and repayable upon its maturity on the earlier of October 31, 2010 or the end of 15 calendar months from the consummation on or prior to March 31, 2010 of a Qualified IPO. If such Qualified IPO fails to occur on or prior to November 30, 2009, we have agreed to repay 25% of the offshore Structured Secured Loan, or approximately US$95.4 million in principal amount, by November 30, 2009. If we fail to complete a Qualified IPO by March 31, 2010, we will be required to repay the remaining principal of the offshore Structured Secured Loan in four equal installments, each being 25% of the loan due and payable by November 30, 2009, March 31, 2010, June 30, 2010 and September 30, 2010, respectively. We are also required to repay the onshore loan of RMB 20 million when we repay the last installment of the offshore loan.

The Structured Secured Loan also contains the following principal terms:

- The interest rate of the Structured Secured Loan is determined at the relevant London interbank offered rate plus (a) a margin of 4.50% prior to [●]; (b) a margin of 4.50% for the six-month period from [●] and (c) a margin of 5.50% afterward.

- The Original Shareholder has also agreed to pay a premium in cash to the lenders to ensure them an annual rate of return of 19.5% after taking into account any interest paid under the Structured Secured Loan. The premium has already been accrued and reflected as costs of financing in our financial statements according to the relevant accounting standards. The parties determined the amount of premium based on commercial and market considerations.

- We have granted the lenders a put option in the event that [●] does not occur prior to March 31, 2010 at a price of the sum of the Structured Secured Loan principal, plus an annual rate of return of 19% after giving effect to any interest already paid.

- We drew down US$302.6 million, US$67 million and US$63 million on August 31, 2007, October 24, 2007 and October 31, 2007, respectively. Upon such drawdowns, we paid structuring fees ranging from 1.5% to 3.0%, with an aggregate amount of US$9.7 million. The structuring fees were deducted from the carrying amount of the loan in our balance sheet on initial recognition. Such fees are amortized over the loan period and reflected as cost of financing in our financial statements.

- In connection with the initial commitment on September 24, 2007, the Original Shareholder transferred 9,078,900 Shares to the lenders upon their initial commitment of the Structured Secured Loan and an additional 3,900,000 Shares were transferred to the lenders on November 19, 2007 in connection with their subsequent increases in

the loan commitment. The number of Shares transferred was determined based on arm's length negotiations between parties involved. Our Original Shareholder has also undertaken to maintain the percentage interests of the Structured Secured Loan lenders in our company as of June 26, 2008 to be diluted by no more than 10% of the primary share issuance of the enlarged issued share capital of our company as of the date of the Qualified IPO.

- The lenders of the Structured Secured Loan are entitled to (i) information rights; (ii) inspection rights, and (iii) protection of certain financial covenants. Such rights will be terminated upon repayment of the loan.

- We also maintain customary reserve accounts, with the amounts to be used to primarily settle operating and tax expenses to be incurred by us.

The parties have agreed in the loan documents that the loan facility agent will release the charges by the Original Shareholder of its holdings in our Shares and the guarantees granted by the Original Shareholder. We contributed substantially all of the net proceeds from the Structured Secured Loan as capital injection into our subsidiaries in China, which in turn used them to pay land premiums and other land acquisition costs.

Other than disclosed in this document, there are no other agreements or arrangements between the lenders of the Structured Secured Loan and us or our connected persons with respect to the control, management, operations, development or other affairs of our company and subsidiaries.

As a result of the global economic slowdown and crisis in the global financial markets in 2008, we breached certain terms of the Structured Secured Loan. We have sought and the Structured Secured Loan lenders have granted waivers with respect to, among others, (i) our consolidated EBITDA being less than 70% of our business plan projections for 2008 as required under the loan agreement, (ii) the interest rate coverage ratio being less than 2.0 for 2008 as required under the loan agreement, (iii) our failure to provide various audited and unaudited consolidated financial statements of Shengjian (BVI) Limited, ANJI (BVI) Limited, the Original Shareholder and our company in compliance with the requirements under the loan agreement, (iv) our failure to deliver compliance certificates and officer's certificates in compliance with the requirements under the loan agreement, (v) incurrence or potential incurrence of indebtedness under certain bank facilities in violation of certain covenant under the loan agreement, (vi) all alleged cross defaults from our restructuring agreement and loan agreement with the Financial Investors, (vii) all alleged cross defaults from the agreement between the shareholders of our majority-owned subsidiary, Success Will Group Limited, and (viii) all alleged cross defaults from our new investment agreement with the New Investors. These waivers are effective until March 31, 2010.

Our contracted sales reached RMB 23.1 billion for the nine months ended September 30, 2009, representing a three-time increase over the same period in 2008, and we had a total cash (including cash equivalents and restricted cash) of RMB 10.0 billion as of September 30, 2009. As the overall economy further recovers and the real estate industry further improves in China,

we do not expect any future default to occur under the Structured Secured Loan. In addition, we plan to pre-pay the Structured Secured Loan as permitted under the loan documents if we anticipate difficulties in continuing to fulfil any of the financial covenants.

Introduction of New Investors

On June 9, 2008, we, Dr. Hui, the Original Shareholder and the New Investors entered into a new investment agreement (as amended) pursuant to which the New Investors agreed to subscribe for an aggregate of 374,104,266 new Shares in our company for an aggregate subscription amount of US$506 million, among which Merrill Lynch Asian Real Estate Opportunity Fund Pte Ltd., Rise Success Holdings Limited, Deutsche Bank AG, Hong Kong Branch, CVI GVF (Lux) Master Sarl, Global Opportunistic Fund II Company B.S.C. (closed), Global Investment House (K.S.C.C.), Topful Holdings Limited and Cavendish Limited invested US$50 million, US$150 million, US$60 million, US$25 million, US$30 million, US$116 million, US$25 million and US$50 million, respectively.

The principal terms of the investment are as follows:

- *Minimum Return Mechanism:* [●]

- *Lock-up:* [●]

- *Board Representation:* The New Investors are also entitled to representations on our Board for so long as such New Investors continue to hold at least 3% of our issued and outstanding Shares. The New Investors are also entitled to receive specified information about our financial and operational affairs and to be protected by guarantees and charges over shares in our Original Shareholder, us and our subsidiaries from Dr. Hui, our Original Shareholder and us, similarly defined for the New Investors as contained in the definition for the Financial Investors and the Structured Secured Loan lenders. All special rights currently enjoyed by the New Investors will terminate and, to the extent that any New Investor continues to own any Share, it will not have any rights that are not generally available to our other shareholders.

- *Guarantees and Share Charges:* We, Dr. Hui and our Original Shareholder provided guarantees and third-priority charges (after the Financial Investors and the Structured Secured Loan lenders) over the shares in our Original Shareholder, us and ANJI (BVI) Limited as additional collateral for its obligations and liabilities to the New Investors pursuant to the terms of the new investment agreement, new deed of undertaking, and all security agreements, amendment agreements and other documentation related thereto, to which it is a party. Pursuant to the arrangements, all such guarantees and share charges will terminate and be released. In addition, in consideration of the agreement by the New Investors to an 18% discount to their actual return that the New Investors will be entitled to based on the original deed of undertaking, the Original Shareholder has agreed to compensate the New Investors up to an aggregate amount equaling to such 18% discounted return, to the extent that any New Investor will have experienced any loss as of the end of a 12-month period following [●] as a result of the sales and/or continued holding of the Shares that the New Investors is

entitled to receive, or New Investors Compensation Arrangement. A loss to a New Investor is deemed to exist if the Shares that the New Investors is entitled to receive, exceed the sum of the aggregate proceeds from sales of its Shares up to the end of the 12-month period, plus the value of its remaining Shares at the end of such 12-month period calculated at the weighted average closing price of the Shares during the latter six months of such 12-month period. We set out below the net effect of the New Investors Compensation Arrangement.

Pursuant to the new deed of undertaking, each of the New Investors will have an option, exercisable at any time from and including the earlier of (i) the date on which all lenders of the Structured Secured Loan have served a notice to Shenjian (BVI) Limited, the direct borrower of the Structured Secured Loan, requiring mandatory prepayment of the Structured Secured Loan in full; and (ii) the date on which the Structured Secured Loan becomes due and payable in full, to require the Original Shareholder and/or Dr. Hui to purchase all or a portion of the Shares held by it, or Put Option Shares, at a price equal to an amount which will yield an internal rate of return of 50% on the subscription price per Share under the new investment agreement to that New Investor with respect to the Put Option Shares. In connection with the extension by the lenders of the Structured Secured Loan of the cut-off date for a Qualified IPO to March 31, 2010, the New Investors have agreed to extend the exercise date of their option described above to March 31, 2010 accordingly.

We have sought and the New Investors have granted waivers with respect to, among others, (i) our incurrence or potential incurrence of indebtedness under certain bank facilities in violation of certain covenant under the restructuring agreement, (ii) all alleged cross defaults from the Structured Secured Loan, (iii) all alleged cross defaults from the agreement between the shareholders of our majority-owned subsidiary, Success Will Group Limited, and (iv) all alleged cross defaults from our restructuring agreement and loan agreement with the Financial Investors. These waivers are effective until March 31, 2010.

Share Purchase

In June 2009, Mrs. Hui through her wholly owned company, Yaohua Limited, acquired the entire issued share capital of Even Honour Holdings Limited, a company established under the laws of the British Virgin Islands and previously wholly owned by an affiliate of Chow Tai Fook Group. Even Honour Holdings Limited owns 310,360,190 Shares in our company, including the 266,000,000 Shares conditionally transferred to Deutsche Securities Nominees Hong Kong Limited, as an original Financial Investor, and its loan to the Original Shareholder. The 310,360,190 Shares were originally acquired by Even Honour Holdings Limited from Deutsche Bank AG, Hong Kong Branch, and its affiliates. The consideration for the acquisition of the entire issued share capital of Even Honour Holdings Limited was US$155,944,000. In connection with the financing arrangement for the acquisition, Even Honour Holdings Limited entered into a debenture pursuant to which it charged the 310,360,190 Shares and other assets that it may own from time to time to the lender, Diversified Absolute Return Fund Limited, wholly owned by PMA Capital Management Limited, an investment management company which is principally engaged in investment advisory and investment management services. Each of Diversified Absolute Return Fund Limited and PMA Capital Management Limited is independent of and not connected with us or any of our connected persons.

Mrs. Hui considered the above share-purchase transaction to be an attractive investment opportunity, as her aggregate consideration represented a 20% discount to the initial investment by Deutsche Bank AG, Hong Kong Branch, and its affiliates. This acquisition also reinforced the shareholding interest of the Controlling Shareholder in us on a consolidated basis from 56.36% to 67.55%. Mrs. Hui consummated the sale and purchase with Deutsche Bank AG, Hong Kong Branch, and its affiliates in June 2009, one week after Even Honour Holdings Limited obtained the subject loan and Shares from Deutsche Bank AG, Hong Kong Branch, and its affiliates. Chow Tai Fook Group, our existing shareholder, acted as an intermediary to facilitate the settlement process of the transaction.

As a consideration and a part of the transaction, the Original Shareholder granted to Deutsche Bank AG, Hong Kong Branch, a call option to purchase 27,741,042 Shares from the Original Shareholder at US$1.35 per Share (subject to typical recapitalization and/or share subdivision adjustments from time to time). These Shares are currently subject to various mortgage instruments entered into in connection with the introduction of the Financial Investors, the Structured Secured Loan and the introduction of New Investors described above. The option is exercisable within one month of the occurrence of the following events: (a) the lock-up period for the option shares for the Original Shareholder under Rule 10.07(1)(a) has expired; and (b) the option shares have been released from the mortgages. Deutsche Bank AG, Hong Kong Branch, may not exercise the call option until such option shares have been released from the various mortgages.

Other than disclosed in this document, there are no other agreements or arrangements between the Financial Investors or the New Investors and us or our connected persons with respect to the control, management, operations, development or other affairs of our company and subsidiaries.

Co-Development of Projects

Evergrande Metropolis Foshan（佛山恒大名都）

On April 30, 2008, we and a subsidiary ("NWS") of Chow Tai Fook Enterprises Limited entered into a co-development agreement pursuant to which we and NWS agreed to co-develop the Evergrande Metropolis Foshan project.

Under the co-development arrangement, we provided the land use rights to the project whereas NWS would contribute to the development costs of the project (other than those units that were already completed before the handover date of the project) and manage its development. NWS has also extended a 10-year term loan in the amount of approximately RMB 483 million to us.

Under the co-development arrangement, the sales proceeds from the sale and/or pre-sale of the properties in the development, after deducting costs, expenses and management fee, will be shared between NWS and us in the proportion of 60% and 40%. If the aggregate amount of the loan provided by NWS and the sales proceeds received by us from the development is less than RMB 600 million, NWS will pay an amount equivalent to the difference between RMB 600 million and the then outstanding amount of the loan to us at the same time as the distribution of proceeds and thereupon the loan owing to us will be waived.

*Evergrande Palace Wuhan (*武漢恒大華府*)*

On April 30, 2008, we and a subsidiary ("NWS 2") of Chow Tai Fook Enterprises Limited entered into a co-development agreement pursuant to which we and NWS 2 agreed to co-develop the Area B2 of the project. As at the date of the signing of the agreement, we were developing Areas A and B1 of the project, which occupy a site area of approximately 152,176 square meters with a GFA of approximately 241,649 square meters. Area B2 occupies the remaining site area of the project of approximately 132,401 square meters with a GFA of approximately 345,225 square meters.

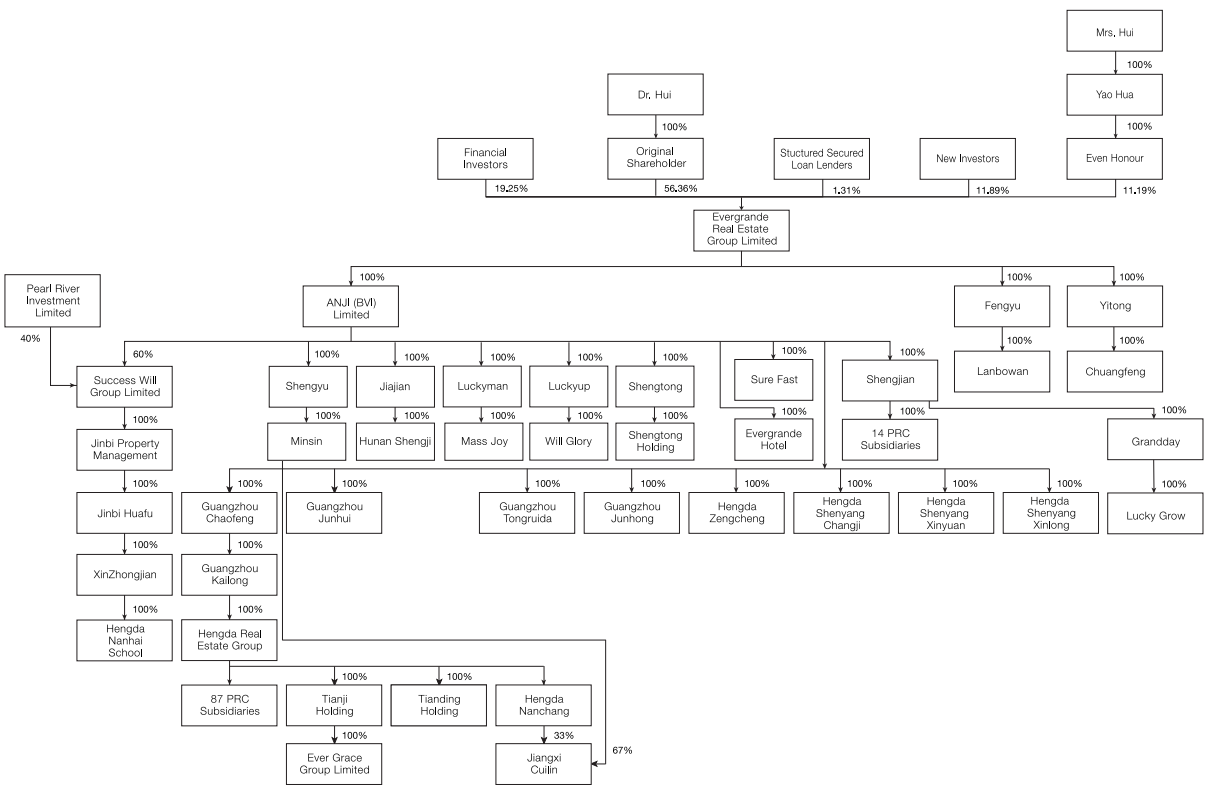
Under the co-development arrangement, we provided the land use rights to the project whereas NWS 2 would contribute to the development costs of the project (other than those units that were already completed before the handover date of the project) and manage its development. NWS 2 has also extended a 6-year term loan in the amount of approximately RMB 272 million to us.

Under the co-development arrangement, the sales proceeds from the sale and/or pre-sale of the properties in the development, after deducting costs, expenses and management fee, will be shared between NWS 2 and us in the proportion of 60% and 40%. If the aggregate amount of the loan provided by NWS 2 and the sales proceeds received by us from the development is less than RMB 500 million, NWS 2 will pay an amount equivalent to the difference between RMB 500 million and the then outstanding amount of the loan to us at the same time as the distribution of proceeds and thereupon the loan owing to us will be waived.

CORPORATE HISTORY

Corporate Structures

The following chart sets forth our corporate structure immediately subsequent to our Reorganization:



PRC GOVERNMENTAL APPROVALS

Pursuant to the Notice on Issues Relating to Foreign Exchange Control on Fund Raisings by Domestic Residents through Offshore Special Purpose Vehicles and Round-trip Investments《國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》promulgated by SAFE on October 21, 2005, domestic resident natural persons or legal persons are required to register with the relevant local SAFE branches before they establish or come to control any offshore special purpose company for the purpose of capital raising with assets or equity interests of their PRC domestic companies. Such domestic resident natural persons or legal persons are also required to amend their registrations with the local SAFE branches in specified circumstances. Commerce & Finance Law Offices, our PRC counsel, has advised that, after their consultation with SAFE and its Guangdong branch, Dr. Hui is not required to make such registration.

On August 8, 2006, MOFCOM, the State Assets Supervision and Administration Committee (國務院國有資產監督管理委員會), the State Administration of Taxation, the State Administration of Industry and Commerce (國家工商行政管理總局), the China Securities Regulatory Committee and SAFE jointly issued Rules on the Acquisition of Domestic Enterprises by Foreign Investors《關於外國投資者併購境內企業的規定》(as amended on June 22, 2009, the "M&A Rule"). The M&A Rule requires that an offshore special purpose vehicle, formed for the purposes of an offshore listing and controlled directly or indirectly by PRC companies or individuals, must obtain the approval from the China Securities Regulatory Commission prior to the listing of the securities of such offshore special purpose vehicle on an overseas stock exchange. On September 21, 2006, the China Securities Regulatory Committee published a Guideline Regarding Domestic Enterprises Indirectly Seeking Issue or Trading of Securities Overseas《關於境內企業間接到境外發行證券或者將其證券在境外上市交易的規定》.

We and our Original Shareholder have complied with all applicable PRC laws and regulations in material aspects and have obtained all relevant approvals from PRC government authorities for the Reorganization.

BUSINESS

BUSINESS OVERVIEW

We are one of the largest developers of quality residential property projects and a leader in adopting a standardized operational model to manage our various projects in different cities across China. Founded in Guangzhou, Guangdong Province, in 1996, we have become a leading national property developer through our economies of scale and widely recognized brand name under the leadership of our management team. Over the years, our focus on centralized management system, standardized operational model and quality products has allowed us to quickly replicate our success in Guangzhou across China. Through our standardized operational model, we have been able to simultaneously manage projects in various development and sale stages in 24 cities with high-growth prospects, of which 17 are provincial capitals or municipalities, including Guangzhou, Tianjin, Chongqing, Shenyang, Chengdu, Wuhan, Nanjing, Xi'an, Changsha, Taiyuan and Kunming.

Our residential property development integrates planning, design, construction and property management and follows our standardized process management to ensure development speed and product quality. We have been awarded the highest recognition in China in real estate development, architectural planning and design, construction, construction supervision and property management, and have been ranked among the "Top 10 Property Developers of China" by China Real Estate Top 10 Research Group, an organization constituted by Enterprise Research Institute of the Development Research Center of the State Council, Tsinghua University Real Estate Research Center and China Index Academy, for six consecutive years since 2004.

According to a report published on October 9, 2009 by China Real Estate Assessment and Evaluation Center, a non-profit professional evaluation institution, and CRIC, we were ranked No. 1 among property developers in China in terms of the total land reserves and GFA under construction as of September 30, 2009. We were also ranked No. 1 among property developers in China in terms of GFA pre-sold for the nine months ended September 30, 2009, and were among the top five property developers in China in terms of contracted sales for the nine months ended September 30, 2009. In addition, we were ranked No. 1 among property developers in China in terms of GFA pre-sold and contracted sales for the three months ended September 30, 2009. CRIC is a subsidiary of E-House, a New York Stock Exchange listed company, which specializes in providing third-party real estate information and consulting services in the PRC property market. We have not commissioned China Real Estate Assessment and Evaluation Centre and CRIC for this report. For more information about our relationship with E-House, you may refer to "— Property Development — Sales and Marketing" in the document.

We have the largest land reserves among all PRC property developers, with a total GFA of approximately 51.2 million square meters of quality and low-cost land with an average cost of approximately RMB 445 per square meter. We focus on provincial capitals and municipalities with high-growth potentials and our land reserves cover the most provincial capitals and municipalities among all PRC property developers. As of September 30, 2009, we had a total of 54 property projects, more than 83% of which were urban projects in provincial capitals or municipalities. As of September 30, 2009, we completed development of a total GFA of

approximately 4.1 million square meters since our inception, and we had properties under development with a total GFA of 41.9 million square meters, and properties held for future development with a total GFA of 9.3 million square meters.

As of September 30, 2009, 41 of our property projects under development had construction permits with a total GFA of 17.1 million square meters and a saleable GFA under construction of 16.6 million square meters, and we had obtained pre-sale permits for a total GFA under construction of 7.1 million square meters in 32 projects, of which 2.5 million square meters remained unsold.

Over the years, we have developed and introduced various distinctive product series to the market, including:

- ***High-end series*** represented by products within our Evergrande Palace (恒大華府) series, which account for approximately 10% of the number of our current projects, and are positioned as high-end and premium residential properties in urban centers. Properties of our Evergrande Palace series target high-income residents in such regions.

- ***Mid- to mid-high-end series*** represented by products within our Evergrande Oasis (恒大綠洲) series, Evergrande Metropolis (恒大名都) series and Evergrande City (恒大城) series, which account for approximately 70% of the number of our current projects, and target middle to upper-middle income residents, who currently constitute the largest segment of residential real estate purchasers. Evergrande Metropolis and Evergrande City are urban residential complexes in major cities, while Evergrande Oasis is located in areas with the requisite natural landscape. These series are equipped with well-developed facilities and amenities within the complexes.

- ***Tourism-related series*** represented by products within our Evergrande Splendor (恒大金碧天下) series, which account for approximately 20% of the number of our current projects. Products within our Evergrande Splendor series are positioned as large-scale resort projects that offer a mix of residential, commercial and tourism-related properties.

We design and develop all of our product series under our standardized operational model and market them under the brand name of "Evergrande" on a nationwide basis.

We strive to provide high-quality residential products to the market by focusing on every step of the development process, from site selection, planning, landscaping, construction to fitting-out and property management. We aim to deliver "best-in-class" end-products to our customers. Over the years, our products have gained a wide brand recognition among consumers as reflected by our strong contracted sales and sales records. For the year ended December 31, 2008, our contracted sales amounted to approximately RMB 6.0 billion. For the nine months ended September 30, 2009, our contracted sales amounted to approximately RMB 23.1 billion, as compared to approximately RMB 5.4 billion for the same period in 2008, representing an approximately three-time increase. In addition, we had received approximately RMB 15.7 billion of receipt in advances from our customers in relation to our contracted sales for the nine months ended September 30, 2009, and we expect to receive the remaining RMB

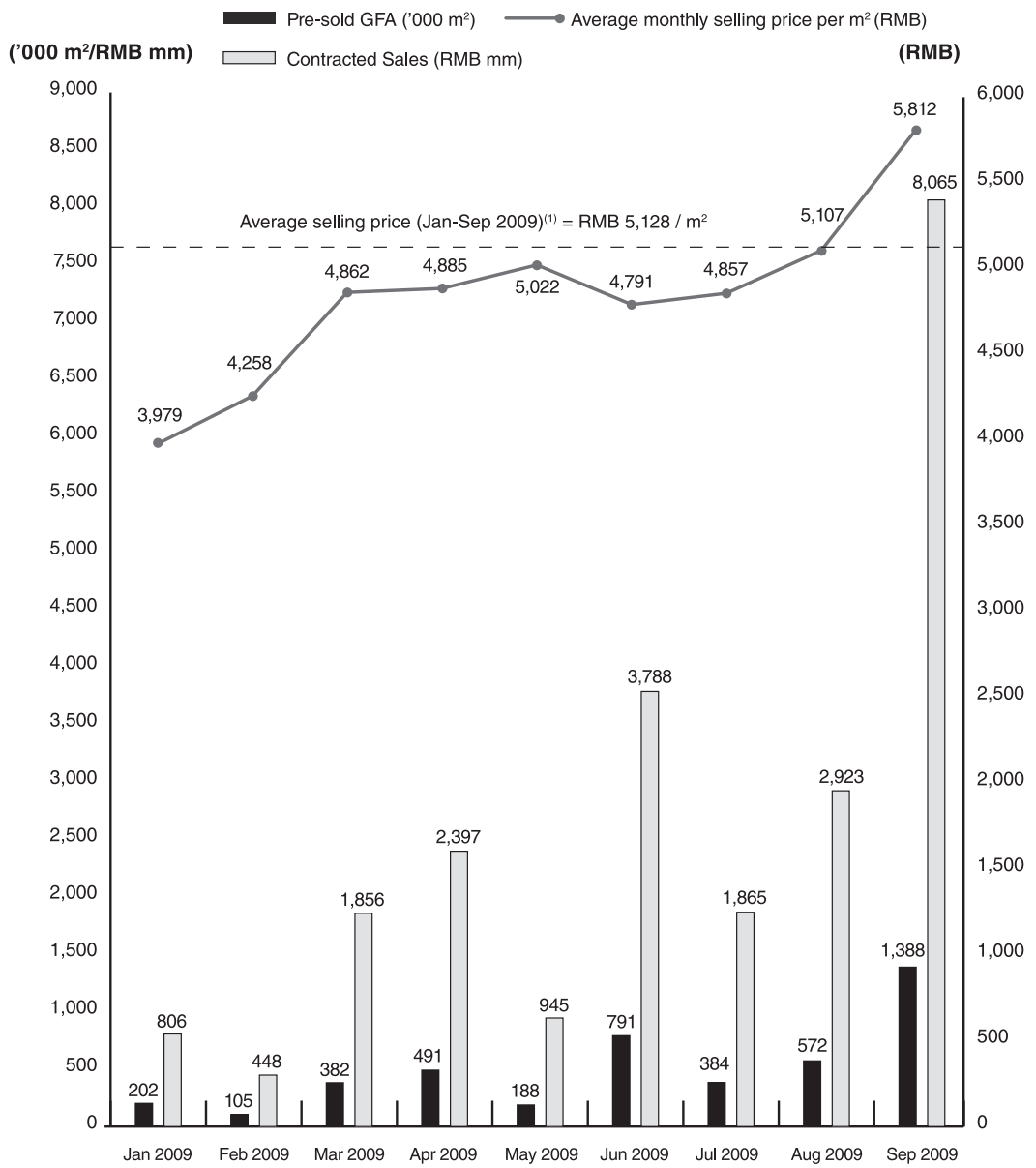
7.4 billion in the future in accordance with the payment schedules in the relevant sales contracts. As of September 30, 2009, our total cash (including cash equivalents and restricted cash) amounted to RMB 10.0 billion, representing approximately 96.1% increase from that of June 30, 2009. As of September 30, 2009, our total equity and total assets were RMB 8.9 billion and RMB 48.1 billion, respectively.

Prior to October 2008, most of our sales and contracted sales were attributable to our projects in Guangdong Province. Since then (particularly since the beginning of 2009), our projects in other provinces nationwide have gradually accounted for a larger portion of our sales and contracted sales.

BUSINESS

For the years ended December 31, 2006, 2007 and 2008, our total pre-sold GFA was 247,990 square meters, 318,251 square meters and 1,135,394 square meters, respectively, and our average selling price per square meter was RMB 6,664, RMB 10,183 and RMB 5,313, respectively.

Our total contracted sales, pre-sold GFA and average monthly selling prices per square meter for the nine months ended September 30, 2009 were as follows:



(1) Average selling price is calculated by dividing total contracted sales by pre-sold GFA for the nine months ended September 30, 2009.

Total Pre-sold GFA, Contracted Sales and Average Selling Prices

Average selling price per square meter is calculated by dividing total contracted sales by pre-sold GFA during the period.

As of September 30, 2009, we had 38 property projects under pre-sale in 2009. For the year ended December 31, 2008, we had a total pre-sold GFA of approximately 1.1 million square meters and a total contracted sales of RMB 6.0 billion. We had a total pre-sold GFA of approximately 4.5 million square meters and a total contracted sales of RMB 23.1 billion for the nine months ended September 30, 2009. We set forth below the details of these property projects.

	Year ended December 31, 2008			Nine months ended September 30, 2009		
Project	Pre-sold GFA (m^2)	Contracted sales (RMB'000)	Average selling price per m^2 (RMB)	Pre-sold GFA (m^2)	Contracted sales (RMB'000)	Average selling price per m^2 (RMB)
Guangdong Province						
Jinbi Garden No. 1	185	974	5,268	1,863	5,768	3,096
Jinbi Garden No. 3	185	3,713	20,097	582	12,550	21,546
Jinbi Palace	68	1,386	20,388	27	605	22,442
Jinbi Emerald Court	197	1,915	9,707	—	—	—
Jinbi New City Garden	39,832	321,701	8,077	189	1,408	7,439
Jinbi Century Garden	43,865	371,558	8,471	2,353	21,168	8,996
Jinbi Bay Garden	566	9,582	16,926	—	—	—
Jinbi Atrium	808	4,991	6,175	—	—	—
Jinbi Junhong Garden	23,493	182,030	7,748	536	4,064	7,584
Evergrande Oasis Guangzhou	—	—	—	110,273	1,141,933	10,356
Evergrande Royal Scenic Peninsula	69,970	751,037	10,734	286,700	2,816,261	9,823
Evergrande Scenic Garden	75,494	349,800	4,633	162,695	736,599	4,527
Evergrande Splendor Qingyuan	—	—	—	271,434	873,196	3,217
Chongqing Municipality						
Evergrande Splendor Chongqing	14,878	97,840	6,576	171,920	770,182	4,480
Evergrande City Chongqing	96,266	385,340	4,003	245,066	980,319	4,000
Evergrande Palace Chongqing	19,085	114,140	5,981	111,404	712,592	6,396
Evergrande Oasis Chongqing	—	—	—	30,135	186,790	6,198
Evergrande Metropolis Chongqing	—	—	—	58,914	341,834	5,802
Tianjin Municipality						
Evergrande Splendor Tianjin	64,790	342,410	5,285	142,033	834,653	5,876
Hubei Province						
Evergrande Splendor E'zhou	21,803	96,460	4,424	83,050	368,385	4,436
Evergrande Palace Wuhan	15,472	113,578	7,341	54,702	331,422	6,059
Evergrande City Wuhan	—	—	—	86,481	372,874	4,312
Evergrande Oasis Wuhan	—	—	—	160,090	593,858	3,710
Sichuan Province						
Evergrande Splendor Pengshan	—	—	—	295,904	1,382,590	4,672
Evergrande Oasis Chengdu	91,130	426,774	4,683	139,421	621,439	4,457
Evergrande City Chengdu	59,305	234,820	3,960	144,506	654,818	4,531
Liaoning Province						
Evergrande Oasis Shenyang	68,755	281,707	4,097	85,087	405,112	4,761
Evergrande City Shenyang	74,043	325,520	4,396	154,297	669,501	4,339

	Year ended December 31, 2008			Nine months ended September 30, 2009		
Project	Pre-sold GFA (m^2)	Contracted sales (RMB'000)	Average selling price per m^2 (RMB)	Pre-sold GFA (m^2)	Contracted sales (RMB'000)	Average selling price per m^2 (RMB)
Shaanxi Province						
Evergrande Metropolis Xi'an	72,767	305,890	4,204	113,274	517,844	4,572
Evergrande Oasis Xi'an	41,754	202,650	4,853	95,825	503,937	5,259
Evergrande City Xi'an	—	—	—	117,738	647,512	5,500
Jiangsu Province						
Evergrande Oasis Nanjing	30,027	147,190	4,902	103,553	598,135	5,776
Evergrande Splendor Nanjing	50,638	258,981	5,114	110,462	529,311	4,792
Yunnan Province						
Evergrande Splendor Kunming	45,094	175,240	3,886	275,110	1,121,608	4,077
Inner Mongolia Autonomous Region						
Evergrande Palace Baotou	—	—	—	100,272	623,804	6,221
Shanxi Province						
Evergrande Oasis Taiyuan	114,925	525,130	4,569	286,248	1,518,860	5,306
Guizhou Province						
Evergrande Oasis Guiyang	—	—	—	42,561	177,015	4,159
Anhui Province						
Evergrande Palace Hefei	—	—	—	95,331	512,564	5,377
Hunan Province						
Evergrande Palace Changsha	—	—	—	125,746	624,814	4,969
Evergrande Metropolis Changsha	—	—	—	152,516	543,314	3,562
Henan Province						
Evergrande Oasis Luoyang	—	—	—	84,333	332,621	3,944
Total	**1,135,394**	**6,032,358**		**4,502,631**	**23,091,256**	

OUR COMPETITIVE STRENGTHS

We believe that we possess the following principal competitive strengths that have allowed us to compete effectively with our peers in the property markets in China:

We are a leader of the standardized operational model for large-scale quality property developments

We believe that our industry-leading standardized operational model for quality real estate development is the core strength that has enabled us to effectively execute our rapid and successful nationwide expansion in recent years. We formulate our standardized operational procedures at our headquarters, which are then implemented through our regional offices under the close supervision and monitoring by our senior management. These standardized procedures cover various phases in our development process including planning and design of all of our projects nationwide, our nationwide centralized bidding and procurement processes, project developments, construction and quality control procedures, sales and marketing as well

as property management. Our standardized operational model has allowed us to maintain our high-quality standards on a nationwide basis, to effectively control our costs and to enable us to achieve remarkable growth in recent years.

To support our business plan, we have established a standardized operational procedure across all regional offices, under which the staffing level and compensation schemes are determined by our senior management at the headquarters to ensure the compliance of our organizational set-up and staff qualification of regional offices with our firmwide requirements. We have implemented a uniform financial management and reporting system, under which the finance department of each regional office is directly managed by our headquarters. This system allows us to standardize, consolidate and centralize our capital management nationwide. Our centralized internal risk management also covers our archives management and accounts approval process in all our regional offices. We have also established a nationwide contract processing and approval system, which plays an important role in our cost control, enables our centralized monitoring of contract execution and in turn strengthens our internal control.

- *Standardized Project Selection*

With respect to the selection of new project sites, we follow a set of strict standards, including:

Selection of location: New urban districts in large cities with a population of over five million, of a track record of rapid growth in recent years, a beautiful environment, well-developed transportation system and significant upside potential;

Project scale: Generally 0.5 to 2.0 million square meters in GFA;

Project positioning: Target proportion of 10%, 70% and 20% in terms of the total number of projects distributed among high-end, mid- to mid-high-end, mid-end and tourism-related series of our property projects; and

Project status: Minimized relocation requirement, and land use right certificates already in place for acquired projects.

We believe that our standardized project selection process has ensured that each of our new projects is in line with our overall development strategy while minimizing operational risk.

- *Standardized Planning and Design*

We have developed three major project series based on our product positioning, and created more than 150 types of standard residential unit layouts, which are then customized for different regional markets and product series. Our standardized designs for each project contain detailed specifications to be followed through each step of the development process, including material and quality standards for building construction, landscaping, ancillary facilities and interior decoration, to ensure consistency and quality of our products throughout the country. In order to maximize our ecological planning effect of low density and high green ratio, we have developed standard design rules for buildings,

structures, external vertical walls and landscape. With respect to ancillary facilities, we have also established standardized functional configuration. Our projects are generally equipped with luxurious clubhouses, sports centers, commercial centers, nursery schools and other facilities. In addition, we have also standardized our decoration and finishing based on different regional markets and different types of residential units. These standardized planning and design measures function to ensure the accurate positioning of our projects, streamlining our planning, the implementation of our brand strategy and the quality of our products.

- *Standardized Use of Materials*

We have also standardized our use of materials in light of our standardized planning and design. We have standardized our procurement of materials in massive quantities in connection with our construction, landscaping, supporting facilities and decoration. This procurement system has effectively accelerated the progress of our project construction and ensured our product quality. Standardized use of materials has also enabled us to centralize our procurement to reduce construction cost.

- *Standardized and Centralized Tender Process*

We believe that our effective centralized tender process enables us to achieve economies of scale and significant purchasing power. We require that all large-scale projects handled by our regional offices must undergo a centralized bidding process that is supervised by our headquarters. All participants that take part in the bidding must be among the top-rated product, equipment or service providers in their respective fields. Our headquarters are responsible for selecting the ultimate qualified bidder according to our standardized selection and evaluation process. We believe that such standardized tender process has afforded us with significant economies of scale and allowed us to maintain our competitive cost structure while securing quality products, equipment and services at reasonable prices from the product and equipment suppliers and service providers.

- *Standardized Construction Management*

We utilize standardized development models nationwide and closely manage all aspects of the development process based on strict development schedules and specific quality standards. We stipulate construction milestones and strict quality control measures to ensure our construction contractors to adhere to both the pre-set construction timeline and our quality standards. We believe standardized construction management enables us to minimize the construction time and achieve our target of launching pre-sales within six months from the date of the land acquisition, thereby shortening our cash conversion cycle and maximizing our investment return.

- *Standardized Marketing*

  Our sales and marketing efforts follow standardized procedures in developing, approving and implementing sales and marketing campaigns for all our projects. We formulate our marketing, promotion, pricing and advertising strategies for each of our projects in a highly coordinated and consistent manner to maintain brand equity, but allowing flexibility to adapt to local market dynamics.

  We launch our projects for pre-sale only after we have substantially completed the relevant landscaping, ancillary facilities and on-site show units in order to demonstrate our superior product quality which in turn strengthens consumer confidence. We believe our actual on-site launch standard enhances the marketing impact, salability and pricing of our products.

We have strategically acquired large low-cost land reserves of 51.2 million square meters in 24 cities across China, with a focus on provincial capitals with high-growth potentials

We embarked on our national expansion plan in 2004 and sent a team of property development professionals to all major cities to identify available land reserves nationwide that meet our land acquisition standards, including size, cost, location and investment return. Our national land acquisition strategy aims to achieve greater regional diversification and higher growth by focusing on the major provincial capitals across China.

- *Large-scale, High-quality and Low-cost Land Reserves with Significant Profitability Potential*

  We began acquiring land in major provincial capitals and surrounding areas in 2006 before competition became more intense and were able to secure high-quality sites at relatively low costs. As of September 30, 2009, we had the largest land reserves in China among all property developers with 51.2 million square meters of land reserves at an average cost of approximately RMB 445 per square meter. We believe the size of our current land reserves can satisfy our development needs for the next three to five years and our strategic site locations will provide significant appreciation and profitability potential.

- *Well diversified and balanced land reserves with extensive presence in provincial capitals*

  Our land reserves are well diversified in terms of both geographic locations and project types to achieve maximum profit potential. Currently, we cover the most principal capitals and municipalities among all property developers in China. We have 45 projects, or 83% of our total projects, in municipalities and provincial capitals which we believe will have higher growth potential due to their status within each region of China. We have been able to successfully develop and sell properties in 17 provincial capitals and municipalities in recent years, including Guangzhou, Tianjin, Chongqing, Shenyang, Chengdu, Wuhan, Nanjing, Xi'an, Changsha, Taiyuan and Kunming.

- *Premier Project Location with Future Appreciation Potential*

Our urban projects are generally located in prime urban areas with beautiful natural landscape and complete supporting infrastructures and transportation systems, poised for future appreciation potential. Our tourism-related development projects are generally 30–40 kilometers away from the center of major cities, adjacent to highway exits and surrounded by beautiful landscape. These projects are also characterized by low land cost and can be developed over multiple phases which provided economies of scale. The total GFA of our typical project ranges from 0.5 million to 2 million square meters. This enables us to focus on large-scale developments that are developed in phases which provide full suite of ancillary facilities and landscaping as part of our "best-in-class" products.

We have leveraged our industry-leading brand name and strategic partnerships with renowned suppliers to develop quality products that are well-recognized by the market

- *We Have Been Recognized as One of the Top 10 Property Developers in China for Six Consecutive Years*

We consistently market all of our new projects under the "Evergrande" brand to instill brand awareness nationwide and for customers to identify our brand name with high-quality residential projects. Since 2004, we have been ranked as one of the "Top 10 Property Developers in China" for six consecutive years by the "Top 10 Property Developers Research Group of China" jointly constituted by the Institute of Enterprise Research of the Development and Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy.

- *Partnership with Prominent Suppliers to Develop Quality Products*

We maintain strict quality control measures throughout our development chain and partner with renowned international and national service and product providers to ensure top-quality products. We initiate our project planning process immediately after we acquire a land site and initially focus primarily on the structural and landscape designs of the site to ensure that they are of the best fit to the overall project. Since 2004, we have been consolidating our selection of vendors and suppliers to ensure that we work only with the first-rate vendors in the fields of construction landscaping and interior decoration and source only raw materials from top suppliers. By working with a small number of high-quality partners, we are able to receive superior services throughout the development process. In our current development projects, we primarily engage reputable construction companies in China, including China State Construction Engineering Corporation and Zhong-Tie Construction Group Corporation Limited, for a majority of our project construction work; reputable fitting-out companies in China, including Suzhou Gold Mantis Construction & Decoration Co., Ltd, Shenzhen Grandland Decoration & Construction Co., Ltd. and Shenzhen Decoration & Construction Industrial Co., Ltd., for our fitting-out and interior decoration work; and landscaping industry leaders including GVL International Landscaping Design Co., Ltd. for most of our landscaping work.

We offer a comprehensive product mix that caters to different market segment demands

We believe that a comprehensive product mix, an in-depth knowledge of target markets and an accurate product positioning are the keys to our rapid growth in China. We have a wide range of products that caters to different market segments. We generally target a product mix of 10% high-end products, 70% mid- to mid-high-end products and 20% tourism-related developments in terms of the number of projects. We believe this proportion allows us to meet the demands from a broad range of target clientele across different geographic regions. Our diversified product range consists of residential properties that caters to the needs of first-time homebuyers and wealthy property owners as well as non-residential properties, including hotels, resorts and commercial properties.

We place strong emphasis on market research which allows us to understand the underlying market trends and enables us to adjust our product design accordingly. We have developed various standardized product series with appropriate modifications to suit the needs of various markets and customer segment. We believe that our strong brand recognition as well as our strong adaptability in different regional markets will enable us to grow rapidly as we continue our national expansion plan.

We are able to effectively control our costs at every stage of the project development

- **Land acquisition:** as an early mover, we are able to access cities and regions with low-cost land and high-growth potential, develop quality and cost-efficient projects and achieve cost saving at the early stage of the process.

- **Design, tender and procurement:** we implement a standardized operational model for design and material procurement. We are able to limit construction cost through centralized tender process, and significantly reduce material and equipment cost through economies of scale and centralized procurement.

- **Management:** we adopt well-planned and efficient management system and measures in the entire process of project development to significantly reduce management and operating expenses.

We possess a highly experienced and stable management team with proven execution capabilities to adapt and respond to market changes

- *First-class Management Team in China*

  We have a highly experienced management team comprised of well-regarded experts with an average of over 16 years of relevant experience in real estate development, planning and design, and finance and other fields. The team consists of four members with doctoral degree and five members with master degree. The team is led by our chairman, Dr. Hui who is a professor in management with Wuhan University of Science and Technology. He is also a member of the Chinese People's Political Consultative Conference and the vice chairman of the China Real Estate Association. Our chief executive officer, Dr. Xia Haijun, has cumulative experiences of more than 16 years in real estate development and business management.

Our regional management teams are trained at the headquarters and most of them have been with our company for more than 10 years. As of the Latest Practicable Date, over 90% of our management personnel have bachelor's degree or above. We believe our experienced and stable management team has contributed to our success and will further enhance our execution capabilities and focus both at the headquarters and regional company level.

- *First-class Management Structure*

We have created a first-class management structure by implementing internationally advanced management approach which is complemented with practical experience accumulated over the years. We have adopted a three-tier management system comprising the board of directors, senior management at the headquarter level and senior management at the regional subsidiary level. This management structure ensures a direct reporting line between the regional offices and the headquarters which enhances the overall internal control of our company. We adopt a result-oriented management model that is focused on goal-settings and performance evaluation which allowed the Company to achieve rapid and sustainable development.

We aim to motivate our staff effectively through our core values of quality, integrity, innovation and efficiency. Through our superior management structure and result-oriented compensation schemes, we are able to cultivate an effective corporate culture that commands strong loyalty from our team members, which in turn enhances our competitiveness, creativity and our execution capabilities.

- *Proven Execution Ability to Adapt and Respond to Changing Market Conditions*

Our management team has developed superior strategic insights and can respond quickly to changing market conditions. Since the inception of our company, our senior management team has periodically reviewed and set, and each time successfully implemented, our strategic plans for each phase of our growth, by focusing on accumulating talent pool for growth, building a low-cost land reserves, emphasizing product quality and branding strategy and securing financing in a timely manner to support our expansion. Under the leadership of our management team, we have achieved significant scale and strong market position in a relatively short period of time. In particular, when we experienced challenges in 2008 due to the global financial crisis, the management team took swift actions and successfully navigated our operations through such an economic turmoil. You may refer to the section entitled "Corporate History — Our Corporate Development History" for a more detailed description of the specific strategies our management team adopted during our various stages of development.

We have proven capability to develop projects and achieve asset turnover rapidly

Through our integrated centralized management structure and our standardized operational model, we have proven capability to develop our projects rapidly nationwide and achieve rapid asset turnover.

Our integrated centralized management structure ensures seamless execution of our standardized operational model, therefore we can typically complete the project planning and design, project construction, procurement of materials and equipment, as well as obtain relevant government approvals shortly after site acquisition.

Based on our standardized project planning and design, we are able to quickly determine and implement the positioning and design of projects. We have established long-term strategic partnerships with leading vendors and this enables rapid commencement of new projects as well as efficiency and quality of the development. We have adopted a standardized quality control and construction supervision system to monitor the progress and quality of all of our construction projects. In addition, as rapid property development has been one of our key business strategies since our inception, through our standardized operational model, especially the standardized marketing procedures, as well as the strategic decisions our management team has adopted in combating the global economic slowdown and financial market crisis, we have been able to commence pre-sale of our recent property developments within six to eight months after site acquisition, as such we are able to maximize our investment return by shortening the development cycle, which in turn improves our operating cash flow. For example, we acquired the site for Evergrande City Xi'an on April 30, 2009 at a consideration of RMB 439 million, in which RMB 370 million had been paid in accordance with the payment schedule as provided in the land contract as of September 30, 2009. The total construction costs incurred for this project as of September 30, 2009 were RMB 72 million. We launched pre-sale of this project on September 30, 2009 and achieved total contracted sales of RMB 647 million on the commencement day of pre-sale. As of September 30, 2009, we had obtained banking facilities of RMB 500 million for this project, of which RMB 180 million had been drawn. Our rapid development business model results in a fast turnover of our land reserves. As a result, the recently tightened enforcement of the idle land regulations by the PRC government has not had a materially adverse impact on our business, results of operations and financial condition.

BUSINESS STRATEGIES

We aim to continue to enhance our leadership position in the PRC real estate industry with a focus to capitalize on development opportunities in high-growth areas in major provincial capitals and the neighboring areas. We will continue to implement our strategy of offering a diversified product range to our customers and to further optimize the standardized operational model of developing quality real estate products. We plan to implement the following strategies to achieve our goals:

Continue to optimize and leverage our standardized operational model

We will adhere to our standardized operational model to optimize our entire product chain for quality real estate development with an aim to apply our operational experience to all of our projects nationwide and ensure the successful development and sale of each project.

Maintain a comprehensive product offering with a primary focus on residential properties

We will maintain our strategy of offering a diversified product range to our customers with a view to maintaining a target proportion of 10%, 70% and 20% in terms of the number of projects distributed among our high-end, mid- to mid-high-end, and tourism-related property developments, in order to attract the broadest consumer groups.

In addition, while we will continue to focus primarily on residential property developments within the next three years, we aim to gradually expand and diversify our business mix to include commercial properties to enhance our long-term financial performance and diversify risks.

Focus on product quality to enhance our brand

We will continue to focus on developing quality real estate products which we believe are the core to enhancing our brand value. We will continue to implement strict quality standards to maintain our competitive advantages over our peers.

Maintain sufficient stock of low-cost land reserves for future development needs

We plan to maintain our land reserves at approximately 50 million square meters on a rolling basis, which we believe is sufficient to fulfill our development needs for the next three to five years. Our land acquisition strategy will continue to focus on acquiring land at low costs and to maintain a smooth and sustainable development profile.

Continue to pursue scale and rapid property project development

Going forward, we expect our GFA under construction to be maintained around 15 million square meters each year. We believe our strategy of rapidly developing and selling our projects minimizes our cash conversion cycle and is a key to our high growth.

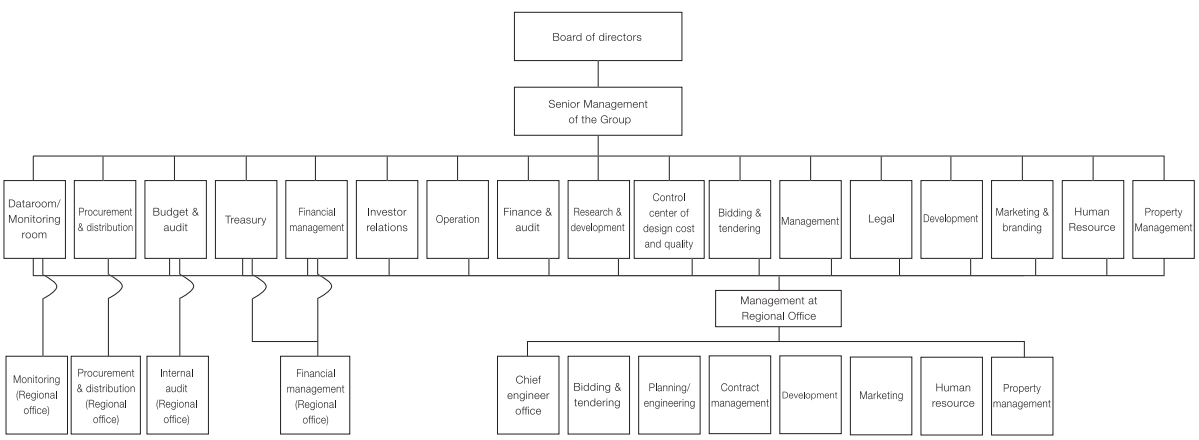
Focus strategically on geographic locations with attractive demand fundamentals

We will continue to develop property projects in major provincial capitals with rapid economic growth and significant property upside potential and to target locations that offer comfortable living environment, good municipal planning and convenient transportation. In addition, we will continue to target projects with sufficient scale that can be developed in phases.

BUSINESS

OUR STANDARDIZED OPERATIONAL MODEL

In our standardized operational model, we develop new projects across China based on our years of proven experience in developing quality properties. By adopting the integrated standardized operational model, the headquarters standardize the management of all regional offices, including the operating model, project selection, project planning and design, material selection, tendering and bidding, construction management and marketing. The chart below sets forth our organizational structure established in accordance with our integrated standardized operational model:



Site Selection

Site selection is typically conducted via a three-stage standard process. Firstly, the development department of our headquarters and our regional offices are responsible for identifying a potential project, collecting information and performing primary screening. Should a potential project pass the primary screening, the development department, marketing department, research and development, or R&D, department and regional offices will be summoned together to conduct an in-depth analysis based on the collective experience of the parties involved and data extracted from our database. The summarized detailed analysis after multiple rounds of screening will then be submitted to the Board of Directors for review, discussion, and final approval. We believe the above measures ensure that the new projects are in line with our overall development strategy and therefore minimize the development risk in the future.

Project Planning and Design

After acquiring the site for a new project, the R&D department, marketing and branding department, regional office and sales agencies will each provide independent market research reports. The Board will arrange meetings with these departments to finalize product positioning and project planning, after which the R&D department will work with the relevant regional office to finalize the project planning and design plan based on the project positioning. This approach will ensure accurate market positioning, planning and design of each project.

Centralized Tender

We organize tenders and invite primarily first-rate construction companies in China to participate in the bidding for interior decoration, gardening and landscaping and other construction work to ensure high-quality construction work performed at competitive prices. We have centralized and standardized our tender process in order to facilitate our standard operating procedures to build quality products rapidly. Our legal department and internal audit department supervise the entire tender process and carefully evaluate and compare each submitted bid. This effectively ensures our quality and progress of construction, which in turn minimizes our construction costs.

Centralized Procurement

Subject to our centralized tender process, we sign long-term procurement agreements with reputable service and product suppliers in China and overseas. We have also established a unified national distribution system. This procurement and distribution system enables us to successfully minimize our overall purchasing costs while ensuring the best product quality.

Project Construction

We strictly adhere to a set of standardized plan management, progress evaluation and quality supervision process that covers all the key project development and management activities conducted by our regional offices. Our headquarters have a dedicated team of more than 100 professional staff who collect information about the project progress and construction quality from each regional office through an advanced information management system. This strengthens our headquarters' control over project construction progress and quality, which in turn ensures that each property meets our requirements.

Sales and Marketing

Our sales and marketing effort follows standardized procedures so that the marketing, promotion, pricing and advertising strategies for each of our projects are created in a highly coordinated and consistent manner. These strategies are implemented for each project after being reviewed and approved by our Board.

Human Resources Management

Our headquarters appoint and remove our regional office management teams. Our employee recruitment criteria, staffing and compensation structure are standardized and formulated by our headquarters, ensuring that the team composition and staff quality meet our standard.

Financial Management and Reporting Requirements

We have implemented a uniform financial management and reporting system, under which the finance department of each regional office is directly managed by our headquarters. This system allows us to standardize, consolidate and centralize our capital management nationwide. Our centralized internal risk management also covers our archives management and accounts approval process in all our regional offices.

OUR PROPERTY PROJECTS

Currently we have a total of 54 property projects in the following categories:

- completed properties, comprising property projects we have completed since our inception, with the certificates of completion issued by the relevant government authorities;

- properties under development, comprising property projects with respect to which we have received land use rights certificates and partly received construction permits or governmental approval for early construction but have not yet received certificates of completion; and

- properties held for future development, comprising property projects with respect to which we have signed a land grant contract or a land transaction confirmation letter with the relevant PRC land administrative authorities, the project company equity transfer agreements or project cooperation agreements but have not yet been issued the land use right certificates.

Because of the relatively large size of our projects and some of our projects comprise multi-phase developments on a rolling basis, a single project may include different phases at various stages of completion, under development or held for future development.

Our classification of properties reflects the basis on which we operate our business and may differ from classifications used by other developers. Each property project may be subject to multiple land use rights certificates, construction land planning permits, construction works planning permits, construction permits, pre-sale permits and other permits and certificates which are issued at different stages throughout their development. Our classification of properties is not directly comparable with the classification of properties in the Property Valuation Report contained in Appendix IV to this document and the Accountants' Report in Appendix I to this document.

The table below sets forth our classification of properties, and the corresponding classification of properties in the Property Valuation Report and the Accountants' Report:

This document	Property Valuation Report	Accountants' Report
• Completed properties, comprising properties with certificates of completion (including completed properties that have been sold)	• Group I — Property interests held for investment • Group II — Property interests held for sale and occupation (excluding completed properties that have been sold)	• Completed properties held for sale (excluding completed properties that have been sold) • Land use rights (attributable to completed properties held for sale) • Investment properties
• Property under development, comprising properties for which we have obtained land use rights certificates and partly received construction permits or approval letters for early construction, but not yet received certificates of completion	• Group III — Property interest held for development	• Properties under development • Land use rights (attributable to properties under development)
• Property held for future development, comprising properties for which we have not obtained land use rights certificates, but have entered into the land grant contracts or the project company equity transfer agreements, or cooperation agreements	• Group IV and Group VII — Property interests contracted to be held	• Expenditure incurred for projects for which we have not yet obtained land use rights certificates was recorded as prepayments, deposits and other receivables within our current assets

Site Area Calculation. The site area information in this document is derived on the following basis:

- when we have received the land use rights certificates for a project, the site area information in respect of such project refers to the site area information in such land use rights certificates; and

- before we receive the land use rights certificates, the site area information in respect of such project refers to the site area information in the relevant land grant contract or the relevant government permits related to such project excluding, however, the areas earmarked for public infrastructure, such as roads and community recreation zones.

When completed properties and properties under development are subject to a single land use rights certificate, such as Jinbi New City Garden and Jinbi Century Garden in Guangzhou, we have calculated the site area attributable to such completed properties and such properties under development in proportion to their respective total GFA as a percentage of the aggregate total GFA under the land use rights certificate.

GFA Calculation. The GFA information in this document is derived on the following basis:

- when the construction of a project is completed and we have received the certificate of completion, the total GFA information in respect of the project refers to the total GFA in such certificate of completion;

- if we have not yet obtained the certificate of completion, but have obtained the construction works planning permit for the project, the total GFA information in respect of the project refers to the total GFA in such construction works planning permit;

- if we have not yet obtained the construction works planning permit, but have obtained the construction land planning outline for the project, the total GFA information in respect of the project refers to the total GFA in such construction land planning outline;

- if we have not yet obtained the construction land planning outline, but have received the government-approved design plan for the project, the total GFA information in respect of the project refers to the total GFA in such government-approved design plan; and

- if we have not obtained any of the above documents for the project, the total GFA information in respect of the project refers to the total GFA based on our current development plan for the project.

Total GFA stated in certificates of completion, construction works planning permits, construction land planning outline and government-approved design plans includes underground GFA. Underground GFA refers to basement and other underground spaces, generally used for parking and storage purposes.

The total GFA information in this document includes both saleable and non-saleable GFA. Saleable GFA generally includes residential properties, saleable carparks, retail shops and office space (including internal floor area and shared areas in the building that are exclusively allocated to such properties). Non-saleable GFA generally includes communal facilities, such as schools, floor area for property management purposes as required by the government, project related supplemental facilities and our own properties such as hotels and non-saleable carparks.

The relationship between the total site area of the project and its total GFA is primarily a function of the plot ratio as contained in the land grant contracts and the amount of associated ancillary facilities. High-rise buildings tend to generate more total GFA than low-rise buildings on the same development site. Ancillary facilities such as parks and infrastructural constructions, such as roads, tend to reduce the total GFA in a development.

Saleable GFA Calculation. The saleable GFA information in this document is derived on the following basis:

- if we have obtained property ownership certificate for a project, the saleable GFA information refers to the saleable GFA in the property ownership certificate;

- if we have not yet obtained the property ownership certificate, but have received the pre-sale permit for the project, the saleable GFA information refers to the saleable GFA in the pre-sale permit;

- if we have not yet obtained the pre-sale permit but have received the construction works planning permit for the project, the saleable GFA information in respect of the project refers to the saleable GFA estimated in such construction works planning permit;

- if we have not yet obtained the construction works planning permit, but have received the construction land planning outline for the project, the saleable GFA information in respect of the project refers to the saleable GFA estimated in such construction land planning outline;

- if we have not yet obtained the construction land planning outline, but have received the government-approved design plan for the project, the saleable GFA information in respect of the project is estimated based on such government-approved design plan; and

- if we have not yet obtained any of the above documents for the project, the saleable GFA information in respect of the project is estimated based on our current development plan for the project.

GFA sold information refers to the GFA sold or pre-sold as specified in the relevant sale and purchase agreements on an aggregate basis. GFA sold information in this document does not include GFA of parking spaces.

Saleable GFA of a project relates to the GFA that may be pre-sold and sold under the PRC laws. The selling price of a residential unit is typically calculated on the basis of its saleable GFA. Total GFA of a project, however, includes not only its saleable GFA but also a wide variety of ancillary facilities associated with a project, such as hotels, entertainment facilities and commercial centers that are not for sale.

Unless the pre-sale of a project has started, we have provided estimated pre-sale commencement time for such on-going project in this document. While these estimates are based on the management's best belief and knowledge, they do not represent commitments and are subject to change. Unless a project has already been completed, we have likewise provided estimated completion time for such on-going project in this document. Similarly, while these estimates are based on the management's best belief and knowledge, they do not represent commitments and are subject to change.

BUSINESS

Project Overview

Geographical distribution of our property projects as of September 30, 2009 was as follows:

	Completed properties		Properties under development		Properties held for future development	
Province or city	Total GFA ('000 m^2)	% of total GFA (%)	Total GFA ('000 m^2)	% of total GFA (%)	Total GFA ('000 m^2)	% of total GFA (%)
Guangzhou	2,682.1	65.3	1,198.4	2.9	109.7	1.2
Other cities in Guangdong	263.7	6.4	4,475.0	10.7	—	—
Chongqing	337.8	8.2	2,365.1	5.6	971.2	10.5
Tianjin	49.9	1.2	462.8	1.1	—	—
Wuhan and adjacent areas	130.7	3.2	2,480.0	5.9	462.8	5.0
Chengdu and adjacent areas	299.2	7.3	2,157.5	5.1	—	—
Shenyang	314.7	7.7	1,360.8	3.2	1,503.1	16.2
Xi'an	—	—	1,629.5	3.9	—	—
Nanjing	9.7	0.2	1,430.7	3.4	—	—
Kunming	19.2	0.5	899.6	2.1	—	—
Qidong	—	—	11,957.0	28.5	—	—
Baotou	—	—	1,666.2	4.0	—	—
Taiyuan	—	—	932.3	2.2	915.8	9.9
Guiyang	—	—	312.6	0.7	—	—
Hefei	—	—	1,214.3	2.9	234.6	2.5
Changsha	—	—	2,946.4	7.0	—	—
Nanning	—	—	787.8	1.9	—	—
Zhengzhou	—	—	—	—	1,591.2	17.2
Luoyang	—	—	795.7	1.9	2,368.9	25.6
Nanchang	—	—	2,055.5	4.9	284.0	3.1
Shijiazhuang	—	—	797.9	1.9	819.7	8.9
Total	4,106.9	100.0	41,925.8	100.0	9,260.9	100.0

BUSINESS

As of September 30, 2009, we had completed the development of a total GFA of 4.1 million square meters since our inception. Of the 4.1 million square meters of total GFA of our completed properties as of September 30, 2009, 3.7 million square meters, constituted saleable GFA and 3.2 million square meters constituted GFA pre-sold and sold, representing 88.1% of the completed saleable GFA. As of September 30, 2009, we held an aggregate of 231,202 square meters of total GFA of our completed properties as investment properties, including 45,624 square meters of total GFA of commercial spaces and 5,544 carparks.

As of September 30, 2009, we had properties under development with a total GFA of 41.9 million square meters. We also had properties held for future development with an aggregate site area of approximately 3.3 million square meters and a total estimated GFA of 9.3 million square meters. We have entered into land grant contracts but have not obtained the land use rights certificates for such land held for future development.

The following map indicates the approximate locations of our property projects in China as of the Latest Practicable Date.

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

The table below sets forth our project-by-project information as of September 30, 2009.

No.	Project	Location	Site area (m^2)	Total GFA (m^2)	GFA (m^2)			Attributable equity interest (%)
					Completed properties	Properties under development	Properties held for future development	
	Guangdong Province							
1	Jinbi Garden No.1	Guangzhou	63,544	341,683	341,683	—	—	100
2	Jinbi Garden No.2	Guangzhou	69,146	305,722	275,521	—	30,201	100
3	Jinbi Garden No.3	Guangzhou	145,978	460,323	380,778	—	79,545	100
4	Jinbi Palace	Guangzhou	26,686	137,399	137,399	—	—	100
5	Jinbi City Plaza	Guangzhou	21,073	118,483	118,483	—	—	100
6	Jinbi Emerald Court	Guangzhou	5,409	53,453	53,453	—	—	100
7	Jinbi New City Garden	Guangzhou	120,240	428,003	428,003	—	—	100
8	Jinbi Century Garden	Guangzhou	138,116	413,021	413,021	—	—	100
9	Jinbi Bay Garden	Guangzhou	20,403	89,323	89,323	—	—	100
10	Jinbi Atrium	Guangzhou	54,930	209,005	209,005	—	—	100
11	Jinbi Junhong Garden	Guangzhou	36,357	197,013	157,575	39,438	—	100
12	Evergrande Royal Scenic Peninsula	Foshan	543,528	1,073,147	263,650	809,497	—	60
13	Evergrande Scenic Garden	Guangzhou	536,199	751,914	77,886	674,028	—	100
14	Evergrande Oasis Guangzhou	Guangzhou	111,048	484,919	—	484,919	—	100
15	Evergrande Metropolis Foshan	Foshan	171,869	861,897	—	861,897	—	100[1]
16	Evergrande Splendor Qingyuan	Qingyuan	1,801,408	2,803,581	—	2,803,581	—	100
	Chongqing Municipality							
17	Evergrande Splendor Chongqing	Chongqing	808,799	813,432	113,372	700,060	—	100
18	Evergrande City Chongqing	Chongqing	316,329	1,174,862	154,319	1,020,543	—	100
19	Evergrande Palace Chongqing	Chongqing	169,812	378,372	70,089	283,565	24,718	100
20	Evergrande Oasis Chongqing	Chongqing	91,928	465,753	—	151,714	314,039	100
21	Evergrande Metropolis Chongqing	Chongqing	191,400	841,597	—	209,188	632,409	100
	Tianjin Municipality							
22	Evergrande Splendor Tianjin	Tianjin	854,165	512,650	49,899	462,751	—	100
	Hubei Province							
23	Evergrande Splendor E'zhou	E'zhou	765,073	858,257	22,685	835,572	—	100
24	Evergrande Palace Wuhan	Wuhan	284,577	564,596	107,968	456,628	—	100[1]
25	Evergrande Oasis Wuhan	Wuhan	314,901	815,914	—	537,362	278,552	100
26	Evergrande City Wuhan	Wuhan	370,692	835,480	—	651,230	184,250	100
	Sichuan Province							
27	Evergrande Splendor Pengshan	Meishan	1,205,932	1,128,470	—	1,128,470	—	100
28	Evergrande Oasis Chengdu	Chengdu	142,145	629,449	158,542	470,907	—	100
29	Evergrande City Chengdu	Chengdu	169,501	698,761	140,637	558,124	—	100
	Liaoning Province							
30	Evergrande Oasis Shenyang	Shenyang	602,130	2,291,000	157,972	674,537	1,458,491	100
31	Evergrande City Shenyang	Shenyang	355,000	887,500	156,702	686,231	44,567	100

(1) We have entered into a co-development agreement with Chow Tai Fook Group affiliates for this project. For further details, you may refer to the section entitled "Corporate History — Reorganization — Co-Development of Projects" in this document.

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

No.	Project	Location	Site area (m^2)	Total GFA (m^2)	GFA (m^2)			Attributable equity interest (%)
					Completed properties	Properties under development	Properties held for future development	
	Shaanxi Province							
32	Evergrande Metropolis Xi'an	Xi'an	78,574	309,079	—	309,079	—	100
33	Evergrande Oasis Xi'an	Xi'an	207,175	630,070	—	630,070	—	65
34	Evergrande City Xi'an	Xi'an	162,471	690,339	—	690,339	—	60
	Jiangsu Province							
35	Evergrande Splendor Nanjing	Nanjing	983,033	1,133,523	9,682	1,123,841	—	100
36	Evergrande Oasis Nanjing	Nanjing	137,098	306,862	—	306,862	—	100
37	Evergrande Splendor Qidong	Qidong	5,978,624	11,957,045	—	11,957,045	—	100
	Yunnan Province							
38	Evergrande Splendor Kunming	Kunming	660,891	918,832	19,237	899,595	—	100
	Inner Mongolia Autonomous Region							
39	Evergrande Palace Baotou	Baotou	437,925	1,666,225	—	1,666,225	—	100
	Shanxi Province							
40	Evergrande Oasis Taiyuan	Taiyuan	691,797	1,848,044	—	932,279	915,765	100
	Guizhou Province							
41	Evergrande Oasis Guiyang	Guiyang	146,825	312,583	—	312,583	—	100
	Anhui Province							
42	Evergrande Palace Hefei	Hefei	142,578	516,088	—	281,488	234,600	100
43	Evergrande City Hefei	Hefei	310,929	932,787	—	932,787	—	60
	Hunan Province							
44	Evergrande Palace Changsha	Changsha	144,978	495,207	—	495,207	—	51
45	Evergrande Metropolis Changsha	Changsha	185,376	840,914	—	840,914	—	100
46	Evergrande City Changsha	Changsha	268,506	862,833	—	862,833	—	51
47	Evergrande Oasis Changsha	Changsha	144,187	747,484	—	747,484	—	100
	Guangxi Zhuang Autonomous Region							
48	Evergrande Oasis Nanning	Nanning	341,449	787,756	—	787,756	—	80
	Henan Province							
49	Evergrande Oasis Zhengzhou	Zhengzhou	438,667	1,591,151	—	—	1,591,151	80
50	Evergrande Oasis Luoyang	Luoyang	892,080	3,164,544	—	795,677	2,368,867	100
	Jiangxi Province							
51	Evergrande City Nanchang	Nanchang	976,800	1,367,526	—	1,367,526	—	51
52	Evergrande Oasis Nanchang	Nanchang	1,620,008	972,005	—	687,986	284,019	100
	Hebei Province							
53	Evergrande City Shijiazhuang	Shijiazhuang	245,414	950,972	—	131,266	819,706	100
54	Evergrande Splendor Shijiazhuang	Shijiazhuang	666,667	666,667	—	666,667	—	85
Sub-total			26,370,370	55,293,514	4,106,884	41,925,751	9,260,880	
Total			26,370,370	55,293,514	4,106,884	51,186,631		

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

Completed Properties

Our completed properties represent all properties we have completed since our inception. As of September 30, 2009, we had completed the development of the following 25 property projects with a total GFA of approximately 4.1 million square meters, of which approximately 3.7 million square meters constituted saleable GFA and approximately 3.3 million square meters constituted GFA pre-sold and sold, representing 88.1% of saleable GFA. As of September 30, 2009, we held an aggregate of 231,202 square meters of total GFA of our completed properties as investment properties, including 45,624 square meters of total GFA of commercial spaces and 5,544 carparks. We set forth below the details of these property projects.

No.	Project	Project phase	Completion time	Total GFA ('000 m^2)	Attributable equity interest (%)	Saleable GFA ('000 m^2)	GFA pre-sold and sold ('000 m^2)	GFA unsold (m^2)	Rentable GFA (m^2)	Ref. to Property Valuation Report
1	Jinbi Garden No.1, Guangzhou	1–5	Mar 2005	341.7	100	304.0	303.0	1,011	32,454	1, 4, 14
2	Jinbi Garden No.2, Guangzhou	1–5	Sep 2003	275.5	100	251.3	251.3	—	8,033	2
3	Jinbi Garden No.3, Guangzhou	1–4	May 2007	380.8	100	329.0	329.0	—	13,648	3, 15
4	Jinbi Palace, Guangzhou	1–3	Nov 2004	137.4	100	116.8	116.1	727	19,551	6, 17
5	Jinbi City Plaza, Guangzhou	1	Jun 2006	118.5	100	79.5	79.5	—	23,553	5
6	Jinbi Emerald Court, Guangzhou	1	Dec 2006	53.5	100	40.0	40.0	—	12,353	7
7	Jinbi New City Garden, Guangzhou	1–5	Nov 2008	428.0	100	358.2	356.9	1,281	38,963	8, 18
8	Jinbi Century Garden, Guangzhou	1–5	Jun 2008	413.0	100	353.6	353.6	—	31,208	9, 16
9	Jinbi Bay Garden, Guangzhou	1–2	Mar 2007	89.3	100	78.8	78.7	137	7,685	10, 20
10	Jinbi Atrium, Guangzhou	1–5	Mar 2007	209.0	100	175.2	175.0	251	24,803	11, 19
11	Jinbi Junhong Garden, Guangzhou	1	Apr 2008	157.6	100	142.3	137.4	4,967	8,151	12, 21
12	Evergrande Royal Scenic Peninsula, Guangzhou	1	Jun 2008	263.7	60	238.2	154.8	83,402	10,801	13, 22
13	Evergrande Scenic Garden, Guangzhou	1 (partial)	Mar 2009	77.9	100	77.9	77.9	—	—	23
14	Evergrande Splendor Chongqing	1	Sep 2008	113.4	100	113.4	21.9	91,487	—	26
15	Evergrande City Chongqing	1 (partial)	Sep 2009	154.3	100	154.3	106.4	47,946	—	28
16	Evergrande Palace Chongqing	1 (partial)	Mar 2009	70.1	100	70.1	63.5	6,600	—	25
17	Evergrande Splendor Tianjin	1 (partial)	Sep 2009	49.9	100	49.9	49.6	304	—	34
18	Evergrande Splendor E'zhou	1 (partial)	Sep 2009	22.7	100	22.7	18.6	4,091	—	33
19	Evergrande Palace Wuhan	1 (partial)	Jun 2009	108.0	100	106.1	66.9	39,175	—	27
20	Evergrande Oasis Chengdu	1 (partial)	Jun 2009	158.5	100	158.5	112.9	45,605	—	24
21	Evergrande City Chengdu	1 (partial)	Dec 2008	140.6	100	140.6	93.6	47,016	—	29
22	Evergrande Oasis Shenyang	1 (partial)	Dec 2008	158.0	100	158.0	118.2	39,805	—	31
23	Evergrande City Shenyang	1 (partial)	Sep 2009	156.7	100	156.7	128.6	28,060	—	32
24	Evergrande Splendor Nanjing	1 (partial)	Sep 2009	9.7	100	9.7	9.4	235	—	35
25	Evergrande Splendor Kunming	1 (partial)	Sep 2009	19.2	100	19.2	19.2	—	—	30
	Total			4,106.9		3,704.1	3,262.0	442,101	231,202	

With respect to the table above, you should note that completed properties that are fully sold and delivered are not covered in the Property Valuation Report in Appendix IV in this document. For all of our completed projects, we have received the land use rights certificates, construction land planning permits, construction works planning permits, construction permits, pre-sale permits and certificates of completion. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project.

Properties Under Development

For all of our property projects under development, we have received the land use rights certificates. With respect to "GFA with construction permits" or "GFA under construction," we had obtained the relevant construction land planning permits, construction works planning permits and construction permits or governmental approval for early construction as of the date specified. Some of them had also received pre-sale permits. With respect to "GFA without construction permits," we had yet to obtain some or all of the relevant construction land planning permits, construction works planning permits and construction permits as of the date specified. "GFA under development with pre-sale permits" means GFA with construction permits and pre-sale permits. "GFA under development without pre-sale permits" means GFA with construction permits but without pre-sale permits. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project. The total costs incurred for each project are computed on an accrual basis; and the outstanding commitments for each project include not only our actual contractual commitments but also estimated costs in the future in order to complete the current phase of the relevant project.

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

As of September 30, 2009, we had 43 property projects under development with a total GFA of approximately 41.9 million square meters. We set forth in the table below details of these property projects.

	Project	Total GFA ('000 m^2)			Attributable equity Interest (%)	Saleable GFA ('000 m^2)	Actual or estimated construction commencement time	Actual or estimated pre-sale commencement time	Total costs incurred as of September 30, 2009	Outstanding commitments for current phase as of September 30, 2009	Ref. to Property Valuation Report
		GFA with construction permits	GFA without construction permits	Subtotal					(RMB in millions)		
	Guangdong Province										
1	Jinbi Junhong Garden	39.4	—	39.4	100	39.4	Mar 2008	Dec 2010	11.4	74.6	36
2	Evergrande Royal Scenic Peninsula	796.2	13.3	809.5	60	794.2	Mar 2005	Oct 2007	1,912.7	176.8	37
3	Evergrande Scenic Garden	598.6	75.4	674.0	100	665.1	Mar 2007	Sep 2008	743.4	485.5	38
4	Evergrande Oasis Guangzhou	483.7	1.3	484.9	100	474.7	Oct 2008	Sep 2009	768.6	477.2	41
5	Evergrande Metropolis Foshan	221.5	640.4	861.9	100[1]	857.5	Apr 2008	May 2010	—	—	40
6	Evergrande Splendor Qingyuan	1,546.5	1,257.1	2,803.6	100	2,794.4	Dec 2007	Jan 2009	1,072.0	1,071.2	39
	Chongqing Municipality										
7	Evergrande Splendor Chongqing	683.9	16.2	700.1	100	698.0	May 2007	Sep 2008	626.7	295.5	45
8	Evergrande City Chongqing	395.4	625.1	1,020.5	100	985.4	Jan 2008	Sep 2008	932.2	230.8	47
9	Evergrande Palace Chongqing	161.7	121.8	283.6	100	282.2	Aug 2007	May 2008	743.1	164.5	46
10	Evergrande Oasis Chongqing	125.2	26.6	151.7	100	149.4	Jan 2008	Sep 2009	273.5	512.4	48
11	Evergrande Metropolis Chongqing	208.7	0.5	209.2	100	209.2	Apr 2008	Aug 2009	248.8	720.1	49
	Tianjin Municipality										
12	Evergrande Splendor Tianjin	418.9	43.8	462.8	100	454.1	Sep 2007	Sep 2009	290.3	125.5	42
	Hubei Province										
13	Evergrande Splendor E'zhou	318.0	517.5	835.6	100	820.7	Jun 2007	Sep 2008	687.9	781.0	68
14	Evergrande Palace Wuhan	252.5	204.2	456.6	100[1]	456.6	Jun 2007	Apr 2008	899.2	163.3	65
15	Evergrande Oasis Wuhan	496.7	40.6	537.4	100	527.9	Oct 2007	Jun 2009	287.8	290.1	63
16	Evergrande City Wuhan	193.8	457.4	651.2	100	641.7	Dec 2007	Mar 2009	657.8	125.4	64
	Sichuan Province										
17	Evergrande Splendor Pengshan	667.1	461.4	1,128.5	100	1,126.5	Dec 2007	Jun 2009	634.2	289.8	52
18	Evergrande Oasis Chengdu	316.7	154.2	470.9	100	468.9	Apr 2007	Apr 2008	662.7	451.9	51
19	Evergrande City Chengdu	558.1	—	558.1	100	543.0	Aug 2007	Jul 2008	817.3	68.3	50
	Liaoning Province										
20	Evergrande Oasis Shenyang	545.4	129.1	674.5	100	672.5	Jun 2007	Dec 2007	589.5	739.9	62
21	Evergrande City Shenyang	439.3	247.0	686.2	100	684.2	Dec 2007	Sep 2008	754.0	411.5	61
	Shaanxi Province										
22	Evergrande Metropolis Xi'an	303.8	5.3	309.1	100	309.1	Nov 2007	Sep 2008	609.9	305.1	53
23	Evergrande Oasis Xi'an	273.2	356.9	630.1	65	627.4	Nov 2007	Sep 2008	798.8	360.1	54
24	Evergrande City Xi'an	133.7	556.6	690.3	60	685.1	Sep 2009	Sep 2009	442.6	72.5	55
	Jiangsu Province										
25	Evergrande Splendor Nanjing	489.2	634.7	1,123.8	100	1,120.0	Aug 2007	Sep 2008	1,469.9	161.8	69
26	Evergrande Oasis Nanjing	272.5	34.4	306.9	100	303.3	Dec 2007	Sep 2008	842.8	164.0	70
27	Evergrande Splendor Qidong	891.6	11,065.4	11,957.0	100	11,866.4	Mar 2010	Oct 2010	285.3	19.4	66
	Yunnan Province										
28	Evergrande Splendor Kunming	882.2	17.4	899.6	100	895.3	Nov 2007	Sep 2008	1,222.1	217.7	56

THIS WEB PROOF INFORMATION PACK IS IN DRAFT FORM. The information contained in it is incomplete and is subject to change. This Web Proof Information Pack must be read in conjunction with the section headed "Warning" on the cover of this Web Proof Information Pack.

	Project	Total GFA ('000 m^2)			Attributable equity Interest (%)	Saleable GFA ('000 m^2)	Actual or estimated construction commencement time	Actual or estimated pre-sale commencement time	Total costs incurred as of September 30, 2009	Outstanding commitments for current phase as of September 30, 2009	Ref. to Property Valuation Report
		GFA with construction permits	GFA without construction permits	Subtotal					(RMB in millions)		
	Inner Mongolia Autonomous Region										
29	Evergrande Palace Baotou	304.7	1,361.6	1,666.2	100	1,662.2	Nov 2008	Aug 2009	780.7	464.5	44
	Shanxi Province										
30	Evergrande Oasis Taiyuan	928.9	3.4	932.3	100	923.5	Dec 2007	Sep 2008	1,491.2	740.2	43
	Guizhou Province										
31	Evergrande Oasis Guiyang	308.0	4.5	312.6	100	310.7	Dec 2007	Sep 2009	267.0	289.4	59
	Anhui Province										
32	Evergrande Palace Hefei	265.0	16.5	281.5	100	279.6	Feb 2008	Jun 2009	532.2	510.2	67
33	Evergrande City Hefei	300.0	632.8	932.8	60	929.0	Sep 2009	Feb 2010	—	449.7	76
	Hunan Province										
34	Evergrande Palace Changsha	442.6	52.7	495.2	51	492.7	Jan 2008	Jan 2009	684.2	767.1	57
35	Evergrande Metropolis Changsha	731.2	109.7	840.9	100	834.5	Aug 2008	May 2009	599.7	212.0	58
36	Evergrande City Changsha	205.5	657.3	862.8	51	853.0	Aug 2009	Dec 2009	424.0	250.2	73
37	Evergrande Oasis Changsha	217.2	530.3	747.5	100	745.6	Sep 2009	Dec 2009	35.4	445.4	72
	Guangxi Zhuang Autonomous Region										
38	Evergrande Oasis Nanning	—	787.8	787.8	80	776.3	—	—	235.2	354.6	60
	Henan Province										
39	Evergrande Oasis Luoyang	373.3	422.4	795.7	100	795.7	Jan 2008	Sep 2009	191.5	723.3	71
	Jiangxi Province										
40	Evergrande City Nanchang	—	1,367.5	1,367.5	51	1,338.9	Oct 2009	Jan 2010	205.4	410.0	75
41	Evergrande Oasis Nanchang	20.9	667.1	688.0	100	683.7	Oct 2009	Mar 2010	30.0	418.8	74
	Hebei Province										
42	Evergrande City Shijiazhuang	131.3	—	131.3	100	129.3	Sep 2009	Jan 2010	55.9	213.5	77
43	Evergrande Splendor Shijiazhuang	125.0	541.7	666.7	85	663.0	Sep 2009	Mar 2010	30.0	210.0	78
	Total	17,066.9	24,858.8	41,925.8		41,569.7			24,846.8	15,414.3	

(1) We have entered into a co-development agreement with Chow Tai Fook Group affiliates for the development of this project. For further details, you may refer to the section entitled "Corporate History — Reorganization — Co-Development of Projects" in this document.

The construction commencement time in the table above is derived from the relevant construction permits or the governmental approval for early construction.

Total Saleable GFA under Construction and Saleable GFA Completed but Not Delivered

Total saleable GFA under construction refers to total GFA with construction permits that is currently undergoing construction, excluding non-saleable GFA.

As of September 30, 2009, we had a total saleable GFA completed but not delivered and saleable GFA under construction of approximately 17.3 million square meters, of which 4.8 million square meters have been pre-sold and 12.5 million square meters remained unsold. We set forth below the details of these property projects.

	Project	Saleable GFA completed but not delivered ('000 m^2)		Saleable GFA under construction ('000 m^2)			Saleable GFA completed but not delivered and saleable GFA under construction ('000 m^2)	
				With pre-sale permits		Without		
		Pre-sold (M)	Unsold (A)	Pre-sold (N)	Unsold (B)	pre-sale permits (C)	Pre-sold (M+N)	Unsold (A+B+C)
1.	Jinbi Junhong Garden	—	—	—	—	39.4	—	39.4
2.	Evergrande Royal Scenic Peninsula	6.9	94.2	278.6	121.9	208.2	285.5	424.4
3.	Evergrande Scenic Garden	3.3	—	160.3	1.1	434.3	163.6	435.4
4.	Evergrande Oasis Guangzhou	—	—	110.3	34.7	328.2	110.3	362.9
5.	Evergrande Metropolis Foshan	—	—	—	—	219.6	—	219.6
6.	Evergrande Splendor Qingyuan	—	—	271.4	349.6	914.3	271.4	1,263.9
7.	Evergrande Splendor Chongqing	5.6	91.5	164.9	19.5	497.6	170.5	608.6
8.	Evergrande City Chongqing	26.9	47.9	235.0	82.6	75.9	261.9	206.4
9.	Evergrande Palace Chongqing	11.5	6.6	67.0	27.8	65.4	78.5	99.8
10.	Evergrande Oasis Chongqing	—	—	30.1	40.4	54.7	30.1	95.0
11.	Evergrande Metropolis Chongqing	—	—	58.9	61.8	88.0	58.9	149.8
12.	Evergrande Splendor Tianjin	—	0.3	157.2	0.3	261.3	157.2	261.9
13.	Evergrande Splendor E'Zhou	6.7	4.1	86.3	144.6	85.3	93.0	233.9
14.	Evergrande Palace Wuhan	20.5	39.2	3.3	32.4	216.8	23.8	288.3
15.	Evergrande Oasis Wuhan	—	—	160.1	35.3	291.9	160.1	327.2
16.	Evergrande City Wuhan	—	—	86.5	8.9	98.5	86.5	107.3
17.	Evergrande Splendor Pengshan	—	—	295.9	33.3	335.9	295.9	369.2
18.	Evergrande Oasis Chengdu	10.8	45.6	117.5	148.1	51.2	128.3	244.9
19.	Evergrande City Chengdu	30.7	47.0	109.9	50.6	395.7	140.6	493.3
20.	Evergrande Oasis Shenyang	27.3	40.1	50.5	119.6	245.1	77.8	404.7
21.	Evergrande City Shenyang	86.8	28.1	99.7	90.8	246.7	186.5	365.6
22.	Evergrande Metropolis Xi'an	—	—	186.0	83.8	28.1	186.0	112.0
23.	Evergrande Oasis Xi'an	—	—	137.6	69.7	64.2	137.6	133.9
24.	Evergrande City Xi'an	—	—	117.7	10.5	3.4	117.7	13.9
25.	Evergrande Splendor Nanjing	6.6	0.2	148.2	120.0	220.9	154.8	341.2
26.	Evergrande Oasis Nanjing	—	—	133.7	3.0	131.8	133.7	134.9
27.	Evergrande Splendor Qidong	—	—	—	—	841.8	—	841.8
28.	Evergrande Splendor Kunming	8.3	—	301.0	26.7	552.6	309.3	579.4
29.	Evergrande Palace Baotou	—	—	100.3	101.3	102.9	100.3	204.2
30.	Evergrande Oasis Taiyuan	—	—	401.2	246.4	279.3	401.2	525.7
31.	Evergrande Oasis Guiyang	—	—	42.8	109.8	155.5	42.8	265.2
32.	Evergrande Palace Hefei	—	—	95.3	163.7	3.9	95.3	167.6
33.	Evergrande City Hefei	—	—	—	—	300.0	—	300.0
34.	Evergrande Palace Changsha	—	—	125.7	12.1	301.5	125.7	313.6
35.	Evergrande Metropolis Changsha	—	—	152.5	144.9	433.9	152.5	578.7
36.	Evergrande City Changsha	—	—	—	—	205.3	—	205.3
37.	Evergrande Oasis Changsha	—	—	—	—	217.0	—	217.0
38.	Evergrande Oasis Luoyang	—	—	84.3	38.1	250.9	84.3	289.0
39.	Evergrande Oasis Nanchang	—	—	—	—	20.9	—	20.9
40.	Evergrande City Shijiazhuang	—	—	—	—	129.3	—	129.3
41.	Evergrande Splendor Shijiazhuang	—	—	—	—	123.0	—	123.0
	Total	251.9	444.8	4,569.8	2,533.3	9,520.0	4,821.7	12,498.2

Total GFA under Construction and Delivery Schedule of Saleable GFA under Construction

As of September 30, 2009, we had a total GFA under construction of approximately 16.8 million square meters and a total saleable GFA under construction of 16.6 million square meters.

	Project	Total GFA under construction ('000 m^2)	Estimated completion date of saleable GFA under construction ('000 m^2)			
			2009	2010	2011	Total
1.	Jinbi Junhong Garden	39.4	—	39.4	—	39.4
2.	Evergrande Royal Scenic Peninsula	610.8	—	307.3	301.5	608.8
3.	Evergrande Scenic Garden	598.6	109.9	198.8	287.0	595.7
4.	Evergrande Oasis Guangzhou	483.7	—	250.8	222.3	473.2
5.	Evergrande Metropolis Foshan	221.5	—	—	219.6	219.6
6.	Evergrande Splendor Qingyuan	1,546.5	—	725.5	809.8	1,535.4
7.	Evergrande Splendor Chongqing	683.9	—	386.7	295.3	682.0
8.	Evergrande City Chongqing	395.4	—	342.4	51.1	393.5
9.	Evergrande Palace Chongqing	161.7	8.3	152.0	—	160.2
10.	Evergrande Oasis Chongqing	125.2	—	125.2	—	125.2
11.	Evergrande Metropolis Chongqing	208.7	—	99.9	108.8	208.7
12.	Evergrande Splendor Tianjin	418.9	75.0	343.9	—	418.9
13.	Evergrande Splendor E'Zhou	318.0	156.0	160.1	—	316.1
14.	Evergrande Palace Wuhan	252.5	12.8	122.2	117.5	252.5
15.	Evergrande Oasis Wuhan	496.7	—	300.9	186.4	487.3
16.	Evergrande City Wuhan	193.8	—	193.8	—	193.8
17.	Evergrande Splendor Pengshan	667.1	—	480.9	184.2	665.1
18.	Evergrande Oasis Chengdu	316.7	28.9	99.6	188.2	316.7
19.	Evergrande City Chengdu	558.1	67.6	146.4	342.3	556.2
20.	Evergrande Oasis Shenyang	417.2	109.6	98.8	206.8	415.2
21.	Evergrande City Shenyang	439.3	21.7	125.6	289.9	437.3
22.	Evergrande Metropolis Xi'an	303.8	64.9	128.4	104.7	298.0
23.	Evergrande Oasis Xi'an	273.2	42.0	168.0	61.5	271.5
24.	Evergrande City Xi'an	133.7	—	131.6	—	131.6
25.	Evergrande Splendor Nanjing	489.2	173.4	167.3	148.4	489.2
26.	Evergrande Oasis Nanjing	272.5	117.6	65.8	85.2	268.5
27.	Evergrande Splendor Qidong	891.6	—	—	841.8	841.8
28.	Evergrande Splendor Kunming	882.2	28.5	701.9	150.0	880.4
29.	Evergrande Palace Baotou	304.7	—	147.1	157.3	304.4
30.	Evergrande Oasis Taiyuan	928.9	163.3	328.3	435.3	926.9
31.	Evergrande Oasis Guiyang	308.0	—	308.0	—	308.0
32.	Evergrande Palace Hefei	265.0	—	112.6	150.4	263.0
33.	Evergrande City Hefei	300.0	—	300.0	—	300.0
34.	Evergrande Palace Changsha	442.5	7.0	125.1	307.2	439.3
35.	Evergrande Metropolis Changsha	731.2	5.1	399.8	326.3	731.2
36.	Evergrande City Changsha	205.5	—	5.1	200.2	205.3
37.	Evergrande Oasis Changsha	217.2	—	5.1	211.9	217.0
38.	Evergrande Oasis Luoyang	373.3	—	317.9	55.5	373.3
39.	Evergrande Oasis Nanchang	20.9	—	20.9	—	20.9
40.	Evergrande City Shijiazhuang	131.3	—	129.3	—	129.3
41.	Evergrande Splendor Shijiazhuang	125.0	—	123.0	—	123.0
	Total	16,753.3	1,191.5	8,385.2	7,046.4	16,623.1

Properties Held for Future Development

We had 15 projects held for future development as of the Latest Practicable Date. We have entered into a land grant contract or a land transaction confirmation letter but have not obtained the land use rights certificates for the relevant land. These properties were meant for future development and had an aggregate site area of approximately 3.3 million square meters and an estimated total GFA of 9.3 million square meters as of September 30, 2009.

We set forth in the table below further information about our properties held for future development as of September 30, 2009. The total GFA with respect to each project included in our properties held for future development represents estimates by our management on the basis of our current development plans formulated pursuant to the relevant land grant contracts.

	Project	Location	Site area (m^2)	Total estimated GFA (m^2)	Attributable equity interest (%)	Ref. to Property Valuation Report
Guangdong Province						
1.	Jinbi Garden No. 2 Commercial Plaza	Guangzhou	7,932	30,201	100	79
2.	Jinbi Garden No. 3 Phase 5	Guangzhou	26,590	79,545	100	80
Chongqing Municipality						
3.	Evergrande Palace Chongqing	Chongqing	9,442	24,718	100	83
4.	Evergrande Oasis Chongqing	Chongqing	55,614	314,039	100	84
5.	Evergrande Metropolis Chongqing	Chongqing	155,852	632,409	100	85
Hubei Province						
6.	Evergrande Oasis Wuhan	Wuhan	97,666	278,552	100	88
7.	Evergrande City Wuhan	Wuhan	92,858	184,250	100	89
Liaoning Province						
8.	Evergrande Oasis Shenyang	Shenyang	311,406	1,458,491	100	87
9.	Evergrande City Shenyang	Shenyang	23,903	44,567	100	86
Shanxi Province						
10.	Evergrande Oasis Taiyuan	Taiyuan	252,586	915,765	100	82
Anhui Province						
11.	Evergrande Palace Hefei	Hefei	61,547	234,600	100	90
Henan Province						
12.	Evergrande Oasis Zhengzhou	Zhengzhou	438,667	1,591,151	80	92
13.	Evergrande Oasis Luoyang	Luoyang	594,420	2,368,867	100	93
Jiangxi Province						
14.	Evergrande Oasis Nanchang	Nanchang	948,262	284,019	100	96
Hebei Province						
15.	Evergrande City Shijiazhuang	Shijiazhuang	195,413	819,706	100	95
	Total		3,272,157	9,260,880		

For all of our projects held for future development, we have entered into a land grant contract or a land transaction confirmation letter. We had not, however, received the land use rights certificates, construction land planning permits, construction works planning permits and construction permits as of the Latest Practicable Date. You may refer to each referenced project in "Appendix IV — Property Valuation Report" for more detailed disclosure on the specific approvals and certificates obtained, or the lack thereof, for such project.

Product Series

Over the years, we have developed and introduced various distinctive product series to the market, including:

- ***High-end series.*** This series consists mainly of products of Evergrande Palace (恒大華府) series. Properties of this series account for approximately 10% of the number of our current projects. They are positioned as high-end urban residential projects targeting high-income residents. Typically situated in the prime locations of existing urban areas, or areas with significant future value appreciation potential within large cities, these projects generally include garden houses and condominiums. Most of them are large units with the highest and most luxury design and construction standards. Usually, these projects are fully equipped with facilities and services of superior standard, including large luxurious clubhouse, commerce and education facilities.

- ***Mid- to mid-high-end series.*** This series consists mainly of products of Evergrande Oasis (恒大綠洲) series, Evergrande Metropolis (恒大名都) series and Evergrande City (恒大城) series. Properties of this series account for approximately 70% of the number of our current projects. They are positioned as large residential complexes with a full range of ancillary facilities and services. Typically located in the sub-central urban areas with comprehensive infrastructure and easy transportation network, these projects generally include multi-storey, mid-rise, mid-to-high-rise and high-rise apartments. They are usually equipped with large clubhouses, sports centers, kindergartens, commercial streets and other living facilities.

- ***Tourism-related series.*** This series consists mainly of products of Evergrande Splendor (恒大金碧天下) series. Properties of this series account for approximately 20% of the number of our current projects. They are positioned as large resort projects offering a mix of tourism, resort, commercial and residential-related properties. Typically located in or close to the key transportation network within urban cities with population of over five million, and in areas with beautiful natural surroundings of rivers, lakes or mountains, and unique eco landscape resources, these projects generally include low-density houses, garden houses, mid-rise and high-rise apartments. They are usually equipped with comprehensive ancillary facilities with a total GFA of over 100,000 square meters which include upscale hotels, conference centers, health centers, entertainment centers, food centers, commercial centers, sports centers and regional public transportation systems.

- ***Completed projects prior to 2008.*** Our projects completed prior to 2008 consist mostly of products of Jinbi (金碧) series. Most of these completed residential property developments are located in Guangzhou.

We design and develop all of our product series under our standardized management and market them under the brand name of "Evergrande" on a nationwide basis. We also market products of these series under different project names.

BUSINESS

Within our product series, we mainly develop five types of residential properties:

- villas, which are typically independent houses with one or three stories;
- semi-detached villas, which are typically two separate houses that share a common wall;
- townhouses, which are typically connected houses of more than two units;
- condominiums, which are typically low-rise residential buildings of four to 18 stories; and
- high-rise residential buildings, which are typically higher than 18 stories.

Project Description — Guangdong Province

(1) ***Jinbi Garden No. 1***（第一金碧花園）

Jinbi Garden No. 1 is a residential complex located in Haizhu District in Guangzhou. This project occupies a total site area of 63,544 square meters with a total GFA of 341,683 square meters. It comprises primarily 3,921 residential units with an aggregate total GFA of 291,288 square meters, 228 commercial units with an aggregate total GFA of 25,327 square meters and 480 carparks with an aggregate total GFA of 17,963 square meters. Ancillary facilities in this project include an elementary school, a kindergarten, a cultural activity center, a community service center, an agricultural produce market, an outdoor swimming pool and other sports facilities. The total GFA of the individual residential unit ranges from 23 to 135 square meters.

We completed this project in March 2005. As of September 30, 2009, except for 11 residential units with a total GFA of 1,011 square meters, all residential units in this project had been sold.

(2) ***Jinbi Garden No. 2***（第二金碧花園）

Jinbi Garden No. 2 is a residential complex located in Haizhu District in Guangzhou, next to Jinbi Garden No. 1. This project occupies a total site area of 69,146 square meters with a total GFA of 305,722 square meters. We have divided this project into six phases.

We completed the development of phases 1 to 5 in September 2003. As of September 30, 2009, all residential units in these phases had been sold. They comprise 24 high-rise residential buildings consisting of an aggregate of 3,484 residential units with an aggregate total GFA of 247,082 square meters, 154 commercial units with an aggregate total GFA of 5,207 square meters and 88 carparks with an aggregate total GFA of 7,132 square meters. Ancillary facilities in this project include an elementary school, a kindergarten, a cultural activity center, a community service center, and sports facilities. The total GFA of the individual residential unit ranges from 27 to 127 square meters.

Phase 6 of Jinbi Garden No. 2 is held for future development and consists of a commercial center and related premises. It occupies a total site area of 7,932 square meters with an aggregate total GFA of 30,201 square meters.

(3) *Jinbi Garden No. 3*（第三金碧花園）

Jinbi Garden No. 3 is a residential complex located in Haizhu District in Guangzhou, across the street from Jinbi Garden No. 1 and Jinbi Garden No. 2. This project occupies a total site area of 145,978 square meters with an aggregate total GFA of 460,323 square meters. We have divided this project into five phases.

We have completed the development of phases 1 to 4 of this project in May 2007. As of September 30, 2009, all of the residential units had been sold. Phases 1 to 4 comprise 25 high-rise residential buildings consisting of 3,829 residential units with an aggregate total GFA of 322,775 square meters, 46 villas with an aggregate total GFA of 10,607 square meters, 143 commercial units with an aggregate total GFA of 5,864 square meters and 204 carparks with an aggregate total GFA of 12,511 square meters. Ancillary facilities in this project include a commercial center, a middle school, a kindergarten, an outdoor swimming pool, a cultural activity center, a community center and various outdoor sports grounds. The total GFA of the individual residential unit in the high-rise buildings ranges from 27 to 143 square meters and the total GFA of the individual villa ranges from 176 to 280 square meters.

Phase 5 of Jinbi Garden No. 3 is held for future development and consists of five high-rise residential buildings. It occupies a total site area of 26,590 square meters with an aggregate total GFA of 79,545 square meters.

(4) *Jinbi Palace*（金碧華府）

Jinbi Palace is a high-end residential project located in the central business district of the Tianhe Pearl River New City in Guangzhou. This project occupies a total site area of 26,686 square meters with an aggregate total GFA of 137,399 square meters. It comprises 13 high-rise residential buildings consisting of 706 residential units with an aggregate total GFA of 111,141 square meters, 18 commercial units with an aggregate total GFA of 1,694 square meters and 533 underground carparks with an aggregate total GFA of 21,983 square meters. Ancillary facilities in this project include a swimming pool with constant water temperature. The total GFA of the individual residential unit ranges from 126 to 755 square meters.

We completed this project in November 2004. As of September 30, 2009, except for one penthouse duplex unit with a total GFA of 727 square meters, all of the residential units in this project had been sold.

(5) ***Jinbi City Plaza*** **（金碧都市廣場）**

Jinbi City Plaza is a residential complex located in Haizhu District in Guangzhou, near Jinbi Garden No. 1, Jinbi Garden No. 2 and Jinbi Garden No. 3. This project occupies a total site area of 21,073 square meters with an aggregate total GFA of 118,483 square meters. It comprises eight residential-commercial dual-function buildings consisting of 1,194 residential units with an aggregate total GFA of 79,536 square meters, commercial properties located on the bottom four floors with an aggregate total GFA of 12,004 square meters and 190 underground carparks with an aggregate total GFA of 11,548 square meters. The total GFA of the individual residential unit ranges from 24 to 173 square meters.

We completed this project in June 2006. As of September 30, 2009, all residential units in this project had been sold.

(6) *Jinbi Emerald Court*（金碧翡翠華庭）

Jinbi Emerald Court is a residential complex located in Tianhe District in Guangzhou. This project occupies a total site area of 5,409 square meters with an aggregate total GFA of 53,453 square meters. It comprises three high-rise residential buildings consisting of 464 residential units with an aggregate total GFA of 37,133 square meters, commercial properties located on the bottom five floors with an aggregate total GFA of 11,367 square meters and underground carparks with an aggregate total GFA of 3,981 square meters. Ancillary facilities in this project include restaurants and entertainment facilities. The total GFA of the individual residential unit ranges from 48 to 167 square meters.

We completed this project in December 2006. As of September 30, 2009, all of the residential units in this project had been sold. The commercial properties are under leases and held as our investment properties.

(7) *Jinbi New City Garden*（金碧新城）

Jinbi New City Garden is a large-scale residential complex located in Baiyun District in Guangzhou. This project occupies a total site area of 120,240 square meters with an aggregate total GFA of 428,003 square meters. It comprises 49 residential buildings consisting of an aggregate of 4,492 residential units with an aggregate total GFA of 342,108 square meters, 516 commercial units with an aggregate total GFA of 16,790 square meters and 1,294 carparks with an aggregate total GFA of 35,415 square meters. Ancillary facilities in this project include a clubhouse, a community service center, a shopping center, an elementary school, a kindergarten and sport facilities. The total GFA of the individual residential unit ranges from 24 to 107 square meters.

We have divided Jinbi New City Garden into five phases. We completed phases 1 to 4 in May 2007. Phases 1 to 4 include 3,888 residential units with an aggregate total GFA of 296,590 square meters. As of September 30, 2009, all of the residential units in these phases had been sold. The commercial properties have a total GFA of 13,505 square meters. As of September 30, 2009, other than two commercial retail units with an aggregate total GFA of 310 square meters held as our investment properties, all remaining commercial properties had been sold.

We completed phase 5 in June 2008. It comprises three high-rise residential buildings consisting of 604 residential units with an aggregate total GFA of 45,518 square meters, 49 commercial units with an aggregate total GFA of 3,485 square meters and an underground area with an aggregate total GFA of 27,277 square meters. As of September 30, 2009, except for 16 residential units with an aggregate total GFA of 1,281 square meters, all of the residential units in this project had been sold.

(8) ***Jinbi Century Garden***（金碧世紀花園）

Jinbi Century Garden is a large-scale residential complex located in Huangpu District in Guangzhou, next to the main avenue in Huangpu District, Zhongshan Avenue. This project occupies a total site area of 138,116 square meters with an aggregate total GFA of 413,021 square meters. It comprises 31 residential buildings consisting of 4,168 residential units with an aggregate total GFA of 346,498 square meters, 134 commercial units with an aggregate total GFA of 4,579 square meters and 1,270 carparks with an aggregate total GFA of 34,423 square meters. Ancillary facilities in the project include a grand outdoor garden swimming pool, other sports facilities, an elementary school and a kindergarten. The total GFA of the individual residential unit ranges from 23 to 221 square meters.

We have divided Jinbi Century Garden into five phases. We completed phases 1 to 4 in June 2007. Phases 1 to 4 include 26 residential buildings with an aggregate total GFA of 339,794 square meters. As of September 30, 2009, all residential units in these phases had been sold.

We completed phase 5 in June 2008. It comprises five high-rise residential buildings consisting of 369 residential units with an aggregate total GFA of 54,465 square meters and an underground area with an aggregate total GFA of 18,762 square meters. As of September 30, 2009, all residential units in this phase had been sold.

(9) ***Jinbi Bay Garden***（金碧灣）

Jinbi Bay Garden is a high-end riverside residential project located in Haizhu District in Guangzhou, facing one of the eight best sightseeing attractions in Guangzhou — "Night View over the White Goose Pond." This project occupies a total site area of 20,403 square meters with an aggregate total GFA of 89,323 square meters. It comprises 12 residential buildings consisting of 920 residential units with an aggregate total GFA of 78,132 square meters and 235 carparks with an aggregate total GFA of 8,152 square meters. Ancillary facilities in the project include an outdoor swimming pool. The total GFA of the individual residential unit ranges from 23 to 171 square meters.

We completed this project in March 2007. As of September 30, 2009, except for two residential units with a total GFA of 137 square meters, all of the residential units in this project had been sold.

(10) *Jinbi Atrium*（金碧雅苑）

Jinbi Atrium is a residential complex located in Baiyun District in Guangzhou, close to the scenic area of Baiyun mountain and Baiyun New City. This project occupies a total site area of 54,930 square meters with an aggregate total GFA of 209,005 square meters. It comprises 27 residential buildings consisting of 2,279 residential units with an aggregate total GFA of 174,156 square meters and 779 carparks with an aggregate total GFA of 24,803 square meters. Ancillary facilities in the project include integrated commercial buildings, a kindergarten, an outdoor swimming pool and sports facilities. The total GFA of the individual residential unit ranges from 35 to 180 square meters.

We completed this project in May 2007. As of September 30, 2009, except for three residential units with a total GFA of 251 square meters, all residential units in this project had been sold.

(11) *Jinbi Junhong Garden*（金碧駿鴻花園）

Jinbi Junhong Garden is a residential complex located in Huangpu District in Guangzhou. It is conveniently located along Line 5 of Guangzhou subway which is currently under construction. It has a scenic view of the Huangpu port to its south and a river view to its southeast. This project occupies a total site area of 36,357 square meters with an aggregate total GFA of 197,013 square meters. It comprises six residential buildings consisting of 1,548 residential units with an aggregate total GFA of 130,061 square meters, 74 townhouses with an aggregate total GFA of 12,304 square meters, one office tower with an aggregate total GFA of 30,675 square meters and an underground carpark area with an aggregate total GFA of 7,019 square meters. Ancillary facilities in the project include an elementary school, a kindergarten, a commercial center and an outdoor swimming pool. The total GFA of the individual residential unit in the residential buildings ranges from 33 to 136 square meters and the total GFA of the individual townhouse ranges from 163 to 170 square meters.

We have divided this project into two phases. Phase 1 comprises six residential buildings consisting of 1,548 residential units with an aggregate total GFA of 130,061 square meters and 74 townhouses with an aggregate total GFA of 12,304 square meters. We completed development of this phase in April 2008. As of September 30, 2009, except for 47 residential units and one townhouse with an aggregate total GFA of 4,967 square meters, all of the residential units in this project had been sold.

Phase 2 comprises an office tower with a total GFA of 30,675 square meters and an elementary school with a total GFA of 6,864 square meters and a kindergarten with a total GFA of 1,899 square meters. We commenced development of this phase in March 2008 and expect to commence pre-sale in December 2010.

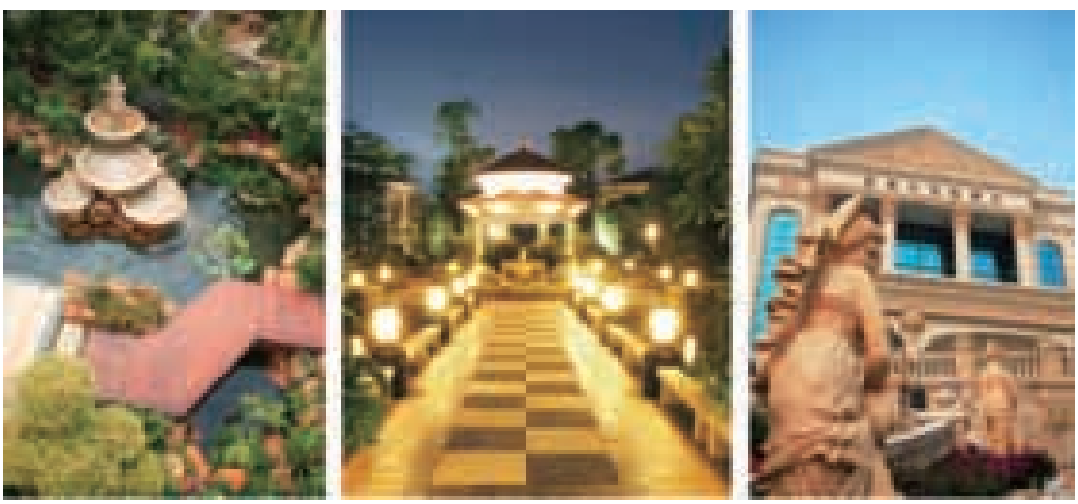
As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for phase 2 were RMB 11.4 million. The outstanding commitment for this project was RMB 74.6 million.

(12) ***Evergrande Royal Scenic Peninsula***（恒大御景半島）

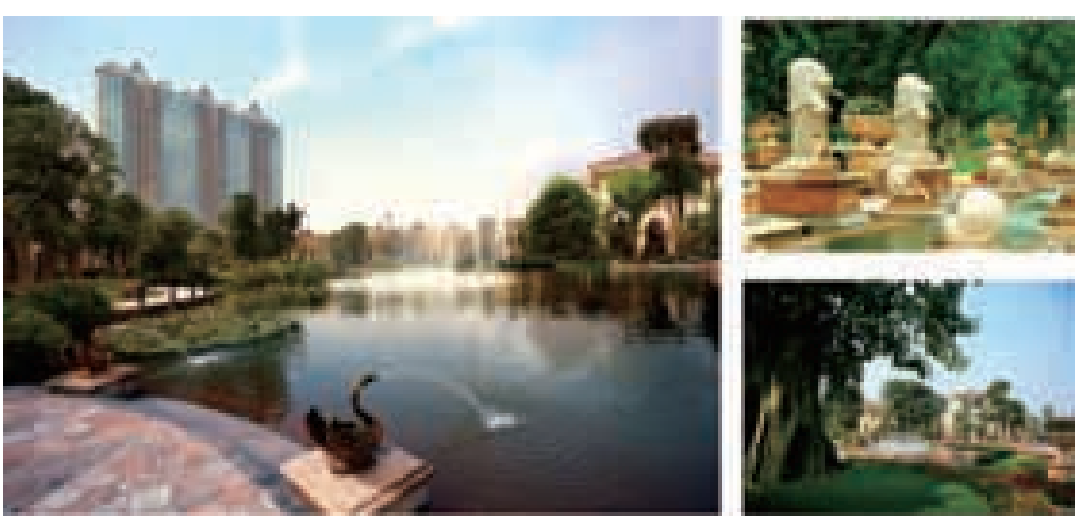
Panoramic View of Evergrande Royal Scenic Peninsula

Evergrande Royal Scenic Peninsula is positioned as a large-scale luxurious residential complex located in the ecological living community of Guangzhou, Jinshazhou area. Situated in the center of the commercial circle of Guangzhou and Foshan, this project is in a scenic area with a 2.8-kilometer coastline in the upstream area of the Pearl River. The project occupies a total site area of 543,528 square meters with an aggregate total GFA of 1,073,147 square meters. It will comprise high-rise residential buildings, villas, semi-detached villas, as well as ancillary facilities including a five-star hotel, a large-scale indoor sports complex, an elementary school affiliated to South China Normal University, two kindergartens, a shopping street, and a private boat pier.

We plan to develop this project in multiple phases. We commenced development of phase 1 in March 2005. As of September 30, 2009, phase 1 had been completed with an aggregate total GFA of 263,650 square meters. Phases 2 and 3 will have an aggregate total GFA of 498,237 square meters, and will comprise 28 high-rise residential buildings. We commenced development of phase 2 in December 2006 and expect to complete it in May 2010. We commenced development of phase 3 in March 2009 and expect to complete it in October 2010.



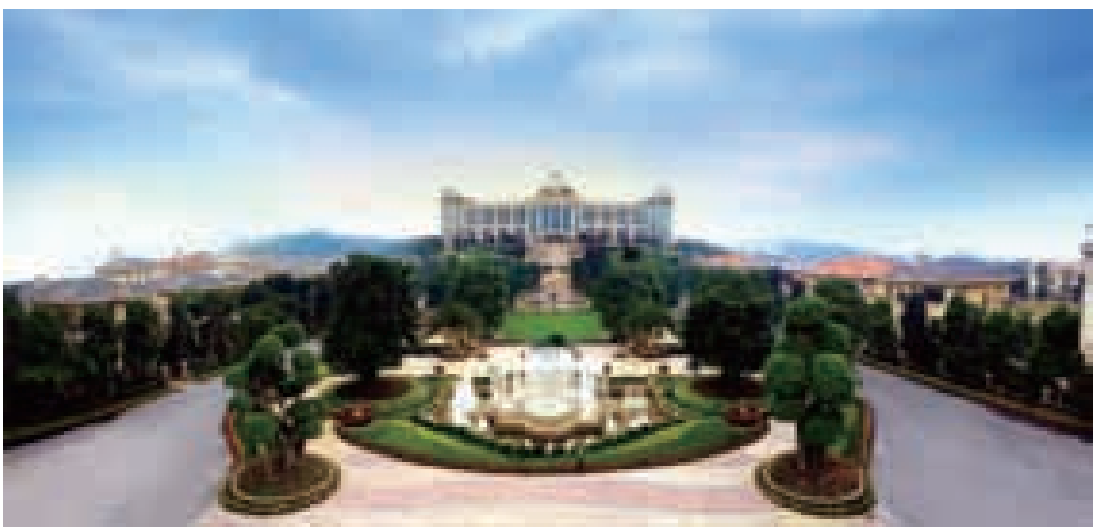
Garden View of Evergrande Royal Scenic Peninsula



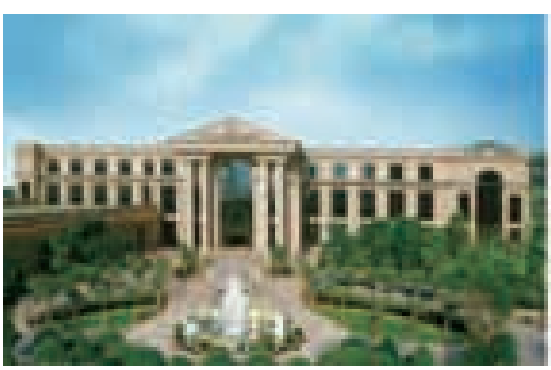
Buildings and Garden View of Evergrande Royal Scenic Peninsula Phase 1

Garden View of Evergrande Royal Scenic Peninsula

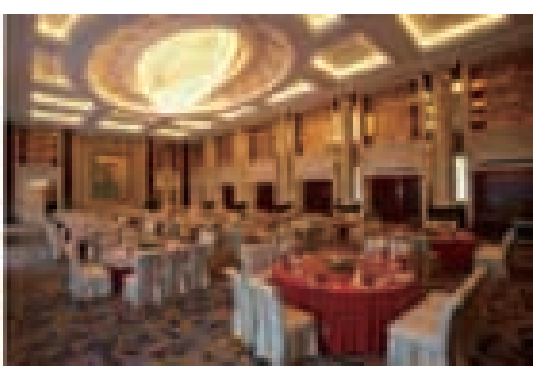
We commenced pre-sale of phase 1, phase 2 and phase 3 in October 2007, June 2008 and August 2009, respectively. As of September 30, 2009, the aggregate total GFA pre-sold and sold was 433,452 square meters, and the total contracted sales amounted to RMB 4.8 billion.



Hengda Hotel of Evergrande Royal Scenic Peninsula



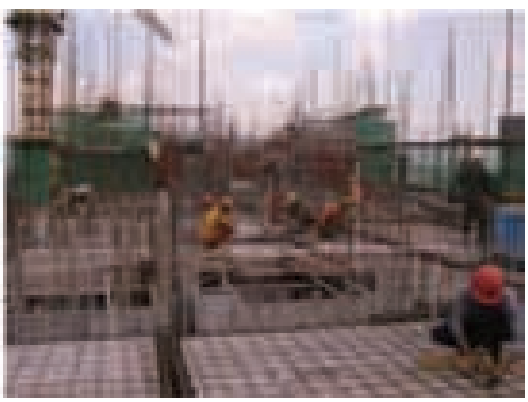
Sports Center of Evergrande Royal Scenic Peninsula



Function Room of Hengda Hotel of Evergrande Royal Scenic Peninsula

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 1,912.7 million. The outstanding commitment for this project was RMB 176.8 million.

Construction Site of Evergrande Royal Scenic Peninsula Phase 2



Construction Site of Evergrande Royal Scenic Peninsula Phase 3

(13) ***Evergrande Scenic Garden***（恒大山水城）

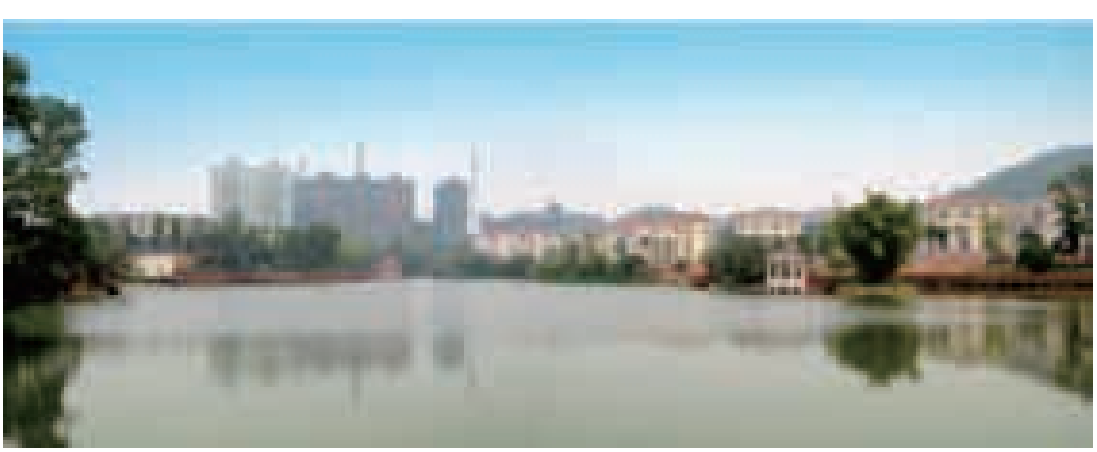
Panoramic View of Evergrande Scenic Garden Phase 1

Evergrande Scenic Garden is positioned as a large-scale natural ecological resort property with a full range of facilities. It is located in Zengcheng, Guangzhou, being an integrated part of the 45-minute living circle of Guangzhou. Surrounded by mountains on four sides, with two lakes and one natural reservoir, the project is situated in a unique natural environment close to highways. This project occupies a total site area of 536,199 square meters with an aggregate

total GFA of 751,914 square meters. It will comprise villas, semi-detached villas, townhouses, condominiums, high-rise residential buildings, as well as ancillary facilities including an upscale hotel, two kindergartens, a business center and outdoor sports facilities.

High-rise Residential Buildings and Garden View of Evergrande Scenic Garden Phase 1

We plan to develop this project in three phases. Phases 1 and 2 will have an aggregate total GFA of 533,900 square meters, and will comprise villas, high-rise residential buildings, as well as ancillary facilities such as an upscale hotel. We commenced development of phase 1 in March 2007. As of September 30, 2009, we had completed an aggregate total GFA of 77,886 square meters in this phase.

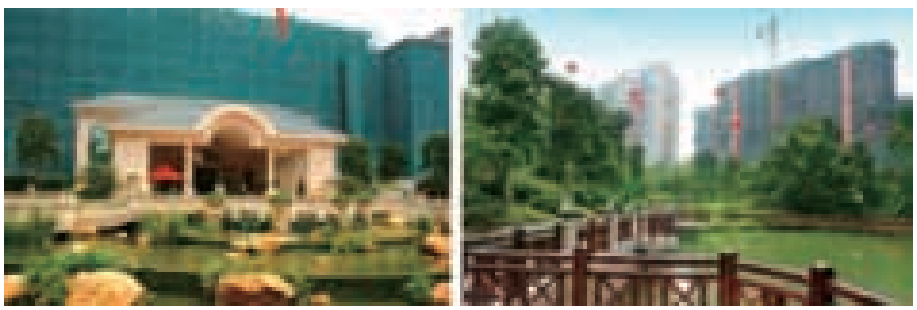


Garden View of Evergrande Scenic Garden

Construction Site of Villa of Evergrande Scenic Garden

We commenced pre-sale of phase 1 in September 2008. As of September 30, 2009, the total GFA pre-sold and sold was 238,190 square meters, and the total contracted sales amounted to RMB 1.1 billion.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 743.4 million. The outstanding commitment for this project was RMB 485.5 million.



Construction Site of Hengda Hotel and Condominiums
Evergrande Scenic Garden and Phase 1

(14) ***Evergrande Oasis Guangzhou***（廣州恒大綠洲）

Evergrande Oasis Guangzhou is positioned as a high-class riverside residential complex located in Baiyun District in Guangzhou. It is in the Jinshazhou area which is the focus of the local government for residential development. This project faces the Pearl River, and is close to Subway Line 6, which is currently under construction. This project occupies a total site area of 111,048 square meters with an aggregate total GFA of 484,919 square meters. It will comprise garden-view villas, condominiums, high-rise residential buildings, as well as ancillary facilities including a large-scale commercial center, a kindergarten and clubhouse.

We plan to develop this project in three phases. Phases 1 and 2 will have an aggregate total GFA of 373,657 square meters, and will comprise garden-view villas, condominiums, high-rise residential buildings as well as ancillary facilities including an elementary school, a kindergarten and a clubhouse. We commenced development of phase 1 in October 2008 and expect to complete it in June 2010.

Construction Site of Evergrande Oasis Guangzhou

We commenced pre-sale of phase 1 in September 2009. As of September 30, 2009, the total GFA pre-sold was 110,273 square meters, and the total contracted sales amounted to RMB 1.1 billion.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 768.6 million. The outstanding commitment for this project was RMB 477.2 million.

(15) ***Evergrande Metropolis Foshan***（佛山恒大名都）

Evergrande Metropolis Foshan is positioned as a well-equipped and garden-style residential complex, next to our Evergrande Royal Scenic Penninsula. The project is close to the Pearl River and surrounded by an attractive natural environment with greenery and hills. It is conveniently located adjacent to the main roads and subway lines which are currently under construction. This project occupies a total site area of 171,869 square meters with an aggregate total GFA of 861,897 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a large-scale commercial center and a kindergarten.

We plan to develop this project in three phases. Phase 1 will have an aggregate total GFA of 383,400 square meters, and will comprise condominiums, high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a large-scale commercial center and a kindergarten.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were nil. The outstanding commitment for this project was nil.

(16) ***Evergrande Splendor Qingyuan***（清遠恒大金碧天下）

Evergrande Splendor Qingyuan is positioned as a large-scale ecological living community with facilities for residence, vacation, business convention, and casual outing. This project is located in the Qingxin county of Qingyuan city, adjacent to State 4A-graded Scenery Area of Qingxin hot spring resort, with easy access to multiple highways as well as light rails under construction. This project occupies a total site area of 1,801,408 square meters with an aggregate total GFA of 2,803,581 square meters. It will comprise villas, semi-detached villas, townhouses, garden-view villas and high-rise residential buildings, as well as ancillary facilities including an upscale hotel, a convention center, a food center, a sports center, a recreation center, a fitness center and a commercial center. We expect to acquire additional land use rights in the adjacent areas at a reasonable cost to further develop this project.

Panoramic View of Hengda Hotel Evergrande Splendor Qingyuan

Business Center of Evergrande Splendor Qingyuan

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 739,581 square meters, and will comprise villas and condominiums, as well as ancillary facilities including six complexes, a hotel and a kindergarten. We commenced development of phase 1 in December 2007 and expect to complete it in June 2010. We expect to commence development of phase 2 in August 2009 and complete it in December 2010.

Garden View of Evergrande Splendor Qingyuan

We commenced pre-sale of phase 1 and phase 2 in January 2009 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 271,434 square meters, and the total contracted sales amounted to RMB 873 million.

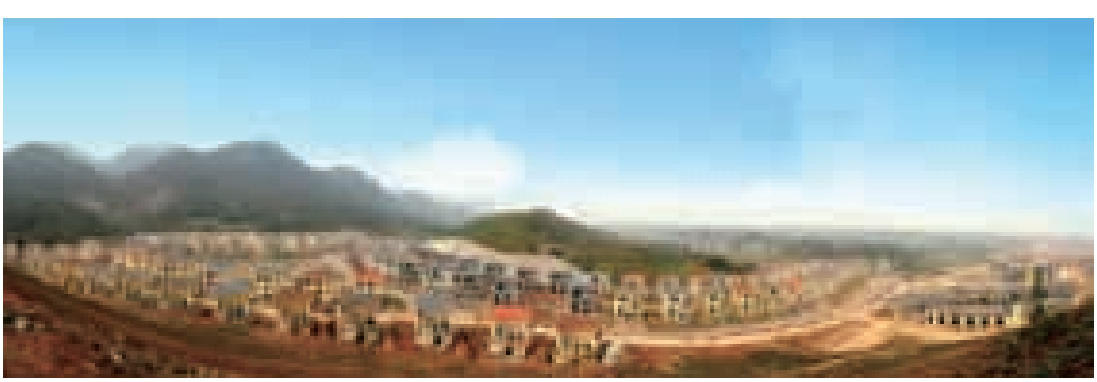
Condominiums and Front Gate of Evergrande Splendor Qingyuan Phase 1

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 1,072.0 million. The outstanding commitment for this project was RMB 1,071.2 million.

Project Description — Chongqing

(17) ***Evergrande Splendor Chongqing***（重慶恒大金碧天下）

Evergrande Splendor Chongqing is positioned as a large-scale ecological living community with facilities for residence, vacation, business convention, and casual outing. The project site is located in the Shuangfu Industrial Park of Jiangjin City of Chongqing. It is adjacent to the State 4A-Graded Scenery Area of the Jinyun Mountain and surrounded by multiple lakes, with convenient access to the center of the city via multiple highways.



Panoramic View of the Villas of Evergrande Splendor Chongqing Phase 1

This project occupies a total site area of 808,799 square meters with an aggregate total GFA of 813,432 square meters. It will comprise villas, semi-detached villas, townhouses, garden-view villas, condominiums and high-rise residential buildings as well as ancillary facilities including an upscale hotel and six complexes. We plan to acquire additional land use rights in the adjacent areas at a reasonable cost to further develop this project.

Six Centers of Evergrande Splendor Chongqing

We plan to develop this area in multiple phases. Phase 1 will have an aggregate total GFA of 416,505 square meters and will comprise villas, semidetached villas, townhouse, condominiums and high-rise residential buildings as well as ancillary facilities including an upscale hotel and six complexes. We commenced development of phase 1 in May 2007. As of September 30, 2009, we had completed an aggregate total GFA of 113,372 square meters in this phase. We expect to commence development of phase 2 in May 2010, and expect to complete it in June 2012.

Villas of Evergrande Splendor Chongqing Phase 1

We commenced pre-sale of phase 1 in September 2008. As of September 30, 2009, the total GFA pre-sold and sold was 186,798 square meters, and the total contracted sales amounted to RMB 868 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 626.7 million. The outstanding commitment for this project was RMB 295.5 million.

(18) *Evergrande City Chongqing*（重慶恒大城）

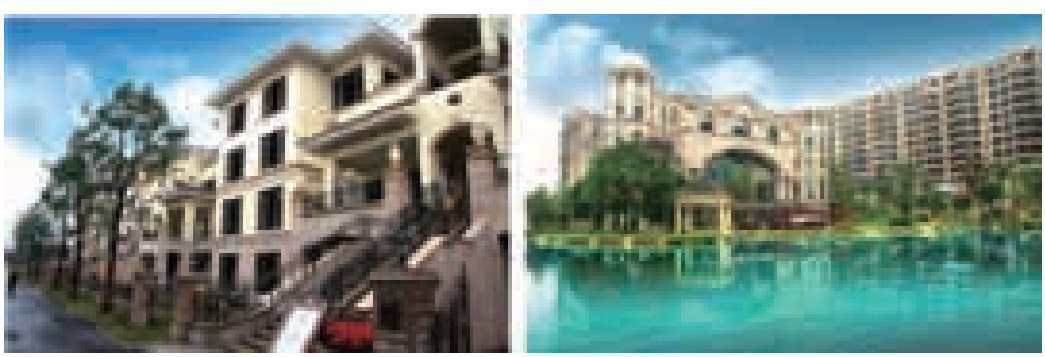
Evergrande City Chongqing is positioned as a large-scale garden-style residential community located in Banan District, with the Yangtze River to the north and Nanshan Scenic Area to the east. It is adjacent to Jiangnan University Town and the Hotspring Resort District, with a station for Light Rail No. 6 which is under construction in the vicinity.

Panoramic View of Evergrande City Chongqing Phase 1

This project occupies a total site area of 316,329 square meters with an aggregate total GFA of 1,174,862 square meters. It will comprise garden-view villas, condominiums and high-rise residential buildings, as well as ancillary facilities including a sports center, a commercial center, a kindergarten, an elementary school and a shopping street.

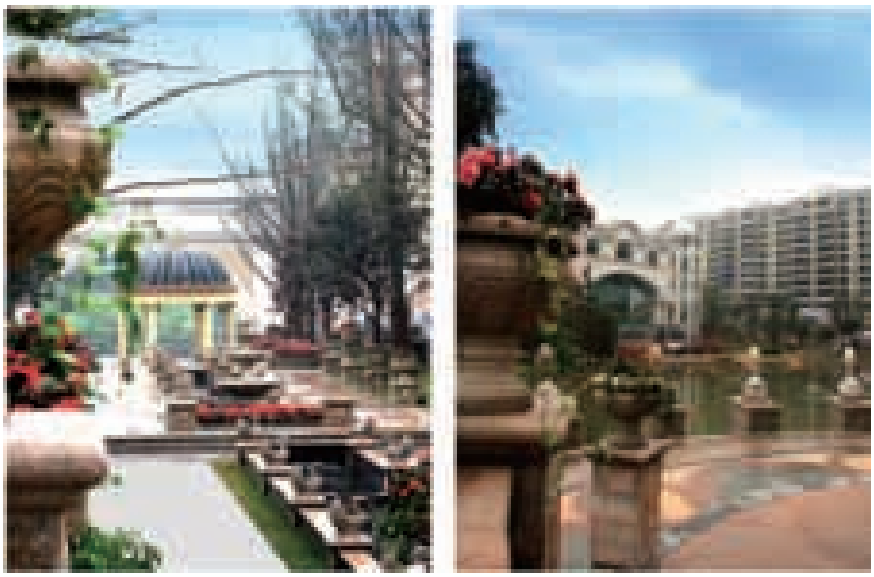
Evergrande City Chongqing Phase 1

Garden View of Evergrande City Chongqing



Clubhouse and Construction Site of Evergrande City Chongqing Phase 1

We plan to develop this project in four phases. Phase 1 will have an aggregate total GFA of 600,080 square meters and will comprise garden-view villas, condominiums, high-rise residential buildings, as well as ancillary facilities including a clubhouse, a sports center and an elementary school. We commenced development of this phase in January 2008. As of September 30, 2009, we had completed an aggregate total GFA of 154,319 square meters in this phase.



Garden View of Evergrande City Chongqing

We commenced pre-sale of phase 1 in September 2008. As of September 30, 2009, the total GFA pre-sold and sold was 341,332 square meters, and the total contracted sales amounted to RMB 1.4 billion.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 932.2 million. The outstanding commitment for this project was RMB 230.8 million.

(19) *Evergrande Palace Chongqing*（重慶恒大華府）

Evergrande Palace Chongqing is positioned as an upscale residential complex located in northern Chongqing, which is a new development area designated as a core zone of economic growth by the government. Situated in front of a botanical garden and several large ecological parks, the project lies adjacent to the central business district of the new city in northern Chongqing.

Construction Site of Evergrande Palace Chongqing Phase 1

This project occupies a total site area of 169,812 square meters with an aggregate total GFA of 378,372 square meters. It will comprise garden-view villas, condominiums, as well as ancillary facilities including an upscale clubhouse, a kindergarten and an outdoor garden-view swimming pool. This project will also feature a large European-style ecological water park.

Garden View of Evergrande Palace Chongqing

We plan to develop this project in two phases. We commenced development of phase 1 in August 2007. As of September 30, 2009, we had completed an aggregate total GFA of 70,089 square meters in this phase.

We commenced pre-sale of phase 1 in July 2008. As of September 30, 2009, the total GFA pre-sold and sold was 130,468 square meters, and the total contracted sales amounted to RMB 827 million. We expect to commence pre-sale of phase 2 in May 2010.

Garden View and Construction Site of Evergrande Palace Chongqing Phase 1

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 743.1 million. The outstanding commitment for this project was RMB 164.5 million.

(20) ***Evergrande Oasis Chongqing***（重慶恒大綠洲）

Master Plan Drawing of Evergrande Oasis Chongqing

Evergrande Oasis Chongqing is positioned as a large-scale urban scenic community located at the main commercial center of the Jiulongpo District of Chongqing. It is adjacent to the Chongqing Zoo, the Jiulongpo Library and a high-speed light rail station.

This project occupies a total site area of 91,928 square meters with an aggregate total GFA of 465,753 square meters. It will comprise condominiums, high-rise residential buildings, as well as ancillary facilities including a large clubhouse and a kindergarten.

We plan to develop this project in three phases. Phase 1 will have an aggregate total GFA of 287,135 square meters and will comprise condominiums as well as ancillary facilities including a multi-functional complex and a kindergarten. We commenced development of this phase in January 2008 and expect to complete it in June 2010. We commenced pre-sale of phase 1 in September 2009. As of September 30, 2009, the total GFA pre-sold was 30,135 square meters, and the total contracted sales amounted to RMB 187 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 273.5 million. The outstanding commitment for this project was RMB 512.4 million.

(21) *Evergrande Metropolis Chongqing*（重慶恒大名都）

Master Plan Drawing of Evergrande Metropolis Chongqing

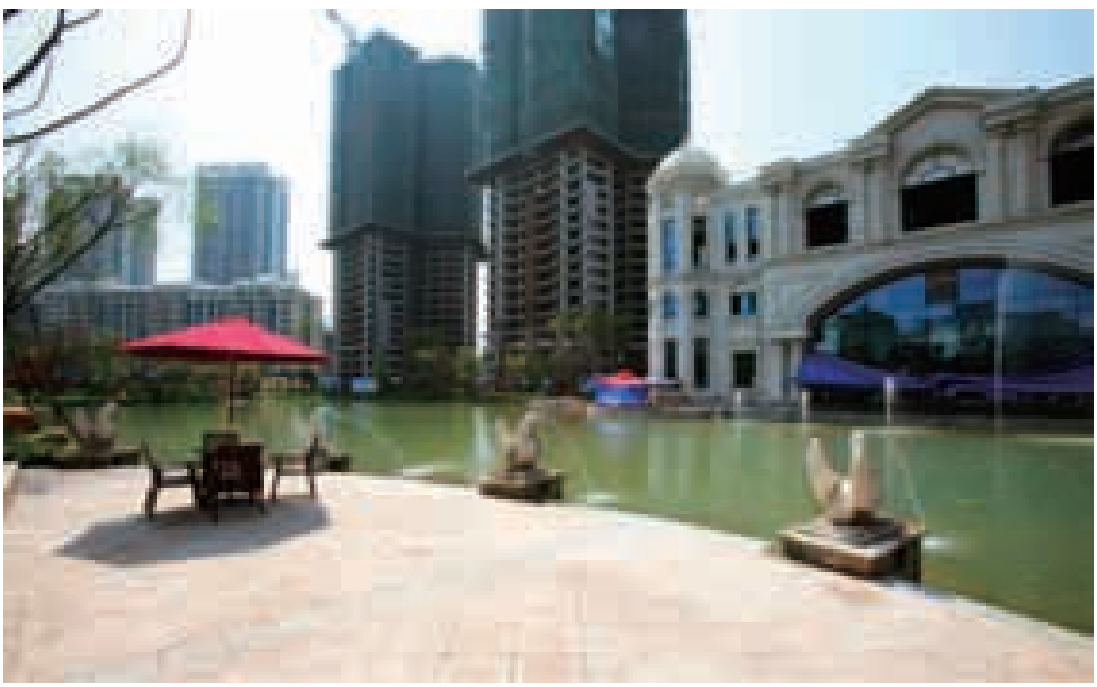
Evergrande Metropolis Chongqing is positioned as a garden-style residential community with a full range of integrated facilities. The project site is located in the commercial circle of the Yuzhong District of Chongqing, surrounded by upscale hotels and large shopping centers, and is well integrated with the transport network.

Evergrande Metropolis Chongqing Phase 1

This project occupies a total site area of 191,400 square meters with an aggregate total GFA of 841,597 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, an indoor professional sports center, a kindergarten and an elementary school.

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 209,187 square meters, and comprise condominiums, as well as ancillary facilities including a clubhouse. We commenced development of this phase in April 2008 and expect to

complete it in June 2010. We commenced pre-sale of phase 1 in August 2009. As of September 30, 2009, the total GFA pre-sold was 58,914 square meters, and the total contracted sales amounted to RMB 342 million.



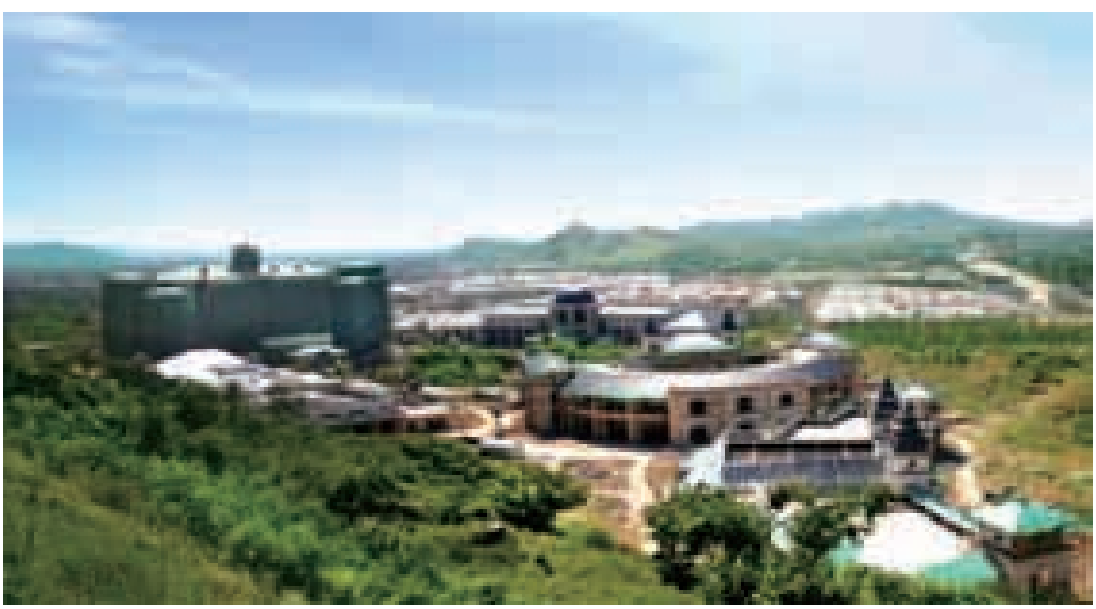
Clubhouse and Construction Site of Evergrande Metropolis Chongqing Phase 1

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 248.8 million. The outstanding commitment for this project was RMB 720.1 million.

Project Description — Tianjin

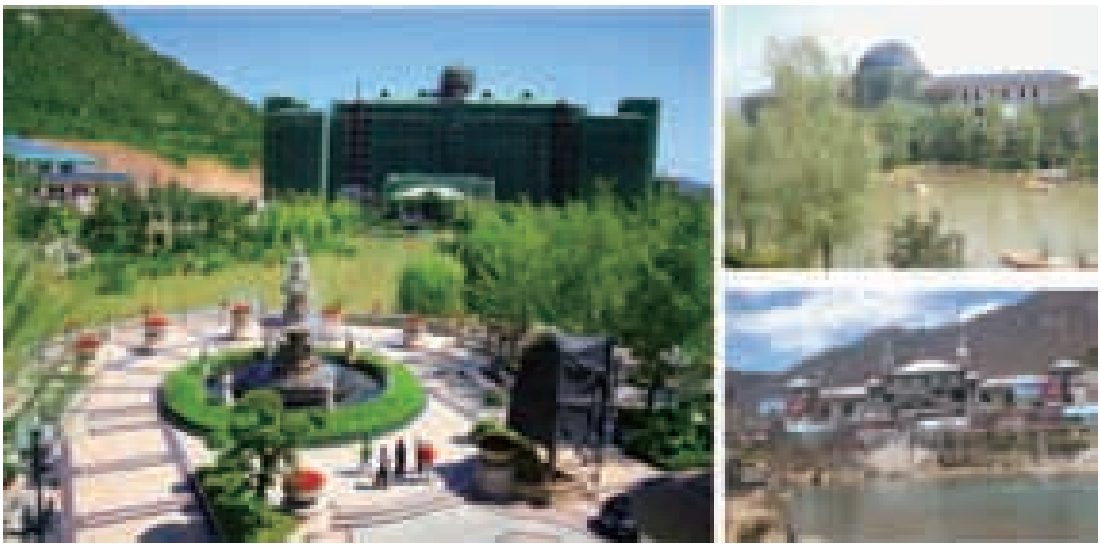
(22) *Evergrande Splendor Tianjin*（天津恒大金碧天下）

Evergrande Splendor Tianjin is positioned as a large-scale resort with convention centers adjacent to both Beijing and Tianjin. This project is located in a national 5A-graded scenic area in the Ji County of Tianjin, which is to the south of Panshan Scenic Area and adjacent to Pinggu District of Beijing. This project occupies a total site area of 854,165 square meters with an aggregate total GFA of 512,650 square meters. It will comprise villas, semi-detached villas, townhouses, and condominiums, as well as ancillary facilities including an upscale hotel and six complexes. We also plan to acquire additional land use rights in the adjacent areas at a reasonable cost to further develop this project.



Panoramic View of Evergrande Splendor Tianjin

Phase 1 will have an aggregate total GFA of 294,336 square meters and will comprise villas, semi-detached villas, and townhouses as well as ancillary facilities including six complexes and a hotel. We commenced development of this phase in September 2007. As of September 30, 2009, we had completed an aggregate total GFA of 49,899 square meters in this phase. We commenced development of phase 2 in August 2009, and expect to complete it in November 2010.



Six Complexes of Evergrande Splendor Tianjin

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold and sold was 206,822 square meters, and the total contracted sales amounted to RMB 1.2 billion.

Garden View of Evergrande Splendor Tianjin Phase 1

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 290.3 million. The outstanding commitment for this project was RMB 125.5 million.

Project Description — Wuhan and Adjacent Areas

(23) *Evergrande Splendor E'zhou*（鄂州恒大金碧天下）

Evergrande Splendor E'zhou is positioned as a large-scale resort project, with facilities for residence, vacation, business convention and entertainment. Located by the Honglian Lake with two peninsulas, it has easy access to Wuhan Optics Valley High-Tech Development Zone via multiple highways.

Lake View of Evergrande Splendor E'zhou

Construction Site of Evergrande Splendor E'zhou Phase 1

This project occupies a total site area of 765,073 square meters with an aggregate total GFA of 858,257 square meters. It will comprise villas, semi-detached villas, townhouses, garden-view villas, condominiums, as well as ancillary facilities including an upscale hotel and six complexes. We plan to acquire additional land use rights in the adjacent areas at a reasonable cost to further develop this project.

Garden View of Evergrande Splendor E'zhou Phase 1

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 347,666 square meters and will comprise villas, garden-view villas, townhouses, condominiums, as well as ancillary facilities. We commenced development of phase 1 in June 2007. As of September 30, 2009, we had completed an aggregate total GFA of 22,685 square meters in this phase.

Facilities of Evergrande Splendor E'zhou Phase 1

We commenced pre-sale of phase 1 in September 2008. As of September 30, 2009, the total GFA pre-sold and sold was 104,854 square meters, and the total contracted sales amounted to RMB 465 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 687.9 million. The outstanding commitment for this project was RMB 781.0 million.

(24) *Evergrande Palace Wuhan*（武漢恒大華府）

Evergrande Palace Wuhan is positioned as an upscale residential complex located at the Donghu Development Zone, adjacent to the Forest Park of Wuhan and the regional commercial center. The project site is situated in a scenic area with several high schools and high-tech companies in the neighborhood.

Garden View of Evergrande Palace Wuhan

This project occupies a total site area of 284,577 square meters with an aggregate total GFA of 564,596 square meters and will comprise garden-view villas, condominiums, high-rise residential buildings as well as ancillary facilities including a multi-functional complex, a shopping street and a kindergarten.

Construction Site of Evergrande Palace Wuhan Phase 1

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 182,678 square meters, comprising garden-view villas and condominiums as well as ancillary facilities including a clubhouse and a kindergarten. We commenced development of this phase in June 2007. As of September 30, 2009, we had completed an aggregate total GFA of 107,968 square meters in this phase. We commenced pre-sale of phase 1 in April 2008. As of September 30, 2009, the total GFA pre-sold and sold was 70,206 square meters, and the total contracted sales amounted to RMB 445 million.

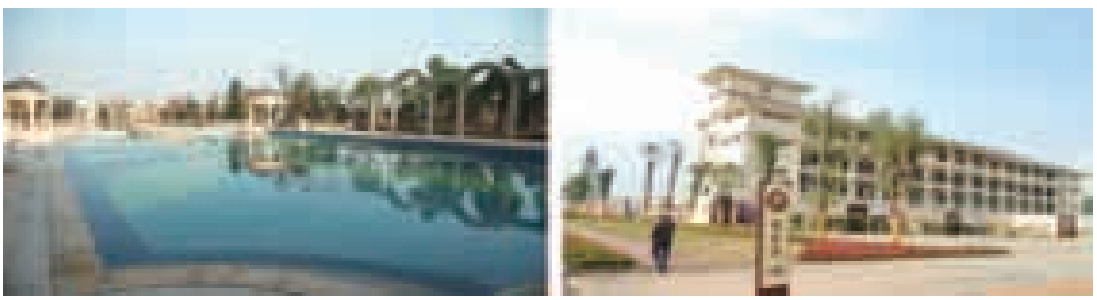
As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 899.2 million. The outstanding commitment for this project was RMB 163.3 million.

(25) *Evergrande Oasis Wuhan*（武漢恒大綠洲）

Evergrande Oasis Wuhan is positioned as a garden-style urban residential community located by the Zhiyin Lake at Wuhan New District. It is adjacent to an industry development zone and Nanhu Eco-tourism Area.

Construction Site of Evergrande Oasis Wuhan Phase 1

This project occupies a total site area of 314,901 square meters with an aggregate total GFA of 815,914 square meters. It will comprise garden-view villas, condominiums and high-rise residential buildings, as well as ancillary facilities including a multi-functional commercial complex, a kindergarten, an elementary school and an outdoor sports center.



Evergrande Oasis Wuhan Phase 1

Facilities of Evergrande Oasis Wuhan

We plan to develop this project in four phases. Phase 1 will have an aggregate total GFA of 219,646 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities. We commenced development of phase 1 in October 2007 and expect to complete it in August 2010. We commenced development of phase 2 in September 2009 and expect to complete it in August 2010.

We commenced pre-sale of phase 1 and phase 2 in June 2009 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 160,090 square meters, and the total contracted sales amounted to RMB 594 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 287.8 million. The outstanding commitment for this project was RMB 290.1 million.

(26) *Evergrande City Wuhan*（武漢恒大城）

Evergrande City Wuhan is positioned as a large-scale scenic community located next to Jinyin Lake in the Dongxihu District of Wuhan, adjacent to 10,000-acre Grape Garden. The district is designated as a technology and commercial center by the local government with a well-established transportation network.

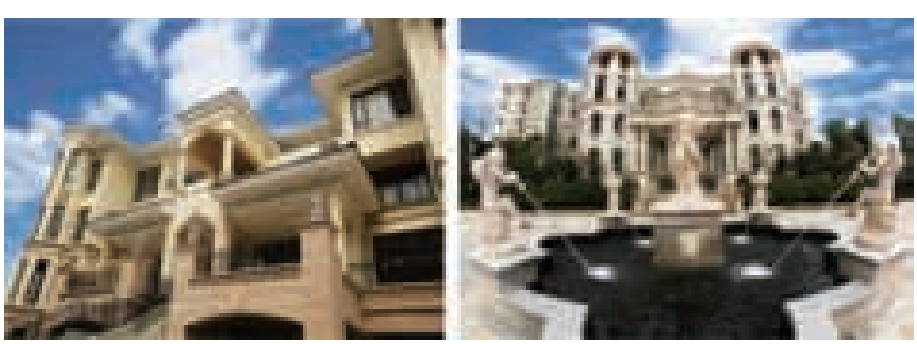
Panoramic View of Evergrande City Wuhan

This project occupies a total site area of 370,692 square meters with an aggregate total GFA of 835,480 square meters. It will comprise garden-view villas, condominiums, high-rise residential buildings, as well as ancillary facilities including a large-scale commercial multi-functional complex, a professional indoor sports center and a kindergarten.

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 249,857 square meters and will comprise garden-view villas, high-rise residential buildings, condominiums, as well as ancillary facilities including a clubhouse. We commenced development of phase 1 in December 2007 and expect to complete it in September 2010.

Construction Site of Evergrande City Wuhan Phase 1

We commenced pre-sale of phase 1 in March 2009. As of September 30, 2009, the total GFA pre-sold was 86,481 square meters, and the total contracted sales amounted to RMB 373 million.



Evergrande City Wuhan Phase 1

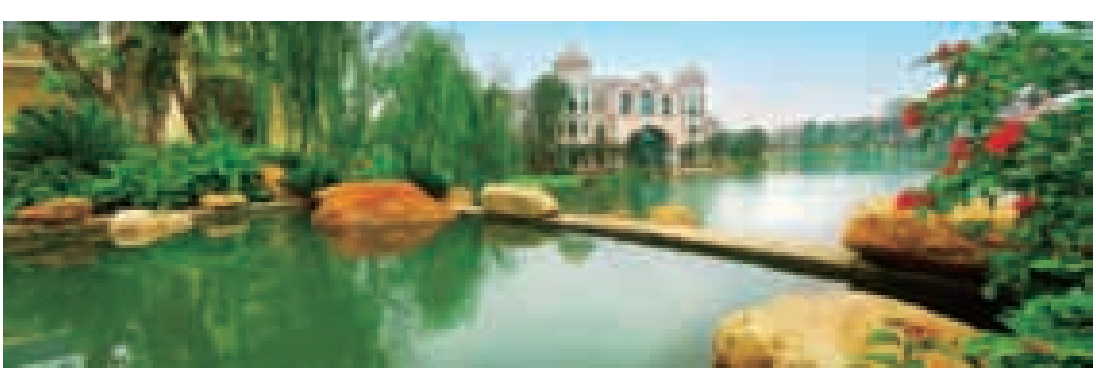
As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 657.8 million. The outstanding commitment for this project was RMB 125.4 million.

Project Description — Chengdu and Adjacent Areas

(27) *Evergrande Splendor Pengshan*（彭山恒大金碧天下）

Evergrande Splendor Pengshan is positioned as a large-scale resort community with facilities for residence, vacation, business convention and casual outing. It is located in Pengshan county of Meishan city, which connects to Chengdu in the north, is 37 kilometers away from Chengdu Second-ring Road, and 10 kilometers away from the famous scenic attraction of Pengzu Mountain.

This project occupies a total site area of 1,205,932 square meters with an aggregate total GFA of 1,128,470 square meters and will comprise villas, semi-detached villas, garden-view villas, condominiums, as well as ancillary facilities including an upscale hotel, an upscale clubhouse and a commercial center. We plan to acquire additional land use rights in the adjacent areas at a reasonable cost to further develop this project.



Clubhouse of Evergrande Splendor Pengshan

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 340,115 square meters and will comprise villas, condominiums and ancillary facilities. We commenced development of phase 1 in December 2007 and expect to complete it in December 2010. We commenced development of phase 2 in September 2009 and expect to

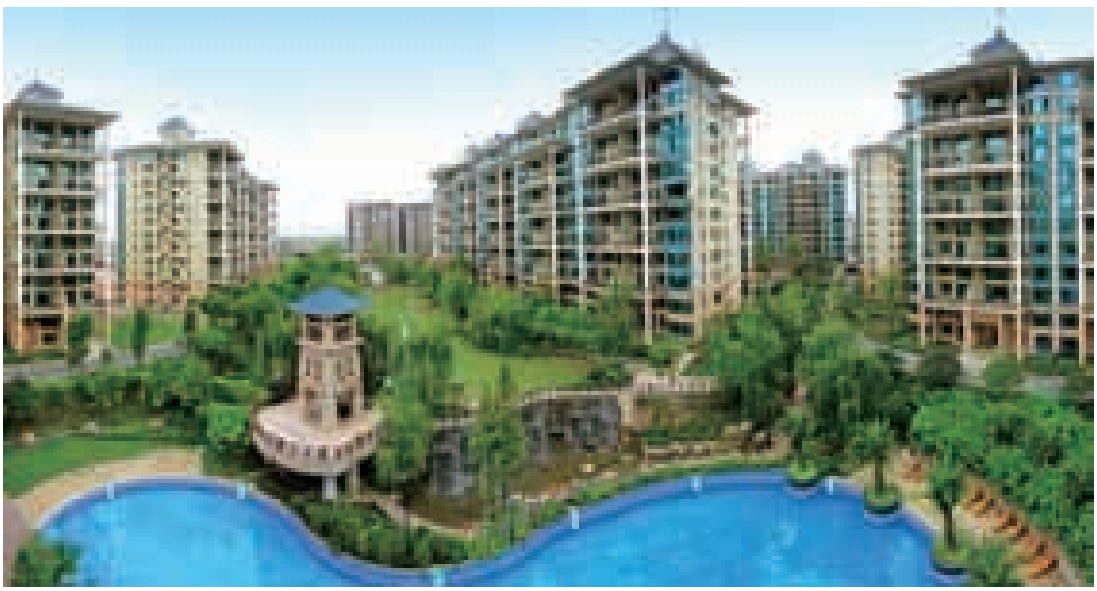
complete it in December 2010. We commenced pre-sale of phase 1 in June 2009. As of September 30, 2009, the total GFA pre-sold was 295,904 square meters, and the total contracted sales amounted to RMB 1.4 billion.

Construction Site of Evergrande Splendor Pengshan

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 634.2 million. The outstanding commitment for this project was RMB 289.8 million.

Business Center and Clubhouse of Evergrande Splendor Pengshan

(28) *Evergrande Oasis Chengdu*（成都恒大綠洲）



Garden View of Evergrande Oasis Chengdu

Evergrande Oasis Chengdu is positioned as a large-scale scenic community with a full range of integrated facilties. The project site is situated in an ecological tourism area which is designated as a development focus by the local government, and adjacent to the 3,300-acre Sichuan Normal University and two 4A-rated national scenic areas. Transportation networks such as Subway Line No. 2 are planned for development in the neighborhood.

This project occupies a total site area of 142,145 square meters with an aggregate total GFA of 629,449 square meters. It will comprise condominiums, high-rise residential buildings, as well as ancillary facilities including an upscale hotel, a shopping street, an upscale clubhouse and a kindergarten.

Garden View of Evergrande Oasis Chengdu

We plan to develop this project in three phases. Phase 1 will have an aggregate total GFA of 297,349 square meters and will comprise condominiums, high-rise residential buildings and a clubhouse. We commenced development of phase 1 in April 2007. As of September 30, 2009, we had completed an aggregate total GFA of 158,542 square meters in this phase. We commenced development of phase 2 in August 2009, and expect to complete it in June 2011.

We commenced pre-sale of this project in April 2008. As of September 30, 2009, the total GFA pre-sold and sold was 230,618 square meters, and the total contracted sales amounted to RMB 1.0 billion.

Construction Site of Evergrande Oasis Chengdu

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 662.7 million. The outstanding commitment for this project was RMB 451.9 million.

(29) ***Evergrande City Chengdu***（成都恒大城）

Evergrande City Chengdu is positioned as a garden-style urban residential community, adjacent to the government centers, an 800-acre floral theme park and a university complex. Alight rail and Subway Line No. 4 are planned for development in the area.

This project occupies a total site area of 169,501 square meters with an aggregate total GFA of 698,761 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a commercial center and a kindergarten.

Garden View of Evergrande City Chengdu Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 522,267 square meters and will comprise condominiums, high-rise residential buildings, as well as ancillary facilities. We commenced development of phase 1 in August 2007. As of September 30, 2009, we had completed an aggregate total GFA of 140,637 square meters in phase 1. We commenced development of phase 2 in August 2009 and expect to complete it in June 2011.

We commenced pre-sale of phase 1 in July 2008. As of September 30, 2009, the total GFA pre-sold and sold was 203,516 square meters, and the total contracted sales amounted to RMB 888 million. We expect to commence pre-sale of plase 2 in Decmeber 2009.

Garden View of Evergrande City Chengdu Phase 1

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 817.3 million. The outstanding commitment for this project was RMB 68.3 million.

Project Description — Shenyang

(30) *Evergrande Oasis Shenyang*（瀋陽恒大綠洲）

Evergrande Oasis Shenyang is positioned as a large-scale residential project with a view of Hun River to its north. It has a 2.5-kilometer Binjiang coastline and a 500-hectare ecological conservation area, adjacent to a well-developed transportation network connecting to the major areas within the city. It occupies a total site area of 602,130 square meters with an aggregate total GFA of 2,291,000 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities such as an indoor sports center, two large upscale clubhouses, two kindergartens and an elementary school.

Garden View of Evergrande Oasis Shenyang Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 718,455 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities. We commenced development of phase 1 in June 2007. As of September 30, 2009, we had completed an aggregate total GFA of 157,972 square meters in phase 1. We commenced development of phase 2 in August 2009 and expect to complete it in September 2011.

Garden View of Evergrande Oasis Shenyang and Buildings of Evergrande Oasis Shenyang

We commenced pre-sale of phase 1 in December 2007. As of September 30, 2009, the total GFA pre-sold and sold was 168,411 square meters, and the total contracted sales amounted to RMB 776 million. We expect to commence pre-sale of phase 2 in March 2010.

Clubhouse of Evergrande Oasis Shenyang

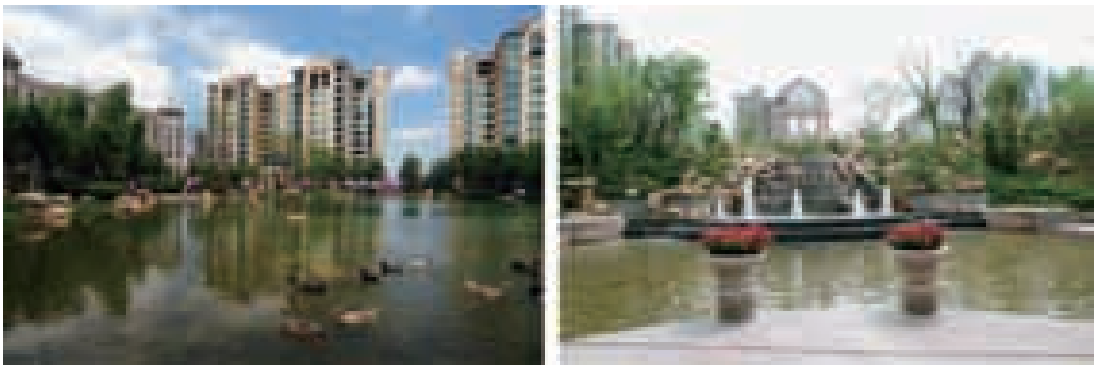
As of September 30, 2009, total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 589.5 million. The outstanding commitment for this project was RMB 739.9 million.

(31) *Evergrande City Shenyang*（瀋陽恒大城）

Evergrande City Shenyang is positioned as a large-scale water-view residential development located in Yunhong District with a university complex in the north and 80,000-acre Beiling Park in the south. This project is adjacent to Songshan Station on the No. 2 subway line. It occupies a total site area of 355,000 square meters with an aggregate total GFA of 887,500 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including two large-scale commercial centers, an indoor sports center, an upscale clubhouse and outdoor sport facilities.

Garden View and Clubhouse of Evergrande City Shengyang Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 439,369 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities. We commenced development of phase 1 in December 2007. As of September 30, 2009, we completed an aggregate total GFA of 156,702 square meters in phase 1. We commenced development of phase 2 in January 2008 and expect to complete it in October 2010.



Garden View of Evergrande City Shenyang

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As at September 30, 2009, the total GFA pre-sold and sold was 228,340 square meters, and the total contracted sales amounted to RMB 995 million.

As of September 30, 2009, total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 754.0 million. The outstanding commitment for this project was RMB 411.5 million.

Project Description — Xi'an

(32) ***Evergrande Metropolis Xi'an***（西安恒大名都）

Front Gate of Evergrande Metropolis Xi'an

Evergrande Metropolis Xi'an is positioned as a garden-view residential community located along the Er Huan East subway line of Xi'an and multiple urban highways. The project is within 15 minutes' driving distance from urban commercial center and two kilometers away from Chanba Ecological Conservation Zone. This project occupies a total site area of 78,574 square meters with a total GFA of 309,079 square meters. It will comprise high-rise residential buildings, as well as ancillary facilities such as an upscale clubhouse and a shopping street.

Construction Site and Garden View of Evergrande Metropolis Xi'an Phase 1

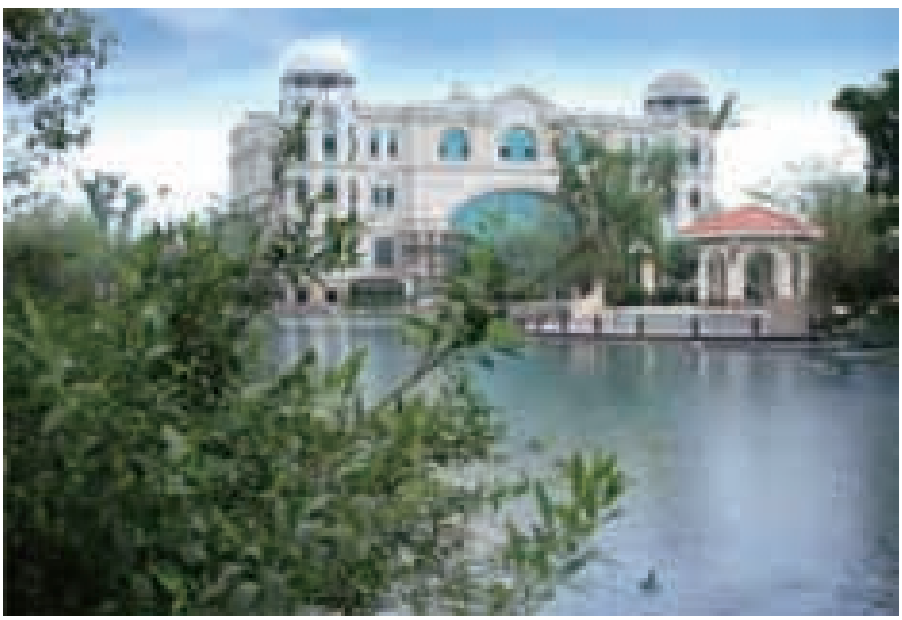
We plan to develop this project in two phases. We commenced development of phase 1 in November 2007 and expect to complete it in December 2009. We commenced development of phase 2 in June 2009 and expect to complete it in June 2011.

We commenced pre-sale of phase 1 and plase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 186,041 square meters, and the total contracted sales amounted to RMB 824 million.

As of September 30, 2009, total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 609.9 million. The outstanding commitment for this project was RMB 305.1 million.

(33) *Evergrande Oasis Xi'an*（西安恒大綠洲）

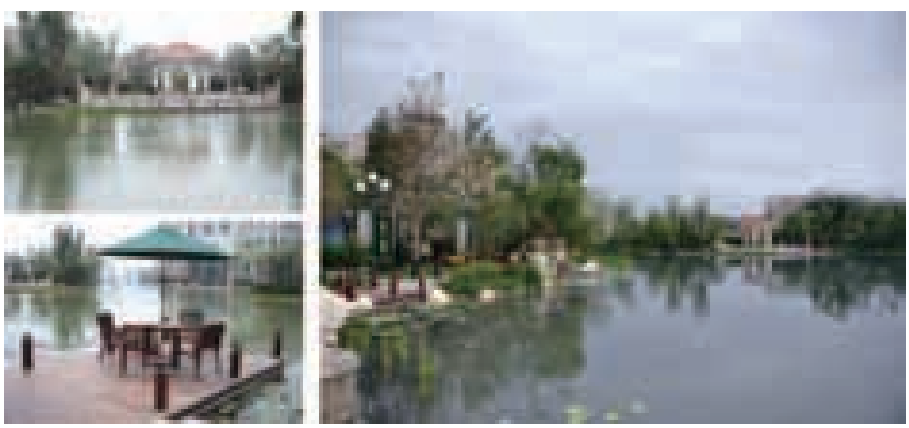
Evergrande Oasis Xi'an is positioned as a large-scale residential project located to the west of Chan River. It has a panoramic river view and a scenic view of fruit trees as well as various tourist resorts opposite to the river. It is two kilometers away from the commercial districts at the urban center. This project occupies a total site area of 207,175 square meters with an aggregate total GFA of 630,070 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a large indoor sports center and a kindergarten.



Clubhouse of Evergrande Oasis Xi’an

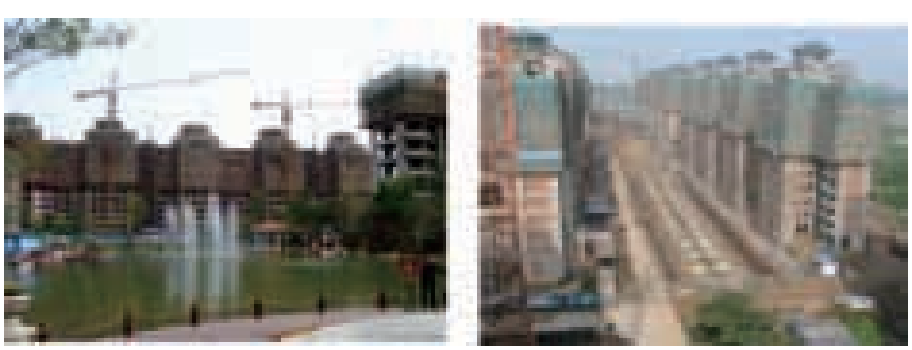
Construction Site of Evergrande Oasis Xi’an Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 389,217 square meters and will comprise condominiums and high-rise residential buildings as well as ancillary facilities including a clubhouse and a sports center. We commenced development of phase 1 in November 2007 and expect to complete it in December 2009. We commenced development of phase 2 in September 2009 and expect to complete it in December 2010.



Garden View of Evergrande Oasis Xi'an

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 137,579 square meters, and the total contracted sales amounted to RMB 707 million.



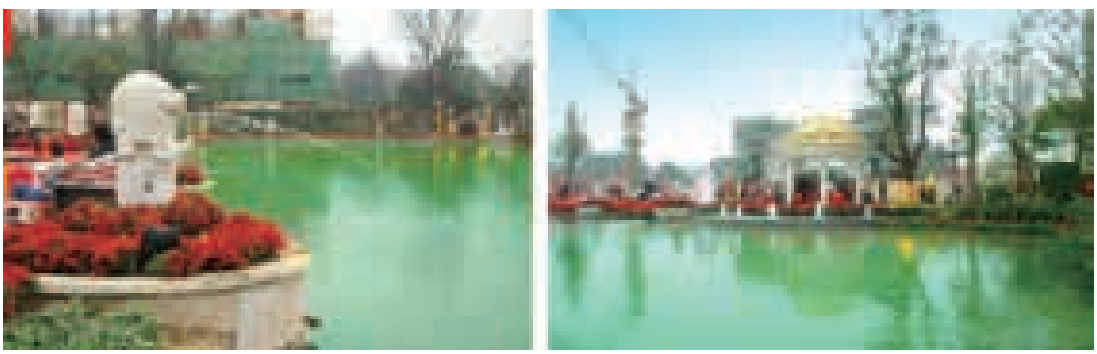
Construction Site of Evergrande Oasis Xi'an

As of September 30, 2009, total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 798.8 million. The outstanding commitment for this project was RMB 360.1 million.

(34) ***Evergrande City Xi'an***（西安恒大城）

Evergrande City Xi'an is positioned as a large-scale, well-supported urban residential community located to the east of a hi-tech industry zone, adjacent to various urban parks and historical and cultural scenic spots. This project occupies a total site area of 162,471 square

meters with an aggregate total GFA of 690,339 square meters. It will comprise high-rise residential buildings and ancillary facilities such as a luxurious clubhouse, an elementary school and a kindergarten.



Construction Site of Evergrande City Xi'an

We plan to develop this project in four phases. Phase 1 will have an aggregate total GFA of 197,310 square meters and will comprise high-rise residential buildings and a clubhouse. We commenced development of phase 1 in September 2009 and expect to complete it in December 2010.

We commenced pre-sale of phase 1 in September 2009. As of September 30, 2009, the total GFA pre-sold was 117,738 square meters, and the total contracted sale amounted to RMB 648 million.

As of September 30, 2009, total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were of RMB 442.6 million. The outstanding commitment for this project was RMB 72.5 million.

Project Description — Nanjing

(35) ***Evergrande Splendor Nanjing***（南京恒大金碧天下）

Evergrande Splendor Nanjing is positioned as a large-scale resort integrating the functions of residential community, tourism, conference and leisure. It is located in the north of Lishui, Nanjing, adjacent to Wolong lake in the south east. It is connected to a well-developed transportation network and is with 20 minutes of driving distance from the city center. This project occupies a total site area of 983,033 square meters with an aggregate total GFA of 1,133,523 square meters. It will comprise villas, semi-detached villas, townhouses, garden-view villas, condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale hotel, six complexes, and a kindergarten. We plan to acquire additional land reserves in the neighboring area at an appropriate cost to further expand the development of the site.

Construction Site of Evergrande Splendor Nanjing Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 495,454 square meters and will comprise villas, garden-view villas and condominiums, as well as ancillary facilities including an upscale hotel, six complexes and a kindergarten. We commenced development of phase 1 in August 2007. As of September 30, 2009, we had completed an aggregate total GFA of 9,682 square meters in this phase. We commenced development of phase 2 in August 2009, and expect to complete it in June 2011.

Garden View of Evergrande Splendor Nanjing

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold and sold was 157,661 square meters, and the total contracted sales amounted to RMB 770 million.

Garden View of Evergrande Splendor Nanjing

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 1,469.9 million. The outstanding commitment for this project was RMB 161.8 million.

(36) ***Evergrande Oasis Nanjing***（南京恒大綠洲）

Evergrande Oasis Nanjing is positioned as an ecological residential community, and located in the Jiangning Economic Development Zone in Nanjing at the foot of Fangshan mountain, adjacent to Jiangning University City, Qinhuai river and Jiangning Science Park. It is less than 800 meters away from the planned extension of the south subway line. This project occupies a total site area of 137,098 square meters with an aggregate total GFA of 306,862 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse and a kindergarten. We plan to acquire additional land reserves in the neighbouring area at an appropriate cost to further expand the development site.

Evergrande Oasis Nanjing Phase 1

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 304,615 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including a clubhouse. We commenced development of phase 1 in December 2007 and expect to complete it in December 2009. We commenced development of phase 2 in July 2008, and expect to complete it in December 2011.

We commenced pre-sale of phase 1 in September 2008. As of September 30, 2009, the total GFA pre-sold was 133,671 square meters, and the total contracted sales amounted to RMB 746 million. We expect to commence pre-sale of phase 2 in January 2010.

As of September 30, 2009, the total development cost (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 842.8 million. The outstanding commitment for this project was RMB 164.0 million.

Project Description — Qidong

(37) ***Evergrande Splendor Qidong***（啟東恒大金碧天下）

Master Plan Drawing of Evergrande Splendor Qidong

Evergrande Splendor Qidong is located at the mouth of the Yangtze River on the northern coast of Shanghai. This project faces the ocean on three sides with a 4.8-kilometer coastline. The Shanghai-Chongming Island-Jiangsu Expressway is expected to be completed in 2011. By then, it would take only 50 minutes to drive from the project site to Shanghai. The project will be developed on a piece of land acquired through marine reclamation by the local government. We have paid relevant relocation fees and marine use right fees to the local government as the consideration to obtain the land use right. At present, the local government has completed construction of the main structure of the southern section of this expressway, and has commenced construction of the northern section in February 2008.

This project occupies a total site area of 5,978,624 square meters with an aggregate total GFA of 11,957,045 square meters. We plan to develop a large-scale resort featured with Venetian themes, primarily targeting business and vacation home buyers from the Yangtze River Delta and overseas. It will comprise villas, semi-detached villas, townhouses, garden-view villas, condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale hotel, a large convention center, an upscale clubhouse, a sports center, a commercial center and a school.

Master plan Drawing of Six Centers of Evergrande Splendor Qidong

We plan to develop this project in multiple phases. As of September 30, 2009, we had completed piping, reclamation, road construction and drainage.

Road Construction site of Evergrande Splendor Qidong

Construction Site of Shanghai-Chongming Island-Jiangsu Expressway

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 285.3 million. The outstanding commitment for this project was RMB 19.4 million.

Project Description — Kunming

(38) ***Evergrande Splendor Kunming***（昆明恒大金碧天下）

Construction Site of Evergrande Splendor Kunming Phase 1

Evergrande Splendor Kunming is positioned as a large-scale resort integrating the functions of residential community, tourism, conference and leisure. It is located in Anning city, connected to a well-developed transport network to the city center. It is adjacent to the Xishan forest park in the east and a natural reservoir. This project occupies a total site area of 660,891 square meters with an aggregate total GFA of 918,832 square meters. It will comprise villas, semi-detached villas, townhouses, garden-view villas, condominiums, as well as ancillary facilities including an upscale hotel, six complexes, and a kindergarten. We plan to acquire additional land reserves in the neighbouring area at an appropriate cost to further expand the development site.

Six Complexes of Evergrande Splendor Kunming

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 577,166 square meters and will comprise villas, garden-view villas, condominiums, an upscale hotel and six complexes. We commenced development of phase 1 in November 2007. As of September 30, 2009, we had completed an aggregate total GFA of 19,237 square meters in this phase. We commenced development of phase 2 in August 2009, and expect to complete it in December 2010.

Villas of Evergrande Splendor Kunming

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold and sold was 320,204 square meters, and the total contracted sales amounted to RMB 1.3 billion.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 1,222.1 million. The outstanding commitment for this project was RMB 217.7 million.

Project Description — Baotou

(39) ***Evergrande Palace Baotou***（包頭恒大華府）

Evergrande Palace Baotou is positioned as an upscale garden-view residential community. It is located on the north-south axis of the city center, opposite to a large urban park and adjacent to the district government and other administrative buildings. It is connected with a well-developed transportation network and is adjacent to various public ancillary facilities. This project occupies a total site area of 437,925 square meters with an aggregate total GFA of 1,666,225 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including two large-scale commercial complexes, an indoor sports center, a primary school and a kindergarten.

Construction Site of Evergrande Palace Baotou Phase 1

We plan to develop this project in multiple phases. Phase 1 will have an aggregate total GFA of 415,525 square meters and will comprises condominiums, high-rise residential buildings, and a clubhouse. We commenced development of phase 1 in November 2008 and expect to complete it in November 2010.

Clubhouse and Front Gate of Evergrande Palace Baotou Phase 1

We commenced pre-sale of phase 1 in August 2009. As of September 30, 2009, the total GFA pre-sold was 100,272 square meters, and the total contracted sales amounted to RMB 624 million.

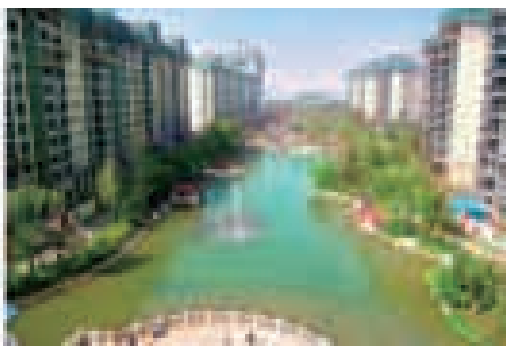
As of September 30, 2009, the total development cost (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 780.7 million. The outstanding commitment for this project was RMB 464.5 million.

Project Description — Taiyuan

(40) *Evergrande Oasis Taiyuan*（太原恒大綠洲）

Evergrande Oasis Taiyuan is positioned as a large-scale scenic residential community. It is located in the Xiaodian District of Taiyuan, connected with multiple main roads to the Economic and Technological Development Zone, and is within 10 minutes of driving distance from Taiyuan Airport and the South Passenger Railway Station.

Garden view and clubhouse of Evergrande Oasis Taiyuan



Garden View of Evergrande Oasis Taiyuan

Clubhouse of Evergrande Oasis Taiyuan

This project occupies a total site area of 691,797 square meters with an aggregate total GFA of 1,848,044 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a large indoor sports center, an elementary school and two kindergartens.

We plan to develop this project in multiple phases. Phases 1 and 2 will have an aggregate total GFA of 831,231 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities. We commenced development of phase 1 in December 2007 and expect to complete it in December 2009. We commenced development of phase 2 in May 2009 and expect to complete it in October 2010.

We commenced pre-sale of phase 1 and phase 2 in September 2008 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 401,174 square meters, and the total contracted sales amounted to RMB 2.0 billion.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 1,491.2 million. The outstanding commitment for this project was RMB 740.2 million.

Project Description — Guiyang

(41) ***Evergrande Oasis Guiyang***（貴陽恒大綠洲）

Evergrande Oasis Guiyang is positioned as a mountain-view residential complex, located in a new residential area between the Guiyang municipal government and the Baiyun district government, with a well-planned transportation network.

This project occupies a total site area of 146,825 square meters with an aggregate total GFA of 312,583 square meters. It will comprise condominiums as well as ancillary facilities including an upscale clubhouse and a kindergarten.

Construction Site and Garden View of Evergrande Oasis Guiyang Phase 1

We plan to develop this project in two phases. We commenced development of phase 1 in December 2007 and expect to complete it in October 2010. We commenced development of phase 2 in August 2009 and expect to complete it in December 2010.

We commenced pre-sale of phase 1 in September 2009. As of September 30, 2009, the total GFA pre-sold was 42,561 square meters, and the total contracted sales amounted to RMB 177 million. We expect to commence pre-sale of phase 2 in March 2010.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 267.0 million. The outstanding commitment for this project was RMB 289.4 million.

Project Description — Hefei

(42) ***Evergrande Palace Hefei***（合肥恒大華府）

Evergrande Palace Hefei is positioned as a luxurious urban residential community. This project site is located in the new political and cultural district promoted by Hefei government as its new development focus, and is adjacent to the Economic Development Zone with a scenic mountain view.

This project occupies a total site area of 142,578 square meters with an aggregate total GFA of 516,088 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, a kindergarten and a shopping street.

We plan to develop this project in three phases. Phases 1 and 2 will have an aggregate total GFA of 341,945 square meters and will comprise condominiums, high-rise residential buildings and an upscale clubhouse. We commenced development of phase 1 in February 2008 and expect to complete it in August 2010. We commenced development of phase 2 in August 2009 and expect to complete it in June 2011.

Garden View of Evergrande Palace Hefei

We commenced pre-sale of phase 1 and phase 2 in June 2009 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 95,331 square meters, and the total contracted sales amounted to RMB 513 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 532.2 million. The outstanding commitment for this project was RMB 510.2 million.

(43) Evergrande City Hefei （合肥恒大城）

Master Plan Drawing of Evergrande City Hefei

Located at Longgang Development Zone in eastern Hefei city, Evergrande City Hefei has easy access to main highways and offers comprehensive ancillary facilities. It occupies an area of 310,929 square meters with a planned aggregate total GFA of 932,787 square meters. This project will be developed as European-style garden community with condominiums and high-rise residential buildings as well as ancillary facilities including an upscale clubhouse and a sports center.

We plan to develop this project in three phases. We will commence development of phase 1 in September 2009 and expect to complete it in December 2010. We expect to commence pre-sale of phase 1 in February 2010.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were Nil. The outstanding commitment for this project was RMB 449.7 million.

Project Description — Changsha

(44) *Evergrande Palace Changsha*（長沙恒大華府）

Evergrande Palace Changsha is positioned as an upscale residential community. The project is located in the new district near the city government of Changsha, adjacent to the Ecological Green Garden on the north. It faces a first-tier municipal middle school, and is adjacent to the 4A-graded scenic area of the Yue Lu Mountain.

Construction Site of Evergrande Palace Changsha phase 1

This project occupies a total site area of 144,978 square meters with an aggregate total GFA of 495,207 square meters and will comprise condominiums, high-rise residential buildings and service apartments, as well as ancillary facilities including an upscale clubhouse, a shopping street, and a kindergarten.

Garden view and clubhouse of Evergrande Palace Changsha

We plan to develop the project in multiple phases. Phase 1 will have an aggregate total GFA of 128,687 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse. We commenced development of this phase in January 2008 and expect to complete it in June 2010. We commenced development of phase 2 in August 2009 and expect to complete it in June 2011.

Garden View and Clubhouse of Evergrande Palace Changsha

We commenced pre-sale of phase 1 and phase 2 in January 2009 and September 2009, respectively. As of September 30, 2009, the total GFA pre-sold was 125,746 square meters, and the total contracted sales amounted to RMB 625 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 684.2 million. The outstanding commitment for this project was RMB 767.1 million.

(45) ***Evergrande Metropolis Changsha***（長沙恒大名都）

Evergrande Metropolis Changsha is positioned as a garden-view urban residential complex. This project is located in Wang Cheng County, Changsha, adjacent to a hot-spring scenic area and connected with a well-developed transportation network, overlooking the Xiangjiang River with a new metro station under planning in the neighborhood.

Panoramic View of Evergrande Metropolis Changsha Phase 1

This project occupies a total site area of 185,376 square meters with an aggregate total GFA of 840,914 square meters. It will comprise high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse and kindergartens.

Construction Site and Garden View of Evergrande Metropolis Changsha Phase 1

We plan to develop the project in five phases. Phases 1 and 2 will have an aggregate total GFA of 409,715 square meters and will comprise high-rise residential buildings as well as ancillary facilities. We commenced development of phase 1 in August 2008 and expect to complete it in September 2010. We commenced development of phase 2 in August 2009 and expect to complete it in June 2011.

Clubhouse and Facilities of Evergrande Metropolis Changsha

We commenced pre-sale of phase 1 in May 2009. As of September 30, 2009, the total GFA pre-sold was 152,516 square meters, and the total contracted sales amounted to RMB 543 million. We expect to commence pre-sale of phase 2 in September 2009.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 599.7 million. The outstanding commitment for this project was RMB 212.0 million.

(46) ***Evergrande City Changsha*** **（長沙恒大城）**

Master Plan Drawing of Evergrande City Changsha

Evergrande City Changsha is located in Yuhua District of Changsha, opposite to a national forest park and Hunan Botanic Garden and close to the provincial government of Hunan and a natural lake.

Construction Site of Evergrande City Changsha Phase 1

This project occupies a total site area of 268,506 square meters with a total GFA of 862,833 square meters and will comprise condominiums and high-rise residential buildings surrounded by large-scale water-view landscape, as well as ancillary facilities including a large clubhouse.

We plan to develop the project in four phases. Phase 1 is expected to have an aggregate total GFA of 198,804 square meters and is expected to comprise high-rise residential buildings and ancillary facilities. We commenced development of phase 1 in August 2009 and expect to complete it in June 2011. We expect to commence pre-sale of phase 1 in December 2009.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 424.0 million. The outstanding commitment for this project was RMB 250.2 million.

(47) *Evergrande Oasis Changsha* （長沙恒大綠洲）

Master Plan Drawing of Evergrande Oasis Changsha

Evergrande Oasis Changsha is located in Yuhua district of Changsha, bordering the Liuyang River in the east, and close to a number of expressways and a national forest park, which present beautiful surrounding environment and convenient traffic.

This project occupies a total site area of 144,187 square meters with an aggregate total GFA of 747,484 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse.

Construction Site of Evergrande Oasis Changsha Phase 1

We plan to develop this project in three phases. Phase 1 will have an aggregate total GFA of 195,364 square meters and will comprise high-rise residential buildings and ancillary facilities. We commenced development of phase 1 in September 2009 and expect to complete it in June 2011. We expect to commence pre-sale of phase 1 in December 2009.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 35.4 million. The outstanding commitment for this project was RMB 445.4 million.

Project Description — Nanning

(48) *Evergrande Oasis Nanning*（南寧恒大綠洲）

Master Plan Drawing of Evergrande Oasis Nanning

Evergrande Oasis Nanning is positioned as a large-scale riverside garden-view residential complex. This project is located in Liangqing District of Nanning. It is close to Yong River to the north and mountainous landscape of Wuxiang Forest Garden to the east. It is approximately five kilometers away from the downtown area of Nanning, and situated in a scenic natural surroundings well connected with developed transportation facilities including multiple main roads.

This project occupies a total site area of 341,449 square meters with a total GFA of 787,756 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale clubhouse, elementary schools and kindergartens.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 235.2 million. The outstanding commitment for this project was RMB 354.6 million.

Project Description — Zhengzhou

(49) ***Evergrande Oasis Zhengzhou*** **(鄭州恒大綠洲)**

Master Plan Drawing of Evergrande Oasis Zhengzhou

Evergrande Oasis Zhengzhou is positioned as an upscale residential complex with facilities for residence, business and culture learning. It is located in the national development area in the southern New Zhengdong District, a central business area. This project is close to the airport highway and surrounded by a nautical stadium, a central plaza, a shopping center and a golf course.

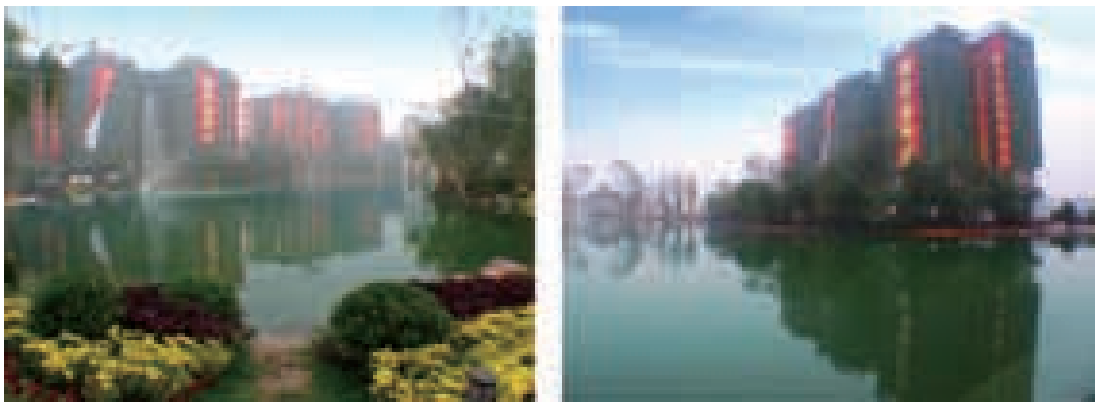
This project occupies a total site area of 438,667 square meters with an aggregate total GFA of 1,591,151 square meters. It will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including an upscale hotel.

As of September 30, 2009, the toal development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 154.1 million. The outstanding commitment for this project was RMB 210.0 million.

Project Descriptions — Luoyang

(50) ***Evergrande Oasis Luoyang***（洛陽恒大綠洲）

Evergrande Oasis Luoyang is positioned as a large-scale residential community with a natural panoramic river-view. This project is located in eastern Luoyang, adjacent to the Luopu Garden with the Luohe River on the south side. It has convenient access to the long-distance bus station and major urban transportation hub of Luoyang.



Construction Site and Garden View of Evergrande Oasis Luoyang

This project occupies a total site area of 892,080 square meters with an aggregate total GFA of 3,164,544 square meters. It will comprise condominiums, high-rise residential buildings and a commercial center, as well as ancillary facilities including an upscale hotel, an office, an upscale clubhouse, a kindergarten, an elementary school and a large indoor sports center.

We plan to develop this project in multiple phases. Phase 1 will comprise condominiums, a clubhouse and a sports center with an aggregate GFA of 176,562 square meters. We commenced development of this phase in January 2008 and expect to complete it in June 2010. We commenced pre-sale of phase 1 in September 2009. As of September 30, 2009, the total GFA pre-sold was 84,333 square meters, and the total contracted sales amounted to RMB 333 million.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 191.5 million. The outstanding commitment for this project was RMB 723.3 million.

Project Descriptions — Nanchang

(51) ***Evergrande City Nanchang*** （南昌恒大城）

Evergrande City Nanchang is located in south Nanchang, bordering the Ganjiang River to the west, and near major highways connecting downtown of Nanchang city.

This project, planned as a large-scale landscape residential development, occupies a total site area of 976,800 square meters with an aggregate total GFA of 1,367,526 square meters. It will comprise condominiums and high-rise residential buildings. Ancillary facilities at the project will include a clubhouse and a sports center.

We plan to develop this project in five phases. Phase 1 will have an aggregate total GFA of 325,235 square meters and will comprise condominiums and high-rise residential buildings, as well as ancillary facilities including a clubhouse and a sports center. We commenced development of phase 1 in October 2009 and expect to complete it in November 2010. We expect to commence pre-sale of phase 1 in January 2010.

As of September 30, 2009, the total development cost (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 205.4 million. The outstanding commitment for this project was RMB 410.0 million.

(52) Evergrande Oasis Nanchang （南昌恒大綠洲）

Master Plan Drawing of Evergrande Oasis Nanchang

Evergrande Oasis Nanchang is positioned as an urban golf community located at Yingxiong Development Zone of Nanchang. This project has easy access to the main highways of Nanchang city and occupies an area of 1,620,008 square meters with a planned aggregate total GFA of 972,005 square meters. It will comprise condominiums, high-rise residential buildings and ancillary facilities including a large-scale golf course, an upscale clubhouse and a sports center.

We plan to develop this project in multiple phases. We commenced development of phase 1 in October 2009 and expect to complete it in December 2010. We expect to commence pre-sale of phase 1 in March 2010.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 30.0 million. The outstanding commitment of this project was RMB 418.8 million.

Project Description — Shijiazhuang

(53) Evergrande City Shijiazhuang （石家莊恒大城）

Master Plan Drawing of Evergrande Oasis Shijiazhuang

Evergrande City Shijiazhuang is positioned as a large-scale urban scenic community located at the prosperous area of Qiaoxi District of Shijiazhuang surrounded by numerous city gardens, upscale hotels and commercial centers. The project occupies a total area of 245,414 square meters with a planned aggregate total GFA of 950,972 square meters. It will comprise high-rise residential buildings and an upscale clubhouse.

We plan to develop the project in two phases. We commenced development of phase 1 in September 2009 and expect to complete it in December 2010. We expect to commence pre-sale of phase 1 in January 2010.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 55.9 million. The outstanding commitment for this project was RMB 213.5 million.

(54) Evergrande Splendor Shijiazhuang （石家莊恒大金碧天下）

Evergrande Splendor Shijiazhuang is positioned as a large-scale resort project integrating residential, commercial and tourism-related functions. This project is located at the south bank of Panlong River and adjacent to main highways with easy access to the city center. It occupies a total area of 666,667 square meters with a planned aggregate total GFA of 666,667 square meters, and it will comprise villas, garden-view townhouses, and condominiums as well as ancillary facilities including an upscale hotel, a sports center, and a conventional center. We plan to acquire more land reserves in its adjacent areas to further expand this project.

We plan to develop this project in three phases. We commenced development of phase 1 in September 2009 and expect to complete it in December 2010. We expect to commence pre-sale of phase 1 in March 2010.

As of September 30, 2009, the total development costs (including land acquisition costs, construction costs and capitalized finance costs) incurred for this project were RMB 30.0 million. The outstanding commitment for this project was RMB 210.0 million.

OTHER LAND ACQUISITIONS

As of September 30, 2009, we have also acquired interests in the following property projects, which have yet to satisfy different conditions before they may constitute properties held for future development.

1. Evergrande Metropolis Taiyuan (太原恒大名都)

In July 2009, we entered into a sale and purchase agreement with an independent third party to purchase 100% equity interests in its wholly owned subsidiary established in China for a consideration of RMB 445 million. The consideration was negotiated based on the market price at the location and its vicinities. The seller of the equity interests is Taiyuan Chemical Industry Group Real Estate Co., Ltd. and it is not a connected person of us. The seller owns the development right in a piece of land located at the northern side of Beijian River in Taiyuan city with a site area of 121,746 square meters. This site is planned for the construction of a residential and commercial community with a total GFA of 408,449 square meters. The seller

acquired the land in May 2009 through a public transfer. The seller has already signed a land use right transfer contract with the relevant land bureau and settled the land premium. The seller is currently carrying out the transfer procedures to transfer the land use right to the wholly owned subsidiary.

As of September 30, 2009, we had paid RMB 244.8 million to the seller, with the remaining consideration payable in installments in accordance with the payment schedule as stipulated in the sale and purchase agreement.

2. Guangzhou Juanmachang Project

In January 2008, we won the land use right to a piece of land through our successful bidding of RMB 4.1 billion at the auction conducted by the PRC government. This project is located in Tianhe district in Guangzhou, next to the Pearl River New City central business district. It occupies a total site area of 98,156 square meters. We entered into a land grant contract on January 8, 2008 with Guangzhou city government. We have paid an auction deposit of RMB 130.0 million and have not yet paid the remaining land premium. The land was originally designated by the government for residential use, but has since been re-zoned by the Guangzhou city government as part of a newly established financial district of Guangzhou city. We are in negotiation with the government with the intent to amending the terms of the land grant contract, including use of the land and our payment terms. It is not entirely certain at this stage how the government will propose to amend our land grant contract.

3. Land in Shanghai Lujiazui Financial and Trade District

In October 2007, as amended in August 2008 and April 2009, we entered into a sale and purchase agreement with two independent individual third parties to purchase their wholly owned company incorporated in Hong Kong for a consideration of RMB 1,385.5 million in cash. The consideration was negotiated on the basis of the market price of the land at the location and its vicinities. The two individual sellers are Mr. Yeung Shung Choi and Mr. Ho Hok Ling, both Hong Kong residents and not connected persons of us. The Hong Kong company owns a 84% equity interest in a PRC joint venture, which in turn owns land use rights to a piece of land in Lujiazui Financial and Trade District of Shanghai with a site area of approximately 34,063 square meters. This site is planned for a high-end hotel with a total GFA of approximately 183,605 square meters. The additional 16% equity interest in the PRC joint venture is owned by Baosteel Group, an independent joint venture partner. We are in discussion with Baosteel Group with a view to acquiring its 16% interest in the joint venture for cash.

As of September 30, 2009, we already paid a deposit of HK$364.5 million and RMB 134.2 million to the sellers, with the remaining consideration payable in quarterly installments until the earlier of December 31, 2011.

PROPERTY DEVELOPMENT

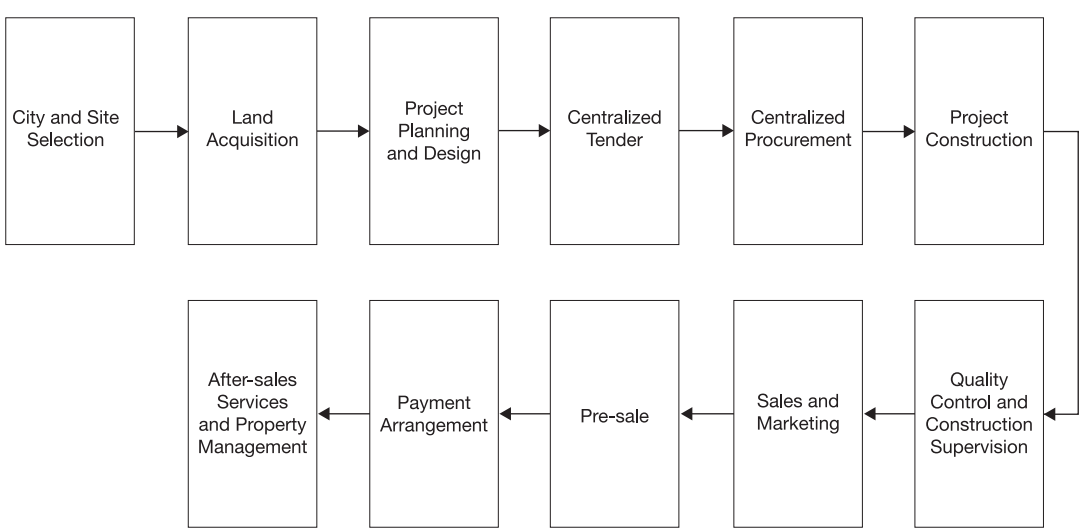
Our business operations are based on our industry-leading standardized operational model for quality real estate development. Our standard operational procedures cover all aspect of our project development process.

We believe our standardized approach to property development has enabled us to rapidly replicate our success in our home base in Guangzhou to other key provincial capitals and surrounding areas in China, to ensure consistent product quality at the same time.

The residential properties we develop are primarily comprised of four major standard product series. We have also developed a standard for high-end ancillary facilities, a standard for gardening and landscaping, and a construction standard according to different product series. We develop a diversified portfolio of properties, including low-density residential buildings, multi-storey residential buildings, mid-rise and high-rise residential buildings, to cater to individual needs of different buyers. We generally favor large-scale and extra-large scale projects because our standardized operational model tends to work more effectively and efficiently with them, as they allow the appropriate economies of scale to maximize the upside potential of property development.

Project Development and Management Procedures

We maintain a systematic development approach although each project is designed to cater to the specific target market. Our property development and management procedures are summarized as below:



City and Site Selection

We screen cities and sites in China following a standardized process in order to identify opportunities suitable for our development. The primary criteria in our project site evaluation include the following:

- location in large provincial capitals and their surrounding areas with a population over five million;

- size between 0.5 million square meters and 2.0 million square meters, appropriate for multi-phase development on a rolling basis;

- beautiful surrounding environment, with established supporting infrastructure, convenient transportation system, and appropriate value appreciation potential;

- minimal or no demolishment and resettlement costs, allowing commencement of development soon after the acquisition of the land; and

- appropriate cost and attractive financial return.

Land Acquisition

According to current PRC laws and regulations, state-owned land use rights for property development must be granted by the relevant governmental authorities via public tender, auction and listing-for-sale. Land reserves may also be acquired in the secondary market through acquisition of the equity interests of companies that possess the land use rights. You should refer to "Appendix VI — Summary of PRC Laws Relating to the Property Sector" in this document for more information about PRC land grant regulation. We acquire land use rights either by bidding directly at auctions organized by the relevant government authorities or through acquiring companies that hold land use rights.

As a property developer targeting middle to upper-middle income customers, we believe that acquiring land at competitive prices is critical to our overall development strategy. The ability to identify potentially undervalued land reserves and the effective execution of our land acquisition strategy are our important strengths. Based on our current development and growth targets, we expect to maintain sufficient land reserves to fulfill our development requirements for the next three to five years on a rolling basis. As of September 30, 2009, we had approximately 41.9 million square meters of GFA under development and approximately 9.3 million square meters of GFA held for future development. We continually search for land sites that meet our selection criteria.

According to PRC laws and regulations, once we obtain the rights to develop a parcel of land, we begin applying for the various permits and licenses that we need in order to begin construction of our properties. If the land use right is acquired by way of grant, the land grant contract will be a precondition to applications for the following permits and licenses:

- land use rights certificate, a certificate of the right of a developer to use the parcel of land;

- construction land planning permit, a permit formally approving a developer to conduct the survey, planning and design of the parcel of land;

- construction works planning permit, a permit indicating governmental approval for a developer's overall planning and design of the project and allowing a developer to apply for a construction permit; and

- construction permit, a permit required for commencement of construction.

Except as disclosed with respect to Guangzhou Juanmachang Project, as of the Latest Practicable Date, we had not commenced the construction work as required by the relevant original land grant contracts with respect to a number of projects that we aquired during the Track Record Period. However, we do not expect such land parcels are subject to idle land fees or forfeiture for the following reasons:

- the relevant local authorities' failure to deliver certain land to us due to their on-going re-zoning plans;
- our entry into supplementary agreements with the relevant local authorities to extend the commencement of the construction; and/or
- demolition of certain land has not been completed on the part of the government preventing the construction from commencing on such land.

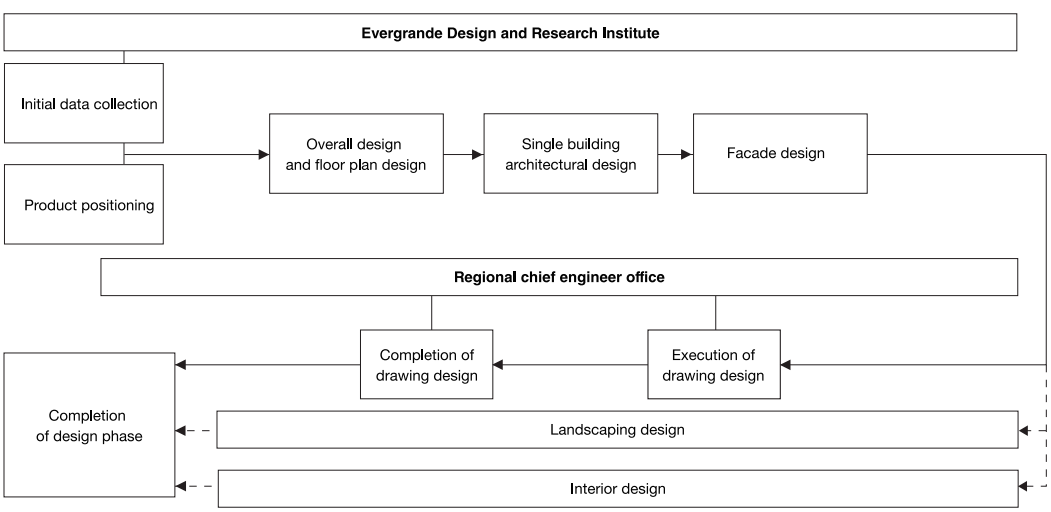
With respect to Jinbi Garden No. 2 (as project 79 in "Appendix IV — Property Valuation Report"), we have received confirmation from the relevant local authorities that it is not considered as idle land. The relevant local authorities also acknowledge that we can commence construction immediately upon completion of the demolition and relocation work.

You may find further information in "Appendix IV — Property Valuation Report". During the Track Record Period, we were not required to pay any idle land fee or forfeit any land as a result of noncompliance with the relevant PRC laws and regulations. Although there can be no assurance that circumstances leading to forfeiture or significant delays in our development schedules will not arise in the future, we do not expect that any of our current land reserves will be subject to forfeiture based on our current development plans.

To ensure timely payment of land premiums and efficient execution of our property development, we have adopted internal control procedures to monitor and manage our land acquisitions and related financing. Our legal department has authority to perform due diligence investigations into our land acquisitions and our finance department is responsible for the feasibility analysis and funding sufficiency. Both departments report their findings and issues to our senior management. We also require our regional offices to strictly adhere to the schedules with respect to application for land use right certificates, construction land planning permits, construction work planning permits and construction permits in compliance with the PRC laws and regulations. We closely monitor the land acquisition and project development process. In the event that we experience delays in payment of land premiums or construction schedule, we will seek immediate rectification, including application for an extension from the relevant government authorities as well as negotiation and entry into supplementary agreements. In addition, as part of our standardized operational model, we endeavor to train our staff of, and coordinate the proceedings at, our bidding and tendering department, development department and engineering department to ensure a timely property development in compliance with the PRC laws and regulations.

Project Planning and Design

We have strong in-house design capabilities. Evergrande Design and Research Institute, our in-house design subsidiary, is a nationally accredited architectural design firm comprised of over 100 professionals as of the Latest Practicable Date. Our design team works closely with our project managers and marketing team in master-planning and in detailed two-dimensional and three-dimensional architectural designs. Our design team also collaborates with reputable domestic and international design houses in formulating, developing and finalizing the landscape and interior design for our projects. Our senior management is actively involved in the whole planning and design process, especially in the master-planning and architectural design of our projects. Our design process is summarized as below:



Based on our previous successful experiences, our professional R&D team has designed five standard series of products, including the Evergrande Palace series, the Evergrande Oasis series, the Evergrande City series, the Evergrande Metropolis series and the Evergrande Splendor series. We also conduct detailed market research and analysis on the products placed by other major developers into the market. We endeavor to tailor-make and ensure highest construction, gardening, landscaping, and decoration quality of our different product series. Through creative architectural planning and innovative design, we have successfully developed 150 standard floor plans and six standard plans for clubhouses and other ancillary facilities, with a view to making our products distinctive from the offerings in the market.

In our efforts to integrate quality with distinctive designs for our properties, we have also retained renowned design houses, such as Wimberly Allison Tong & Goo, Inc., Atkins Shenzhen, Shenzhen General Institute of Architectural Design and Research, China Construction Design International (Beijing) and the Architectural Design and Research Institute of Guangdong Province, to optimize our architectural design in various aspects. As we seek to standardize the designs of our product series and customize our mature series, we will continue to introduce new series in accordance with market demands and preferences. As an important part of our project planning and design process, we work closely with external landscape and

interior designers to maximize the aesthetic appeal and eco-value of our properties. In addition to distinctive design features, we also seek to distinguish our property developments by offering additional value-added functions.

We have received numerous awards in recognition of our achievement in various areas of our project designs and floor plans.

Centralized Tender

We organize tenders, and invite primarily first-rate construction companies in China to participate in the bidding, for interior decoration, gardening and landscaping and other construction work to ensure that we get high-quality construction service at competitive prices. We have centralized and standardized our tender process as a part of our standard operational procedures. We outsource substantially all of our project construction work to independent contractors. We have also acquired a nationally accredited construction company to undertake some of our project construction. We also maintain strict quality control measures throughout our development chain and partner with renowned international and national service and product providers to ensure the quality of our products. Vendors and suppliers we generally partner with in our projects include:

Services or products	Suppliers or vendors
Overall project planning/design	Wimberly Allison Tong & Goo, Inc.
	Atkins Shenzhen
	Shenzhen General Institute of Architectural Design and Research
	China Construction Design International (Beijing)
	The Architectural Design and Research Institute of Guangdong Province
Project construction	China State Construction Engineering Corporation
	Zhong-Tie Construction Group Corporation Limited
Interior design and decoration	Suzhou Gold Mantis Construction & Decoration Co., Ltd.
	Shenzhen Grandland Decoration & Construction Co., Ltd.
	Shenzhen Decoration & Construction Industrial Co., Ltd.
Elevators	OTIS
Power switches	SIEMENS

Services or products	Suppliers or vendors
Kitchen electric appliances . .	Rinnai
Bathroom fixtures	TOTO, KOHLER and American Standard
Switch boards	Panasonic
Air conditioners and cabinets	Haier

Centralized Procurement

We have signed long-term procurement agreements with reputable service and product suppliers in China and overseas and we have also established a unified national distribution system. The procurement departments in our regional offices are managed directly by our headquarters. Our regional procurement departments submit their procurement plans of material and equipment to our headquarters on a monthly basis. We require that the difference between the actual monthly purchased quantities and the procurement plans should not exceed 10% under normal circumstances. Through such requirements, we endeavor to minimize our overall purchasing costs without compromising our quality requirement.

Our centralized procurement system plays an essential role in helping us achieve economies of scale and favorable commercial terms, and in promoting our long-term partnership with quality suppliers. We have established a rigorous screening and bidding process to select our suppliers. We mainly consider first-rate national suppliers during our screening process, from which we select three to five suppliers in each category to form our pre-qualified vendor pool. Pre-qualified suppliers are invited to submit bids based on our product specifications and requirements. All submitted bids are reviewed and evaluated by our bidding and tendering committee, which consists of members from our senior management, procurement departments and design team. The bidding and tendering committee determines the winner based on a set of standards described in our bid-solicitation documents, such as product quality, price, supply lead time, financial strength, reputation and after-sales services. Our objective in this centralized procurement system is to obtain our required quality products and services at the best prices. Certain key construction materials and services, such as aluminum alloy materials, hardwood floor panels and site preparation, are partly provided by our subsidiaries.

Since 2006, all our construction material procurement contracts are tri-partite arrangements among us, suppliers and construction contractors. Such arrangements require suppliers to deliver their supplies directly to our regional procurement departments, which then distribute them to our construction contractors. We will effect payments to suppliers on a monthly basis by deducting such payments directly from our fees payable to the construction contractors. These arrangements not only ensure the quality of materials and equipment used in our projects but also relieve the concerns of our suppliers over potential late payment or lack of accountability on the part of construction contractors. Through our large-volume and centralized procurement arrangements, we are able to form long-term strategic partnerships with top suppliers in China and overseas to provide us, and indirectly our customers, with premium products at competitive costs. For example, we source our elevators primarily from OTIS, power switches from

SIEMENS, kitchen electric appliances from Rinnai, bathroom fixtures from TOTO, KOHLER and American Standard, switch boards from Panasonic, air conditioners and cabinets from Haier, a renowned domestic brand.

For the years ended December 31, 2006, 2007, 2008 and the six months ended June 30, 2009, purchases from our single largest supplier accounted for approximately 8.0%, 5.6%, 10.7% and 8.5%, respectively, of our total purchases. For the same periods, purchases from our five largest suppliers accounted for approximately 16.7%, 24.0%, 36.5% and 31.8%, respectively, of our total purchases. None of our Directors, their associates nor any of our shareholders holding more than 5% of our issued share capital has any interest in any of our five largest suppliers.

Project Construction

Our headquarters, in collaboration with all our specialized departments, formulate the standard of construction requirements and we require each of our regional offices to follow and implement the standard consistently. Our headquarters have a dedicated team of more than 100 professional staffs who collect and analyse information on project progress and construction quality from all of our regional offices on a weekly basis through our in-house information management system. This team not only sends out professionals to conduct on-site inspection, but also dispatches qualified professionals and engineers to supervise the overall construction of each individual project from time to time.

Under the supervision of our headquarters, each of our regional offices is responsible for the day-to-day management of specific project construction in accordance with our centralized standard. The construction contracts we enter into with construction companies typically contain warranties with respect to quality and timely completion of the construction projects. We require construction companies to comply with the relevant PRC laws and regulations as well as our own standards and specifications. Our construction management department is charged with the responsibility of closely monitoring quality and construction progress as well as controlling cost during construction. In the event of unsatisfactory quality of work, we will reject such work pursuant to our contractual arrangements until it is redone to our satisfaction. Our construction contracts typically require payments based on construction progress until a specified maximum percentage of the total contract sum is paid. Except for approximately 5% of the contract sum, which we generally withhold for two years from the time of completion to cover any contingent expenses incurred as a result of any construction defects, the remaining balance is payable upon the issue of a certificate by the relevant governmental authorities approving construction quality. You should refer to the section entitled "— Quality Control and Construction Supervision" below for additional information on our quality control system.

Quality Control and Construction Supervision

We control the overall project quality directly from our headquarters by the following means:

- provision of professional guidance and technical support to our regional offices for the purpose of overseeing and supervising the construction of all our projects;

- compilation of various standardized technical guidelines and assessment systems, including our property construction management system, to manage the various aspects of project developments;

- results evaluation conducted through the monthly plans and weekly progress reports submitted by our regional offices with respect to all of our projects under development from time to time; and

- dispatch of qualified personnel to conduct on-site quality inspections on a random basis.

We emphasise on and enforce our quality control at every stage of a project development from its initial planning and design through its final completion. In addition to our stringent and intensive selection process in choosing our suppliers and service providers as disclosed in the sections entitled "— Centralized Tender" and "— Centralized Procurement" above, we employ strict procedures to select, inspect and test equipment and materials we purchase. Our project management teams inspect equipment and materials to ensure their compliance with the contractual specifications before accepting them and approving payment. We reject and return any supplies that are below our standards or that do not comply with our specifications.

To ensure quality and to monitor the progress and workmanship of a construction project, our wholly owned construction supervision company, Evergrande Engineering and Supervision Co., Ltd., monitors our projects developments on a nationwide basis. Evergrande Engineering and Supervision Co., Ltd. has earned the highest qualification recognized by the PRC government and currently employs over 800 qualified construction supervisor-engineers. In compliance with PRC laws and regulations, we also engage certified construction supervision companies to monitor certain aspects of our project construction as specified by the relevant rules and regulations. We also require the construction contractors to implement our quality control procedures, including the appointment of their internal on-site quality control engineers, examination of materials and supplies, and their on-site inspection. We rely on our own qualified construction supervisor-engineers to effectively monitor the construction process to ensure quality control. Our qualified construction supervisor-engineers not only conduct on-site quality inspection of the construction work on a daily and continuous basis, but also are authorized to tear down sub-standard work if they deem necessary. We have formulated a series of internal quality assurance standards and systems to regulate all major processes and procedures in our project development, including construction works, water and electricity systems, pipe networks, landscaping, fitting-out works, interior design and decoration, controls over raw materials and equipment supply. To control product quality, we have also developed an information management system to enable our headquarters to access information, on a real-time basis, on the construction progress relating to each individual building across our projects anywhere in the country.

We also make great efforts to promote safety and environmental awareness at our construction sites. Many of our construction sites in Guangzhou have received "Double Excellence Construction Sites" awards by Guangzhou municipal government. In addition, prior

to handing over our property to a purchaser, our sales and customer service departments, together with our engineers and the property management company, inspect the property to ensure it is fit for delivery.

Sales and Marketing

We combine a centralized sales and marketing management team with the employment of first-rate professional property sales agencies for our sales and marketing in China. Our internal sales and marketing management team is responsible for formulating our nationwide sales and marketing strategies and supervising their execution, while the retained sales agencies are responsible for implementing such strategies and actual sales. This approach assures consistency in our promotion and sales strategy on a nationwide basis and improves efficiency in our sales.

We have approximately 200 personnel to manage and coordinate our marketing and sales. Their principal responsibilities include the following:

- market research;
- brand promotion;
- sales planning;
- property pricing; and
- sales management.

Our centralized sales and marketing management team coordinates with our regional offices in selecting qualified sales agencies and promoting our brands across different regional markets in China. Our marketing and sales management team works closely with other internal teams and external agencies in order to determine the appropriate advertising and selling plans for any particular project. They also monitor sale and pre-sale procedures conducted by sales agencies. In addition, senior members of our sales and marketing management team are also actively involved in such matters as site selection, project planning and project design.

In December 2007, we entered into sales agency agreements with E-House, a New York Stock Exchange listed company and one of the largest property sales agencies in China. Under such arrangements, E-House, through its subsidiaries in China, acts as the exclusive sales agent for 24 of our projects in 13 cities in China, and is compensated in the form of consultancy fees and sales commission.

Our promotion channels primarily include advertising through newspapers, television, radio, internet, billboards, magazines and mobile phone text messages. We generally engage first-rate property sales agencies and advertising design houses in China, including E-House, Hopefluent Group Holdings Limited and Guangdong Advertising Company Limited, to assist us in our sales campaigns. As part of our marketing strategy, we organize potential customers to visit our property projects via our free shuttle buses. These show-case visits facilitate sales of our properties under development and help promote our brand.

Our principal customers are individual purchasers of residential properties in China. For 2006, 2007, 2008 and the six months ended June 30, 2009, revenues attributable to our five largest customers were less than 1.6% of our total revenues in each period. None of our Directors, their associates or any of our shareholders holding more than 5% of our issued share capital has any interest in our five largest customers during the Track Record Period.

Pre-sale

Like other developers, we pre-sell properties prior to the completion of their construction. Under the PRC pre-sale laws and regulations, property developers must satisfy specific conditions before they may pre-sell their properties under construction. These mandatory conditions include:

- The land premium has been paid in full;
- The land use right certificates, the construction land planning permits, construction works planning permits and the construction permits have been obtained;
- At least 25% of the total project development investments has been made;
- The progress and the expected completion and delivery date of the construction are certain; and
- The pre-sale permit has been obtained.

These mandatory conditions are designed to impose a timing restriction on developers with respect to the commencement of pre-sales. They are predicated on substantial progress in project construction and in capital expenditure. To protect the rights and interests of consumers, local governments generally require developers and property purchasers to use standard sales and purchase contracts prepared under the auspices of such local governments. Developers are required to file all such contracts with local land bureaus and real estate administrative authorities within 30 days of entering into such contracts. Local governments may impose additional conditions from time to time for commencing pre-sale of properties. We have complied with all the relevant pre-sale rules and regulations in the past in all material respects.

In addition, we typically impose our own additional requirements before we pre-sell. To demonstrate our superior product quality to our potential buyers and to shorten the duration between pre-sale and delivery, we generally commence our pre-sale only after we have completed the landscaping, gardening, and the construction of the on-site show units and the lobby. Our own nationwide on-site launch standard includes the following mandatory conditions:

- We have completed any artificial lake, central garden and landscape at least for the first phase;
- We have completed the clubhouse and other ancillary facilities;
- The show units have been decorated according to our delivery standards; and
- The main part of the buildings has met the pre-sale standard.

Most of our urban projects are fully fitted with various interior fittings upon delivery.

Payment Arrangement

Purchasers of our residential properties, including those purchasing our pre-sale properties, may pay us through mortgage loans with banks. We typically require our purchasers to pay a non-refundable deposit upon entering into provisional purchase contracts. If the purchasers later decide not to enter into formal purchase contracts, they will forfeit such deposits to us. Upon executing the formal purchase contracts, the purchasers are typically required to pay at least 30% of the total purchase price of the property within five days, and the remaining balance within 20 days. If the purchasers choose to fund their purchases by mortgage loans provided by banks, it is their own responsibility to apply for and obtain the mortgage approvals. Upon request, we also assist mortgage applicants by providing the relevant property information to expedite their application process. The payment terms of our sales and pre-sales are substantially identical. Our contracted sales amounted to approximately RMB 23.1 billion for the nine months ended September 30, 2009. In addition, as of September 30, 2009, we had received approximately RMB 15.7 billion of receipt in advances from our customers in relation to our pre-sale for the nine months ended September 30, 2009, and we expect to receive the remaining RMB 7.4 billion in the future in accordance with the payment schedules in the relevant sales contracts.

Most of our customers purchase our properties through mortgage financing. In accordance with industry practice in China, we provide guarantees to mortgagee banks in respect of the mortgage loans provided to the purchasers of our pre-sold properties. These guarantees are released upon the earlier of (i) the relevant property ownership certificates being delivered to the purchasers; and (ii) the full repayment of mortgage loans by the purchasers of our properties. In line with industry practice, we do not conduct independent credit checks on our purchasers but rely on the credit checks conducted by the mortgagee banks. As of December 31, 2006, 2007, 2008 and the six months ended June 30, 2009, our outstanding guarantees on the mortgage loans of our purchasers amounted to RMB 1,073.9 million, RMB 1,464.2 million, RMB 2,087.0 million and RMB 5,677.5 million, respectively. During the Track Record Period, we encountered defaulted mortgage loans in the aggregate amount of RMB 4.0 million. We were able to recoup all our guaranteed amount through foreclosure sales. As a result, we did not suffer any economic losses. You should refer to "Risk Factors — Risks Relating to Our Business — We guarantee mortgage loans of our customers and may become liable to the mortgagee banks if our customers default on their mortgage loans" for additional risk disclosure.

After-sales Services and Property Management

We have a dedicated customer service department to manage our after-sales services. We have also set up an ownership certificate department to assist our purchasers in obtaining their property ownership certificates. We offer various communication channels, such as designated mailboxes and emails, for our customers to conveniently express their feedback and complaints about our products or services. Our customer service staff is committed to finding the best solutions to the reported problems. We also provide free publications to our existing customers to cultivate a sense of belonging and community.

Prior to delivery of properties to customers, we usually engage Jinbi Property Management, our subsidiary and a nationally accredited property management company, to manage our properties until the property owners have established a homeowner's association pursuant to the PRC laws and regulations to choose their own property management company. We also engage well-known external professional property management or consultancy companies to manage some of our high-end projects. As of September 30, 2009, most owners of our developments who had become statutorily entitled to elect their property management companies continued to engage Jinbi Property Management to manage their properties. The property management services we provide in relation to our projects include maintenance of common facilities, cleaning, security, gardening, landscaping and other services. Property management companies typically enter into property management agreements with the property owners. The property management agreements set forth the scope and quality requirements of the services to be provided by property management companies. Property management companies are not allowed to assign their management responsibilities to third parties. They are responsible for establishing the property management procedures and formulating maintenance and renovation plans with respect to the properties and public facilities they manage. The property management agreements also set forth the payment arrangements of management fees, which may not be increased without the prior written consent of the relevant homeowners' association.

INVESTMENT PROPERTIES

Along with our residential property projects, we also develop office buildings, hotels, commercial properties, retail shop units and carpark spaces as part of our residential complexes for leasing. As we intend to hold these properties for long-term investment purposes, they are treated as investment properties. As of September 30, 2009, these investment properties had an aggregate GFA of approximately 231,202 square meters, which included 45,624 square meters of total GFA for commercial spaces and 5,544 carparks. Some of our retail shop units and carpark spaces are, or may be, located in large, multiple-use complexes. We may choose to sell the retail shop units when we believe that sales would generate a better return on our investment than through rental and capital appreciation. As of September 30, 2009, we leased commercial spaces with an aggregate GFA of approximately 22,938 square meters and 5,544 carparks and underground utility spaces with an aggregate GFA of approximately 185,579 square meters to third parties.

PROPERTIES USED BY US

As of September 30, 2009, we leased our office premises from independent third parties with a total GFA of 99,866 square meters in different regions of China.

COMPETITION

We compete with other real estate developers in terms of a number of factors, including product quality, service quality, price, financial resources, brand recognition, ability to acquire proper land reserves and other factors. The property market in China highly competitive. Our existing and potential competitors include major domestic developers and, to a lesser extent, foreign developers, such as leading developers from Hong Kong. You should refer to "Risk Factors — Risks Relating to the Property Industry in China — Intensified competition might adversely affect our business and our financial position" for additional disclosure.

INTELLECTUAL PROPERTY RIGHTS

We have registered "恒大地產集團" with the State Administration for Industry and Commerce in China and "Evergrande" and "Evergrande Real Estate Group" in Hong Kong as our trademarks. We have also applied for trademark registration with the PRC intellectual property administrative authorities with respect to our logo, company name in Chinese and English, and names and logos of our product series as disclosed in more detail in "Appendix VIII — Statutory and General Information — B. Further Information about Our Business — 2. Intellectual property" in this document.

INSURANCE

Property developers are not required under PRC national and local laws and regulations to maintain insurance coverage in respect of their property development operations. We do not maintain insurance coverage on our properties developed for sale other than with respect to those developments over which our lending banks have security interests, or for which we are required to maintain insurance coverage under the relevant loan agreements. In addition, we do not require the construction companies we engage to maintain insurance coverage on properties under construction. We generally do not carry insurance against personal injuries that may occur during the construction of our properties. The construction companies, however, are responsible for quality and safety control during the course of the construction and are required to maintain accident insurance for their construction workers pursuant to PRC laws and regulations. To help ensure construction quality and safety, we have formulated a set of standards and specifications for the construction workers to comply with during the construction process. We deploy our own qualified construction supervisor-engineers and also engage qualified external supervision companies to oversee the construction process. Under PRC laws and regulations, the owner or manager of a property under construction bears the civil liability for personal injuries arising out of construction work unless the owner or manager can prove that it is not at fault. We have taken these and other steps in an effort to prevent construction accidents and personal injuries. We believe that we should be in a position to demonstrate that we were not at fault as the property owner if a personal injury claim should be brought against us. In addition, according to our construction contracts, any liability that may arise from tortious acts committed on work sites should be borne by the construction companies. To date, we have not experienced any destruction of or material damage to our property developments nor have any material personal injury-related claims be brought against us.

We believe that our policies with respect to insurance are in line with the industry practice in China. However, there are risks that we do not have sufficient insurance coverage for losses, damages and liabilities that may arise in our business operations. You should refer to "Risk Factors — Risks Relating to Our Business — We have limited insurance to cover our potential losses and claims" for additional risk disclosure.

ENVIRONMENTAL AND SAFETY MATTERS

We are subject to PRC environmental laws and regulations promulgated by both the central and local governments. As required by PRC laws and regulations, depending on the impact of a project on the environment, an environmental impact report, an environmental impact analysis table or an environmental impact registration form is required to be submitted to the relevant

government authorities for approval before commencement of construction, and each project developed by a property developer is required to undergo an environmental assessment after project completion. When there is a material change in respect of the construction site, scale or nature of a given project, a new environmental impact assessment report must be submitted for approval. During the course of a construction, the property developer and the construction companies must take measures to prevent air pollution, noise emissions and water and waste discharges.

In addition, in accordance with PRC environmental laws and regulations, a construction project may be required to include environmental facilities (such as devices, monitors and other facilities that are constructed or equipped in order to prevent pollution and protect the environment). Such facilities will have to pass an inspection by the environmental authorities and an approval must be obtained before the environmental facilities can commence operation. If a construction project is not required to, or does not otherwise, include any environmental facilities, no such approval is required. Our business is of such a nature that we are not required to construct environmental facilities and, therefore no approval in respect of environmental facilities from the environmental authorities is necessary.

We believe that our operations are in compliance with currently applicable national and local environmental and safety laws and regulations in all material respects. You should refer to "Risk Factors — Risks Relating to the Property Industry in China — Potential liability for environmental damages could result in substantial outflow of our resources" for additional risk disclosure.

LEGAL PROCEEDINGS

From time to time we are involved in legal proceedings or disputes in the ordinary course of business, including claims relating to our guarantees for mortgage loans provided to our purchasers and contract disputes with our purchasers and suppliers. We are not aware of any material legal proceedings, claims or disputes currently existing or pending against us. You should refer to "Risk Factors — Risks Relating to Our Business — We may be involved from time to time in material disputes, legal and other proceedings arising out of our operations and may face significant liabilities as a result" for additional risk disclosure.

During the Track Record Period, we and our PRC subsidiaries were in possession of all of the material approvals and permits required under PRC laws and regulations in order to conduct our businesses.

We were not delinquent in the payment of any taxes due and were in compliance with all tax law and regulations during the Track Record Period.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER

Apart from us, Dr. Hui owns a number of other companies. Hengda Industrial is a company holding a group of companies under common control by Dr. Hui and his associate. It was established in Guangzhou on February 8, 1996 and is currently owned by Dr. Hui and his associates.

Hengda Industrial currently has three subsidiaries and is carrying on various lines of businesses principally in Guangdong Province and Henan Province, including recreational services and schools.

As of June 30, 2009, Hengda Industrial had approximately 198 full-time employees. For the year ended December 31, 2008, based on the management accounts of Hengda Industrial prepared in accordance with PRC accounting rules and regulations, its revenue amounted to approximately RMB 45.5 million. Hengda Industrial is operated independently from us with a separate management team. Hengda Industrial received no revenue from us in the year ended December 31, 2008. Hengda Industrial and its subsidiaries and associates had no other transactions with us during the Track Record Period.

As of June 30, 2009, we had receivables from our Original Shareholder of RMB 0.5 million and payables to Dr. Hui in the aggregate amount of nil. As of June 30, 2009, we had borrowings payable to a related party of RMB 249.0 million. We will use internally generated funds to settle this loan payable in cash.

Delineation of Businesses

None of Hengda Industrial, any of its subsidiaries or any of the other entities controlled by Dr. Hui are engaged in any property development and property management businesses that compete or may compete with us.

Hengda Industrial and the other affiliates of Dr. Hui are engaged in businesses unrelated to the property industry. All other businesses operated by Hengda Industrial and other affiliates of Dr. Hui are not a part of our core property development and property management activities. Hengda Industrial and other businesses controlled by Dr. Hui are not our suppliers nor service providers.

Directors

None of our Directors is a director or a substantial shareholder of any business apart from our business, which competes or is likely to compete, either directly or indirectly, with our business.

Non-competition Undertaking

Each of Hengda Industrial, the Original Shareholder and Dr. Hui has undertaken to us in a deed of non-competition that it/he will not, and will procure its/his associates (other than members of our company) not to, engage in any property development and property management business including (without limitation) the following activities:

- acquiring, holding, developing, transferring, disposing or otherwise dealing in, whether directly or indirectly, land, real estate properties or property-related investments;
- engaging, having a right or in any way having an economic interest, in the promotion or development of or investment in land or real estate properties; or
- acquiring, holding, transferring, disposing or otherwise dealing in any option, right or interest over any of the matters set out in the two paragraphs above;

except for acquiring, holding, transferring, disposing or otherwise dealing in, directly or indirectly, shares of any company, joint venture, corporation or entity of any nature, whether or not incorporated, with any interest in the matters set out in the three paragraphs above so long as their aggregate interest in any such entity is less than 5% of its equity interest.

The deed of non-competition will lapse automatically if the Original Shareholder or Dr. Hui ceases to be our shareholder.

In order to promote good corporate governance practices and to improve transparency, the deed of non-competition includes the following provisions:

- the independent non-executive Directors will review, at least on an annual basis, the compliance with the Deed of Non-competition by Hengda Industrial, the Original Shareholder and Dr. Hui;
- each of Hengda Industrial, the Original Shareholder and Dr. Hui has undertaken to us that it/he will provide all information necessary for the annual review by the independent non-executive Directors for the enforcement of the deed of non-competition;
- we will disclose the review by the independent non-executive Directors on the compliance with, and the enforcement of, the deed of non-competition in our annual report or by way of announcement to the public; and
- each of Hengda Industrial, the Original Shareholder and Dr. Hui will make an annual declaration in our annual report on the compliance with the deed of non-competition in accordance with the principle of voluntary disclosure in the corporate governance report.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER

Lease Agreement

On June 1, 2009, Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited, or Jinbi Dashijie, entered into a property lease agreement with Hengda Real Estate Group, pursuant to which Jinbi Dashijie agreed to lease from Hengda Real Estate Group premises of a total GFA of 14,902 square meters situated at 701 Industrial South Road, Haizhu District, Guangzhou for use as a catering and recreational service outlet for a term of three years from January 1, 2009 to December 31, 2011 at an annual rental (exclusive of rates and utilities charges) of not exceeding RMB 16.8 million, RMB 17.4 million and RMB 18.1 million for the three years ending December 31, 2009, 2010 and 2011. Rent paid for the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were RMB 3.0 million, RMB 8.6 million, RMB 2.6 million and RMB 1.3 million, respectively. The reason for the significant increase in the rent payable under the lease agreement in 2007 and 2008 was due to revaluation of the premises and the increase in market rent in commercial properties in the Guangzhou market. The rent payable under the lease agreement was determined with reference to the prevailing market rate.

Jinbi Dashijie is 90% indirectly owned by Mrs. Hui, and is our connected person for the purpose of the Listing Rules.

CB Richard Ellis Limited, an independent property valuer, has confirmed that the rent payable under the lease is comparable to the current market rent. Our Directors (including the independent non-executive Directors) have confirmed that the transactions under the lease and the annual caps are in the ordinary and normal course of our business and on normal commercial terms which are fair and reasonable and in the interests of our company and our shareholders as a whole.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

BOARD OF DIRECTORS

Our Board consists of 11 Directors, three of whom are independent non-executive Directors. The powers and duties of our Board include:

- convening shareholders' meetings and reporting the Board's work at the shareholders' meetings;
- implementing the resolutions passed at the shareholders' meetings;
- determining our business plans and investment plans;
- formulating our annual budget and final accounts;
- formulating our proposals for profit distributions and for the increase or reduction of our share capital; and
- exercising other powers, functions and duties as conferred by our Memorandum and Articles of Association.

We have entered into service contracts with each of our executive Directors and independent non-executive Directors.

The following table sets forth certain information concerning our Directors.

Name	Age	Position
Hui Ka Yan	51	Chairman of the Board
Xia Haijun	45	Vice Chairman, Executive Director, Chief Executive Officer
Li Gang	45	Vice Chairman, Executive Director, Executive Vice President
Tse Wai Wah	42	Executive Director, Chief Financial Officer
Xu Xiangwu	45	Executive Director
Xu Wen	45	Executive Director
Lai Lixin	37	Executive Director
He Miaoling	43	Executive Director
Yu Kam Kee, Lawrence	64	Independent non-executive Director
Chau Shing Yim, David.	45	Independent non-executive Director
He Qi	51	Independent non-executive Director

We operate our business in a centralized manner. Our corporate headquarters maintain overall control in management and operations of all our subsidiaries. The directors of our various project companies are appointed by our corporate headquarters primarily on the basis of their business expertise, management skills and local knowledge and for the purpose of complying with the various local PRC administrative requirements. These project company directors have limited powers and are required to report to and seek approvals from our headquarters on matters of significance. For example, other than daily routine payments contemplated in the budget of our project companies as previously approved by our corporate

headquarters, our project companies must seek approval from the headquarters for any payment if such payment is not contemplated in the previously approved budget or any payment over RMB 10.0 million if such payment is within the contemplation of the previously approved budget. Any contract with a value over RMB 3.0 million must also be approved by our headquarters. Our centralized corporate structure frees our senior executives up from the day-to-day administrative functions of our subsidiaries and allow them to focus on our overall business development and operations.

Executive Directors

Hui Ka Yan (許家印), age 51, has served as chairman of our group since 1996. Dr. Hui was elected an executive Director of our company on June 26, 2006. Dr. Hui is responsible for formulating the overall development strategies of our group. Dr. Hui is also the sole director of our Original Shareholder. Dr. Hui has over 26 years of experience in real estate investment, property development and corporate management. Prior to founding our company, he held management positions with a number of entities including Wuyang Iron and Steel Co., Ltd. and Guangzhou Pengda Group Company Limited. Currently Dr. Hui is a member of the 11th National Committee of the Chinese People's Political Consultative Conference. In addition, Dr. Hui also serves as a vice-chairman of the China Enterprise Confederation, China Enterprise Directors Association and China Real Estate Association. He was accredited as a "National Model Worker" (one of the highest civilian honors in China) by the State Council. He graduated from Wuhan University of Science and Technology with a bachelor's degree in metallurgy in 1982, and was awarded an honorary doctorate degree in commerce by the University of West Alabama in 2008. Dr. Hui has also been an adjunct professor in Wuhan University of Science and Technology since 2003. Dr. Hui was a director of Lujing Real Estate Limited, which was formerly known as Hengda Real Estate Corporation Limited (恒大地產股份有限公司), a company listed on the Shenzhen Stock Exchange, from November 2002 to November 2005 and has not otherwise been a director of any listed companies in the three years immediately preceding the date of this document.

Xia Haijun (夏海鈞), age 45, our vice chairman of the Board, chief executive officer and executive Director. Dr. Xia has 16 years of experience in property development and property management, and is accredited as a senior economist in China. Dr. Xia is mainly in charge of the daily management of our nationwide business operations including business expansion, procurement, marketing and corporate brand promotion, management information system and hotel management. Dr. Xia joined us in June 2007 as our chief executive officer and was elected an executive Director on March 6, 2008. Dr. Xia worked for subsidiaries of CITIC Group between 1990 and 2003 and was an executive vice general manager of CITIC South China (Group) Co., Ltd. between 2000 and 2003. Dr. Xia graduated from Jinan University with a master's degree in business administration in 1998 and a doctor's degree in industrial economy in 2001. Dr. Xia has not been a director of any listed companies in the three years immediately preceding the date of this document.

Li Gang (李鋼), age 45, our vice chairman of the Board, executive vice president and executive Director. Mr. Li is primarily responsible for our fund and budget management as well as the operation and management of our property projects. Mr. Li has more than 15 years of experience in property development, operation and management. He joined us in April 2003 and

was elected an executive Director on March 6, 2008. Mr. Li was previously the vice chairman and general manager of Guangzhou Pengda Group Company Limited from May 1999 to February 2003, during which time, he was also the vice president of Shenzhen Zhongda Group Co. Ltd. and chairman of Shanghai Wanbang Enterprises Group Corporation from 1999 to 2003. Mr. Li was a director of Lujing Real Estate Limited, which was formerly known as Hengda Real Estate Corporation Limited (恒大地產股份有限公司), a company listed on the Shenzhen Stock Exchange, from May 2003 to January 2007 and has not otherwise been a director of any listed companies in the three years immediately preceding the date of this document.

Tse Wai Wah (謝惠華), age 42, our executive Director and chief financial officer. Mr. Tse joined us in December 2008 and was elected an executive Director on October 14, 2009. Mr. Tse is primarily responsible for financial management and overseeing the investors relationship department. Mr. Tse has over 16 years of experience in auditing, accounting and finance. Prior to joining us, he worked in Deloitte Touche Tohmatsu, Certified Public Accountants, for more than 12 years and was the chief financial officer of China Aoyuan Property Group Limited, a public company listed on the Main Board of the Stock Exchange. He graduated from the University of North Carolina at Charlotte with a Master of Business Administration degree. He is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants.

Xu Xiangwu (徐湘武), age 45, our executive Director and vice president. Mr. Xu is also the general manager of our management center. Mr. Xu was elected an executive Director on October 14, 2009. Mr. Xu was graduated from East China Jiaotong University with major in civil engineering in 1985 and obtained master degree in structural engineering from the Central South University in 1989. He is solely responsible for our engineering construction system. Before joining us in 1997, Mr. Xu was working at Lanzhou Railway Bureau from 1988 to 1994 and Guangzhou Waqiao Construction and Design Company (廣州市華僑建築設計所) from 1994 to 1995. He was also the supervisor of the general engineer's office in Guangzhou Pengda Group Company Limited from 1996 to 1997, gaining over 23 years of experience in project management, construction, research and development and design. Mr Xu has not been a director of any listed company in the three years immediately preceding the date of this document.

Xu Wen (徐文), age 45, our executive Director and vice president. Mr. Xu was elected an executive Director on October 14, 2009. Mr. Xu has over 16 years of experience in project management, construction research and design, and is the chairman of the board of directors of Guangzhou Evergrande Materials and Equipment Company Limited. Prior to that, he was an executive assistant to our chairman. Before joining us in April 1999, Mr. Xu was an assistant engineer and then engineer in Design Studio of Number 4 Construction Bureau at the Ministry of Railway (鐵道部第四工程局設計事務所) from 1985 to 1994. He graduated from Changsha Railway University with a bachelor's degree in civil construction in 1985, and is a registered structural engineer and a qualified supervising engineer in China. Mr. Xu has not been a director of any listed companies in the three years immediately preceding the date of this document.

Lai Lixin (賴立新), age 37, our executive Director and vice president. Mr. Lai was elected an executive Director on October 14, 2009. Mr. Lai has more than 14 years of experience in the operation and management of real estate projects. Mr. Lai is currently responsible for our capital

operations, investment strategies and management of development plans. He worked as the general manager of our planning department and our assistant president, responsible for the planning and sales management of our projects. Prior to joining us in October 2000, Mr. Lai worked at Guangzhou Pengda Group Company Ltd. from 1995 to 2000. He graduated with a bachelor's degree in machinery manufacturing and engineering from Nanchang University in 1993 and received a master's degree in project management from Wuhan University of Science and Engineering in 2009.

He Miaoling (何妙玲), age 43, our executive Director and vice president. Ms. He was elected an executive Director on October 14, 2009. Ms. He has more than 11 years of experience in marketing and brand promotion in the property industry. Ms. He is currently responsible for our marketing and brand promotion. She acted as our sales manager, the general manager of our sales department and an assistant president. She joined us in August 1997 and had previously worked for Guangdong Petrochemical Construction Group Corporation. She graduated from South China University of Technology with bachelor's degree in applied mathematics in 1989.

Independent Non-executive Directors

Yu Kam Kee, Lawrence (余錦基), *B.B.S., M.B.E., J.P.*, age 64, our independent non-executive Director. Mr. Yu was elected an independent non-executive Director on October 14, 2009. Mr. Yu underwent training at Bayer AG and Cassella AG in Germany and has accumulated many years of extensive experience in the chemical industry. He is the Honorary Life President of the Hong Kong Dyestuffs Merchants Association Limited. He also serves on many charitable and social organizations. He is now the Co-Chairman of the Campaign Committee of The Community Chest of Hong Kong, Governor of the Hong Kong Automobile Association, Director of the Hong Kong Football Association Limited and Chairman of the Campaign Committee of the Road Safety Council. He is a senior advisor of China Renji Medical Group Ltd. and an independent non-executive director of Great China Holdings Limited, Global Flex Holdings Limited and the Hong Kong Building and Loan Agency Limited, shares of all these companies are listed on the Stock Exchange. Mr. Yu was the chairman and executive director of China Renji Medical Group Limited, Wing On Travel (Holdings) Limited and See Corporation Limited (shares of all these companies are listed on the Stock Exchange) until April 18, 2007, December 1, 2007 and October 1, 2009, respectively, when his resignations as the chairman and executive director from the three companies took effect. Mr. Yu was also the chairman and non-executive director of Trasy Gold Ex Limited, shares of which are listed on the Stock Exchange, until October 1, 2009 when his resignation took effect.

Chau Shing Yim, David (周承炎), age 45, our independent non-executive Director. Mr. Chau was elected an independent non-executive Director on October 14, 2009. Mr. Chau has over 20 years' experience in corporate finance, working on projects ranging from initial public offerings and restructuring of PRC enterprises for cross-border and domestic takeovers. He was formerly a partner of Deloitte Touche Tohmatsu in Hong Kong, heading the merger and acquisition and corporate advisory services. He is a member of the Hong Kong Securities Institute, the Institute of Chartered Accountants of England and Wales ("ICAEW") with the Corporate Finance Qualification granted by ICAEW, and the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr. Chau was an ex-committee member of the Disciplinary

Panel of HKICPA. He is an executive director of Tidetime Sun Holdings Limited and an independent non-executive director of Lee & Man Paper Manufacturing Limited, Shandong Molong Petroleum Machinery Company Limited and Varitronix International Limited, shares of all these companies are listed on the Stock Exchange.

He Qi (何琦), age 51, our independent non-executive Director. Mr. He was elected an independent non-executive Director on October 14, 2009. Mr. He is the Deputy Secretary of China Real Estate Association, as well as the director of the training center and the intermediary professional committee of the China Real Estate Association. He worked in the State Infrastructure Commission of the State City Construction General Bureau from 1981 to 1994. He was an executive of the Development Center of the China Real Estate Association from 1995 to 1999, and a standing deputy city mayor of Ji'an City of Jiangxi Province from 1999 to 2001. He has been the Deputy Secretary of the China Real Estate Association from 2006 to now. Mr. He has not been a director of any listed companies in the three years immediately preceding the date of this document.

Each of our Directors has not been involved in any of the events described under Rule 13.51(2)(h) to (v) of the Listing Rules.

COMPANY SECRETARY

Fong Kar Chun, Jimmy (方家俊), age 34, our vice president and our company secretary. Mr. Fong is a member of the Law Society of Hong Kong and has been a qualified solicitor in Hong Kong since 2001. Mr. Fong joined us in June 2009 and is responsible for planning and implementing our strategy in international capital raising and is jointly responsible for overseeing the investors relationship department with Mr. Tse. Before joining us, Mr. Fong worked as a director in the investment banking division of the Royal Bank of Scotland (previously known as ABN AMRO Bank N.V.) between 2006 to 2009 specializing in mergers and acquisitions and equity capital market fund raising and Sidley Austin, a global law firm in Hong Kong as a solicitor between 2001 to 2006 and DLA Piper, an international law firm in Hong Kong between 1999 to 2001. Mr. Fong obtained his Bachelor of Laws and a postgraduate certificate in laws from the University of Hong Kong in 1997 and 1998 respectively. Mr. Fong obtained his Master of Laws in Banking and Finance Laws from the London School of Economics and Political Science, University of London in 2000.

OTHER SENIOR MANAGEMENT

Sun Yunchi (孫雲馳), age 36, our vice president. Mr. Sun has more than 14 years of experience in capital operations and management. Mr. Sun is currently responsible for our capital planning and management, capital operational budgets and balances. He has acted as general manager of our treasury department, our credit department and as the assistant of president. Prior to joining us in December 1996, he worked in the financial management department of Guangzhou Pengda Group Company Limited from 1995 to 1996. He graduated from Qingdao Metallurgical Community College with a diploma in finance and accounting in 1995.

Li Guodong (李國東), age 46, our vice president. Graduated from Henan Radio & Television University with major in accounting, Mr. Li is currently responsible for our financing management of the Group. Before joining us in 1996, Mr. Li was previously working at the equipment department of Wuyang Iron Steel Co. Ltd. (舞陽鋼鐵有限責任公司) from 1982 to 1985. Subsequently, from 1988 to 1995, he was working at the finance department of Wuyang Iron Steel Co. Ltd. From 1995 to 1996, Mr. Li was redesignated as the chief financial officer of an import and export company under Wuyang Iron Steel Co. Ltd.. Mr. Li has more than 13 year of experience in capital operation and management.

Shi Shouming (時守明), age 35, our vice president. Mr. Shi has more than 11 years of experience in the management of project development and operations. He is also a certified public accountant in China. He is currently responsible for our property development projects and acted as the manager of the development department, executive deputy general manager and general manager of the development department. Prior to joining us in March 2002, he worked at Chongqing Mingsheng Industrial (Group) Limited responsible for marketing. He graduated from Sichuan University, with a bachelor's degree in management engineering in 1997.

Wei Keliang (魏克亮), age 51, our vice president. Mr. Wei has more than 21 years of experience in economic management and fund management. He is accredited as a senior economist and is responsible for our financial management. Prior to joining us in January 2005, he was a sub-branch manager and the general manager of the international business department of the Industrial and Commercial Bank of China in Pingdingshan City in Henan Province. He was also the manager of the foreign exchange department of the international business department of the Industrial and Commercial Bank of China of Henan Province between 1998 and 2004. Mr. Wei graduated from Zhengzhou University and obtained a master's degree in economic in 1996.

Peng Jianjun (彭建軍), age 39, our vice president. Mr. Peng is responsible for the management and operation of our hotel management group. Prior to joining us in December 2007, he held various senior management positions in Guangzhou Dongjiu Group and Guangzhou Mingquanju Resort Hotel Co. Ltd. He was involved in the development and management of the Dongfang Hotel. Mr. Peng obtained a PhD degree in management from Jinan University in 2005 and attended seminars organized by the hotel management school of the Cornell University in 2003. Since 2007, Mr. Peng has acted as a tutor at Zhongshan University. He was also a part-time professor at Guangzhou University from 2005 to 2007. He is a deputy chief executive of the first administrative committee of Guangdong Hotel and Lodging Association, a deputy chief executive of the Federation of Guangzhou Hotel General Managers and a panel member of State Evaluation Committee of China Hotels. Mr. Peng is accredited as a senior economist and has won numerous awards as a distinguished hotel manager.

Lin Manjun (林漫俊), age 39, our vice president and the general manager of the tender and bidding center. Mr. Lin graduated from the Wuhan Urban Construction Institute majored in construction. He is currently responsible for the management of our project tender and bidding. Before joining us in 2003, he was the designer assistant of Guangdong Building Decoration Group Corporation from 1992 to 1993, the construction designer of Guangzhou Civil Construction and Scientific Research Institute (廣州市民用建築科研設計院) from 1994 to 2000,

and the chief designer of a Guangdong-Hong Kong branch under Guangzhou Bonded Area Huihua Engineering Company Limited (廣州保税區匯華工程有限公司) from 2000 to 2003. Mr. Lin has over 16 years of experience in project design and tender and bidding management.

Xu Jianhua (許建華), age 47, our assistant president. Mr. Xu has more than 11 years of experience in capital operations and management and is accredited as a senior economist. Mr. Xu is responsible for our capital planning and operations management. Prior to joining us in March 2004, he was a senior manager at various departments of GF Securities Co., Ltd. from 2000 to 2004. He obtained a doctorate degree in business administration (international financial and investment) from Zhongshan University in 2000 and a post-doctoral degree in applied economics and finance from South Western University of Finance and Economics in 2003.

AUDIT COMMITTEE

We have established an audit committee in compliance with the Code of Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee will be to review and supervise our financial reporting process and internal control system and provide advice and comments to our Board. The audit committee consists of three members who are our independent non-executive Directors. The chairman of the audit committee is Chau Shing Yim, David.

REMUNERATION COMMITTEE

We have established a remuneration committee which consists of Dr. Hui, Yu Kam Kee, Lawrence, and He Qi. Dr. Hui has been appointed as the chairman of the remuneration committee. The remuneration committee considers and recommends to our Board the remuneration and other benefits paid by us to our Directors and senior management. The remuneration of all our Directors and senior management is subject to regular monitoring by the remuneration committee to ensure that levels of their remuneration and compensation are appropriate.

NOMINATION COMMITTEE

We have established a nomination committee which consists of Dr. Hui, He Qi and Chau Shing Yim, David. Dr. Hui has been appointed as the chairman of the nomination committee. The nomination committee considers and recommends to our Board suitably qualified persons to become our Board members and is responsible for reviewing the structure, size and composition of our Board on a regular basis.

COMPENSATION OF DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

We reimburse our Directors for expenses which are necessarily and reasonably incurred for providing services to us or executing their functions in relation to our operations. The executive Directors are also our employees and receive, in their capacity as our employees, compensation in the form of salaries and other allowances and benefits in kind.

The aggregate amount of salaries and other allowances and benefits in kind paid by us to our five highest paid individuals during the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were approximately RMB 3.1 million, RMB 6.9 million, RMB 16.7 million and RMB 8.3 million, respectively. We paid approximately RMB 6,000, RMB 73,000, RMB 131,000 and RMB 95,000 as our contribution to the pension schemes in respect of such individuals in the three years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, respectively.

During the three years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, Dr. Hui had agreed not to receive, and had not received, any emoluments from us.

During the three years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, the aggregate amount of salaries and other allowances, pension scheme contributions (including Mandatory Provident Fund contributions in Hong Kong) and benefits in kind paid by us to or on behalf of all of our Directors was RMB 532,000, RMB 710,000, RMB 18,963,000 and RMB 5,619,000, respectively.

Except as disclosed above, no other payments have been made or are payable, in respect of the three years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, by us or any of our subsidiaries to or on behalf of any of our Directors.

Under the arrangements currently in force, we estimate the aggregate remuneration, excluding discretionary bonus, of our Directors payable for the year ending December 31, 2009 to be approximately RMB 21.4 million.

EMPLOYEES

As of the Latest Practicable Date, we had 7,991 full-time employees. Breakdowns of employees by function as of the same date were as follows:

	Number of employees	Percentage of total
Management	113	1.4%
Property design	311	3.9
Finance and accounting	270	3.4
Project management	1,351	16.9
Business development	39	0.5
Administration	228	2.9
Human resources	77	1.0
Audit	440	5.5
Legal	106	1.3
Fiscal management	24	0.3
Property development	158	2.0
Construction and procurement	270	3.4
Marketing and sales	419	5.2
Property management	3,677	46.0
Hotel management	508	6.4
Total	7,991	100.0%

We recruit our employees from top PRC universities, vocational schools and the public. As of the Latest Practicable Date, over 90% of our management personnel had college degrees.

The compensation package of our employees includes salary, bonus and other cash subsidies. In general, we determine employee salaries based on each employee's qualification, position and seniority. We have designed an annual review system to assess the performance of our employees, which form the basis of our determination on salary raise, bonus and promotion. We are subject to social insurance contribution plans organized by the PRC local governments. In accordance with the relevant national and local labor and social welfare laws and regulations, we are required to pay on behalf of our employees a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing reserve fund. Work-related injury insurance and maternity insurance are also required to be paid by employers. We believe the salaries and benefits that our employees receive are competitive in comparison with market rates. Under the relevant PRC regulations, our subsidiaries incorporated in China are required to contribute to mandatory labor and social security schemes. We believe that we have complied with the relevant national and local labor and social welfare laws and regulations in China and that we have made the relevant contributions in accordance with such PRC laws and regulations.

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We believe we have an amicable relationship with our employees. As of the Latest Practicable Date, no significant labor disputes which would adversely affect our business had occurred.

We have adopted a share option scheme for our senior management and employees. You may find detailed information in "Appendix VIII — Statutory and General Information — D. Other Information — 1. Share Option Scheme" in this document. As of the date of this document, we have not granted any share option under our Share Option Scheme to any person.

COMPLIANCE ADVISOR

We have appointed Taifook Capital Limited as our compliance advisor. We have entered into a compliance advisor's agreement with Taifook Capital Limited that contains the following material terms:

- we have appointed Taifook Capital Limited as our compliance advisor for the purpose of Rule 3A.19 of the Listing Rules for a period commencing on [●] and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after [●], or until the agreement is terminated, whichever is earlier;

- Taifook Capital Limited will provide us with services, including guidance and advice as to compliance with the requirements under the Listing Rules and applicable laws, rules, codes and guidelines;

- we have agreed to indemnify Taifook Capital Limited for certain actions against it and losses incurred by it arising out of or in connection with the performance by Taifook Capital Limited of its duties under the agreement; and

- we may terminate the appointment of Taifook Capital Limited as our compliance advisor only if its work is of an unacceptable standard as determined under the Listing Rules and the relevant laws and regulations or if there is a material dispute (which cannot be resolved within 30 days) over fees payable to it as permitted by Rule 3A.26 of the Listing Rules. Taifook Capital Limited will have the right to resign or terminate its appointment by service of a three-month notice to us if we materially breach the agreement.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the adjustment and finalization as described in the section entitled "Corporate History — Reorganization — Introduction of Financial Investors" in this document and [●], the following persons will:

- have interests or short positions in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO and would represent 5% or more of our share capital, or

- be directly and/or indirectly interested in 10% or more of the nominal value of any class of our share capital, carrying right to vote in all circumstances at our general meeting:

	Number of Shares held	Nature of Interest	Percentage of shareholding in us
Dr. Hui	[●][(1)]	Interest of controlled company	[●]%
Xin Xin (BVI) Limited .	[●]	Beneficial owner	[●]%
Ding Yumei	[●][(2)]	Interest of controlled company	[●]%

1. Of the [●] Shares held, [●] Shares were held by Xin Xin (BVI) Limited, a company wholly owned by Dr. Hui, and [●] Shares were held by Even Honour Holdings Limited, a company wholly owned by Ding Yumei, spouse of Dr. Hui. The interest of Even Honour Holdings Limited in our company is also deemed to be held by Dr. Hui pursuant to the SFO.

2. Of the [●] Shares held, [●] Shares were held by Even Honour Holdings Limited, a company wholly owned by Mrs. Hui, and [●] Shares were held by Xin Xin (BVI) Limited, a company wholly owned by Dr. Hui, spouse of Mrs. Hui. The interest of Xin Xin (BVI) Limited in our company is also deemed to be held by Mrs. Hui pursuant to the SFO.

For details of our Directors' interests in our Shares, you may find further information in "Appendix VIII — Statutory and General Information — C. Further Information about Directors, Management and Staff" in this document.

Except as disclosed in this document, we are not aware of any person who will be directly or indirectly interested in 10% or more of our issued share capital. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our company.

FINANCIAL INFORMATION

You should read the following discussion of our results of operations and financial condition in conjunction with our audited consolidated financial information as of and for each of the three years ended December 31, 2006, 2007 and 2008 and as of and for the six months ended June 30, 2009, including the notes thereto, included in Appendix I to this document. Our consolidated financial statements have been prepared in accordance with HKFRS, which may differ in material respects from generally accepted accounting principles in other jurisdictions. The following discussion contains forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed in such forward-looking statements as a result of various factors, including those set forth under ''Risk Factors'' and elsewhere in this document.

OVERVIEW

We are one of the largest developers of quality residential property projects and a leader in adopting a standardized operational model to manage our various projects in different cities across China. Founded in Guangzhou, Guangdong Province, in 1996, we have become a leading national property developer through our economies of scale and widely recognized brand name under the leadership of our management team. Over the years, our focus on centralized management system, standardized operational model and quality products has allowed us to quickly replicate our success in Guangzhou across China. Through our standardized operational model, we have been able to simultaneously manage projects in various development and sale stages in 24 cities with high-growth prospects, of which 17 are provincial capitals or municipalities, including Guangzhou, Tianjin, Chongqing, Shenyang, Chengdu, Wuhan, Nanjing, Xi'an, Changsha, Taiyuan and Kunming.

Our residential property development integrates planning, design, construction and property management and follows our standardized process management to ensure development speed and product quality. We have been awarded the highest recognition in China in real estate development, architectural planning and design, construction, construction supervision and property management, and have been ranked among the "Top 10 Property Developers of China" by China Real Estate Top 10 Research Group, an organization constituted by Enterprise Research Institute of the Development Research Center of the State Council, Tsinghua University Real Estate Research Center and China Index Academy, for six consecutive years since 2004.

According to a report published on October 9, 2009 by China Real Estate Assessment and Evaluation Center, a non-profit professional evaluation institution, and CRIC, we were ranked No. 1 among property developers in China in terms of the total land reserves and GFA under construction as of September 30, 2009. We were also ranked No. 1 among property developers in China in terms of GFA pre-sold for the nine months ended September 30, 2009, and were among the top five property developers in China in terms of contracted sales for the nine months ended September 30, 2009. In addition, we were ranked No. 1 among property developers in China in terms of GFA pre-sold and contracted sales for the three months ended September 30, 2009. CRIC is a subsidiary of E-House, a New York Stock Exchange listed company, which specializes in providing third-party real estate information and consulting services in the PRC property market. We have not commissioned China Real Estate

Assessment and Evaluation Centre and CRIC for this report. For more information about our relationship with E-House, you may refer to "Business — Property Development — Sales and Marketing" in the document.

We have the largest land reserves among all PRC property developers, with a total GFA of approximately 51.2 million square meters of high-quality and low-cost land with an average cost of approximately RMB 445 per square meter. We focus on provincial capitals and municipalities with high-growth potentials and our land reserves cover the most provincial capitals and municipalities among all PRC property developers. As of September 30, 2009, we had a total of 54 property projects, more than 83% of which were urban projects in provincial capitals or municipalities. As of September 30, 2009, we completed development of a total GFA of approximately 4.1 million square meters since our inception, and we had properties under development with a total GFA of 41.9 million square meters, and properties held for future development with a total GFA of 9.3 million square meters.

As of September 30, 2009, 41 of our property projects under development had construction permits with a total GFA of 17.1 million square meters and a saleable GFA under construction of 16.6 million square meters, and we had obtained pre-sale permits for a total GFA under construction of 7.1 million square meters in 32 projects, of which 2.5 million square meters remained unsold.

Over the years, we have developed and introduced various distinctive product series to the market, including:

- ***High-end series*** represented by products within our Evergrande Palace (恒大華府) series, which account for approximately 10% of the number of our current projects, and are positioned as high-end and premium residential properties in urban centers. Properties of our Evergrande Palace series target high-income residents in such regions.

- ***Mid- to mid-high-end series*** represented by products within our Evergrande Oasis (恒大綠洲) series, Evergrande Metropolis (恒大名都) series and Evergrande City (恒大城) series, which account for approximately 70% of the number of our current projects, and target middle to upper-middle income residents, who currently constitute the largest segment of residential real estate purchasers. Evergrande Metropolis and Evergrande City are urban residential complexes in major cities, while Evergrande Oasis is located in areas with the requisite natural landscape. These series are equipped with well-developed facilities and amenities within the complexes.

- ***Tourism-related series*** represented by products within our Evergrande Splendor (恒大金碧天下) series, which account for approximately 20% of the number of our current projects. Products within our Evergrande Splendor series are positioned as large-scale resort projects that offer a mix of residential, commercial and tourism-related properties.

We design and develop all of our product series under our standardized operational model and market them under the brand name of "Evergrande" on a nationwide basis.

FINANCIAL INFORMATION

We strive to provide high-quality residential products to the market by focusing on every step of the development process, from site selection, planning, landscaping, construction to fitting-out and property management. We aim to deliver "best-in-class" end-products to our customers. Over the years, our products have gained a wide brand recognition among consumers as reflected by our strong contracted sales and sales records. For the year ended December 31, 2008, our contracted sales amounted to approximately RMB 6.0 billion. For the nine months ended September 30, 2009, our contracted sales amounted to approximately RMB 23.1 billion, as compared to approximately RMB 5.4 billion for the same period in 2008, representing an approximately three-time increase. In addition, we had received approximately RMB 15.7 billion of receipt in advances from our customers in relation to our contracted sales for the nine months ended September 30, 2009, and we expect to receive the remaining RMB 7.4 billion in the future in accordance with the payment schedules in the relevant sales contracts. As of September 30, 2009, our total cash (including cash equivalents and restricted cash) amounted to RMB 10.0 billion, representing approximately 96.1% increase from that of June 30, 2009. As of September 30, 2009, our total equity and total assets were RMB 8.9 billion and RMB 48.1 billion, respectively.

BASIS OF PREPARATION OF OUR FINANCIAL STATEMENTS

We underwent the Reorganization. Our Reorganization involved companies under common control, and our company and consolidated subsidiaries resulting from the Reorganization are regarded as a continuing group. Accordingly, we have accounted for the Reorganization on the basis of merger accounting, under which our consolidated financial statements present our results of operations, cash flows and financial position as if our current group structure had been in existence since January 1, 2006 or since the respective dates of incorporation/establishment or acquisition, whichever is later. All intra-group transaction balances have been eliminated on consolidation. In accordance with HKFRS, we have prepared our consolidated financial statements under the historical cost convention, as modified by the revaluation of investment properties, embedded financial derivatives and available-for-sale investments at their fair value pursuant to HKFRS.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Economic Growth, Speed of Urbanization and Demand for Residential Properties in China

Economic growth, urbanization and rising standard of living in China have been the main driving forces behind the increasing market demand for residential properties. Since the second half of 2008, the global economic slowdown and turmoil in the global financial markets have resulted in adverse impact on the overall economy of China, including the PRC real estate market, from which our entire revenues are generated. The economic conditions and volatility of the property prices may continue to have impact on our business and results of operations. At the current stage of the PRC economic development, while the real estate industry is regarded by the PRC government as one of the pillar industries of China, the real estate industry is significantly dependent on the overall economic growth and the resultant consumer demand for residential properties. Because we primarily target middle to upper-middle income level residents, we believe that private sector developments and urbanization in China are especially

important to our operations. These factors will continue to have a significant impact on the number of potential property-buyers and the pricing and profitability of residential properties, which directly affect our results of operations.

Regulatory Measures in the Real Estate Industry in China

PRC governmental policies and measures on property development and related industries have a direct impact on our business and results of operations. From time to time, the PRC government adjusts its macroeconomic control policies to encourage or restrict development in the private property sector through regulating, among others, land supply, pre-sale of properties, land usage, plot ratio, bank financing and taxation. Prior to the second half of 2008, the PRC government had implemented a series of measures to slow down the growth of the economy, including the property markets. However, since the second half of 2008, in view of the economic downturn, the PRC government has adopted measures to encourage consumptions in the residential property market and support real property developers. PRC regulatory measures in the real estate industry will continue to impact our business and results of operations. You should refer to sections entitled "Industry Overview — PRC Property Markets — Measures Taken by PRC Government in Recent Years Relating to PRC Property Markets" and "Appendix VI — Summary of PRC Laws Relating to the Property Sector" in this document for more details on the relevant PRC regulations.

Abilities to Acquire Suitable Land

Our continuing growth will depend in large part on our ability to acquire quality land at prices that can yield reasonable return. As the PRC economy continues to grow at a relatively high speed and demand for residential properties remains relatively strong, we expect that competition among developers for land reserves will remain intense as well. In addition, the statutory means of public tender, auction and listing-for-sale for the grant of state-owned land use rights is also likely to increase competition for development land and increase land acquisition costs.

Timing of Property Development

The number of property projects that we undertake during any particular period is limited due to substantial capital requirements for land acquisitions and construction costs as well as limited land supply. In addition, significant time is required for the development of property projects and it may take many months or probably years before the commencement of pre-sale or completion and delivery of a property project. No revenue is recognized with respect to a property project until it has been completed and delivered to the customers. In addition, as market demand is not stable, revenue in a particular period may also depend on our ability to gauge the expected market demand at the expected launch time for completion and delivery of a particular project, while delays in construction, regulatory approval processes and other factors can adversely affect the timetable of our projects. As a result, our results of operations have fluctuated in the past and are likely to continue to fluctuate in the future.

Land and Construction Costs

Our results of operations are affected by land and construction costs. Land and construction costs constitute the most important items in our cost of sales. Over the years, land premiums have generally been increasing steadily in China. It is widely expected that land premiums will continue to rise as the PRC economy continues to develop. Key construction materials such as steel and cement are included in the fees payable to our construction contractors. Although short-term price volatility of these materials does not affect us immediately, changes in costs in construction materials will cause contractors to change their fee quote, thus impacting our cost of sales and overall project costs. If we cannot sell our properties at a price level sufficient to cover all the increased costs, we will not be able to achieve our target profit margin and our profitability will be adversely impacted.

Product Mix of Our Properties

We derive our revenue mainly from sale of properties. Over the years, we have developed and introduced various product series to the market, targeting a broad customer base. Our results of operations and cash flow generated from operating activities may vary from period to period depending on the product mix and average selling prices for different types of the product. In addition, our results of operations and cash flows generated from operating activities may also vary depending on the market demand at the time we sell our properties. The revenue we receive from our property development depends on local market prices which in turn depend on local supply and demand conditions, as well as the type of property being developed.

Access to and Cost of Financing

Bank borrowing is an important source of funding for our property developments. As of December 31, 2006, 2007 and 2008 and June 30, 2009, our outstanding bank borrowings amounted to RMB 2,255.4 million, RMB 9,561.7 million, RMB 10,440.2 million and RMB 10,172.3 million, respectively. As commercial banks in China link the interest rates on their loans to benchmark lending rates published by PBOC, any increase in such benchmark lending rates will increase the interest costs for our developments. We also have U.S. dollar denominated loans outstanding, with interest rates benchmarked to the three-month London interbank offered rates for U.S. dollar loans. In addition, our access to capital and cost of financing are also affected by restrictions imposed from time to time by the PRC government on bank lending for property developments.

LAT

Our property developments are subject to LAT with respect to the appreciated value of the related land and improvements on such land. LAT applies to both domestic and foreign investors in real estate development in China, irrespective of whether they are corporate entities or individuals. We prepaid LAT in the aggregate amounts of RMB 175.3 million with respect to our pre-sales made during the Track Record Period. According to the relevant LAT laws and regulations in China, provisions of LAT should be made upon recognition of revenue. For 2006, 2007, 2008 and the six months ended June 30, 2009, we made LAT provisions of RMB 64.4 million, RMB 199.7 million, RMB 332.5 million and RMB 59.5 million, respectively. As of the Latest Practicable Date, we had made all prepayments and/or full provisions for LAT in

compliance with the relevant LAT laws and regulations in China as interpreted and enforced by the relevant local tax authorities. However, we cannot assure that the relevant tax authorities will agree to the basis on which we have calculated our LAT liabilities for provision purposes or that such provisions will be sufficient to cover all LAT obligations that tax authorities may ultimately impose on us. Our financial condition may be materially adversely affected if our LAT liabilities as calculated by the relevant tax authorities are substantially higher than our provisions. We have provided more details on the PRC regulations on LAT in "Appendix V — Taxation — Mainland China Taxation — Our Operations in Mainland China — Land appreciation tax" in this document.

Fair Value of Investment Properties

Our investment properties include our retail spaces and parking spaces held for rental income and/or for capital appreciation. Our investment properties are stated at their fair value on our consolidated balance sheets as non-current assets as of each balance sheet date on the basis of valuations by an independent property valuer. Gains or losses arising from changes in the fair value of our investment properties are accounted for as gains or losses upon revaluation in our consolidated income statements, which may have a substantial effect on our profits. The property valuation involves the exercise of professional judgment and requires the use of certain bases and assumptions. The fair value of our investment properties may have been higher or lower if the valuer used a different set of bases or assumptions or if the valuation was conducted by other qualified independent professional valuers using a different set of bases and assumptions. In addition, upward revaluation adjustments reflect unrealized capital gains on our investment properties as of the relevant balance sheet dates and do not generate any cash inflow available for our operations or potential dividend distribution to our shareholders. The amounts of fair value adjustments have been, and may continue to be, significantly affected by the prevailing property market conditions in China and may increase or decrease. We cannot assure you that similar levels of fair value gains can be sustained in the future.

CRITICAL ACCOUNTING POLICIES

We prepare our consolidated financial statements under the historical cost convention as modified for the revaluation of certain investment properties, embedded financial derivatives and available-for-sale investments in accordance with HKFRS. HKFRS requires us to make judgments, estimates and assumptions that affect (i) the reported amounts of our assets and liabilities at the end of each fiscal period, and (ii) the reported amounts of income and expenses during each fiscal period. We continually evaluate these estimates based on our own historical experience, knowledge and assessment of our current business and other conditions, our expectations regarding the future based on available information and our best assumptions, which together form our basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, our actual results could differ from those estimates and expectations. Some of our accounting policies require a higher degree of judgment than others in their application.

FINANCIAL INFORMATION

When reviewing our consolidated financial statements, you should consider (i) our selection of critical accounting policies, (ii) the judgment and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions. We believe the following accounting policies involve the most significant judgment and estimates used in the preparation of our consolidated financial statements.

Investment Properties

Properties that are held for long-term rental income or for capital appreciation or both, and that are not occupied by us, are classified as investment properties. Properties that are being constructed or developed for future use as investment properties are classified as property and equipment and stated at cost until construction or development is complete, at which time they are reclassified and subsequently accounted for as investment properties. Investment properties are measured initially at their cost. After initial recognition, investment properties are carried at fair value. Fair value is based on the current prices in an active market for the properties with similar leases and other contracts, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, we use alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed at each balance sheet date by independent valuers. The fair value of investment properties reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Properties under Development

For accounting purposes, properties under development include only properties in respect of which we have obtained the relevant land use rights certificates and the relevant construction permits. Properties under development are stated at the lower of cost and net realizable value. Net realizable value takes into account the price ultimately expected to be realized, less applicable variable selling expenses and anticipated cost to completion. Development cost of property comprises construction costs, amortization of land use rights, borrowing costs, and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale. Properties under development are classified as current assets except those that will not be realized in one normal operating cycle. Land use rights may sometimes be subject to restrictions due to incomplete administrative and other procedures. We need to make further payments to the relevant governmental authorities as calculated on the basis of the appraisal value of the relevant land after deducting various fees and reclamation costs we have invested before we may transfer ownership of our completed properties to our customers.

Completed Properties Held for Sale

Completed properties remaining unsold at the end of each financial reporting period are stated at the lower of cost and net realizable value. Cost comprises development costs attributable to the unsold properties. Net realizable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after the respective balance sheet date.

Borrowing costs incurred for the construction of any qualified assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

LAT

We are subject to LAT in China. However, the implementation and settlement of these taxes vary among various tax jurisdictions in China. Accordingly, significant judgment is required in determining the amount of the land appreciation and its related taxes. We recognize our LAT based on our best estimates according to our understanding of the tax rules. The final LAT could be different from the amounts that were initially recorded, and these differences will impact our income tax in the periods when such LAT has been finalized with local tax authorities.

Enterprise Income Taxes and Deferred Taxation

We are subject to enterprise income tax in China. Prior to January 1, 2008, PRC enterprise income tax is provided for at 33% on the taxable profit for the PRC statutory financial reporting purposes. Effective from January 1, 2008, all enterprises with operations in China are subject to the same statutory income tax rate at 25%.

Significant judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period when such determination is made.

Deferred income tax assets are recognized to the extent that our management believes it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by us and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using the tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Property and Equipment

Property and equipment are stated at historical cost less depreciation and any impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to us and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the period in which they are incurred.

Depreciation on property and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	30 years
Machinery	5–10 years
Motor vehicles	5–10 years
Furniture, fitting and equipment	5–8 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the income statements.

Embedded Financial Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Our derivative instruments do not qualify for hedge accounting and are accounted for at their fair value through profit or loss. Changes in the fair value of these derivatives are recognized immediately in the income statement. You should refer to the section entitled "Financial Information — Indebtedness — Convertible Preferred Shares and Embedded Financial Derivatives" in this document for additional disclosure.

Financial Guarantee

Financial guarantee liabilities are recognized in respect of the financial guarantee we provide to banks for property purchasers and to certain of our investors. Financial guarantee liabilities are recognized initially at fair value plus transaction costs that are directly attributable to the issue of the financial guarantee liabilities and are subsequently measured at the higher of the present value of the best estimate of the expenditures required to settle the present obligation and the amount initially recognized less cumulative amortization.

Financial guarantee liabilities are derecognized from the balance sheet when, and only when, the obligation specified in the contract is discharged, cancelled or expired.

FINANCIAL INFORMATION

CERTAIN INCOME STATEMENT ITEMS

Revenue

We derive our revenue primarily from property development, property investment, property management services and other property-related services. We recognize our revenue after the properties have been sold and delivered. As customary in the residential property industry, we pre-sell our properties prior to their completion in accordance with PRC pre-sale regulations. We do not, however, recognize the proceeds from pre-sales as revenue until we have completed the construction of these properties and delivered the properties to the purchasers. Typically there is a time gap ranging from three months to one year between the time we commence pre-sale of the properties under development and the delivery of the properties. We record the proceeds received from the pre-sold properties as a part of "receipt in advance from customers," an item of current liabilities on our balance sheet, and as a part of cash inflows from operating activities on our cash flow statements. Revenue arising from property investment is recognized on a straight-line basis over the relevant lease period. Revenue arising from property management services and other property-related services is recognized over the period when the related services are rendered.

Cost of Sales

Cost of sales comprises primarily costs incurred directly for our property development, including construction costs, land acquisition costs, capitalized borrowing costs and business taxes.

Construction costs. Construction costs represent costs for the design and construction of a property project, consisting primarily of fees paid to our contractors, including contractors responsible for civil engineering construction, landscaping, equipment installation and interior decoration, as well as infrastructure construction costs and design costs. Our construction costs are affected by a number of factors such as price of construction materials, location and types of properties, choices of materials and investments in ancillary facilities. Substantially all of the costs of construction materials, whether procured by ourselves or by our contractors, are accounted for as part of the contractor fees upon settlement with the relevant contractors.

Land acquisition costs. Land acquisition costs represent costs relating to acquisition of the rights to occupy, use and develop land, including land premiums, demolishment and resettlement costs, and other land-related taxes and government surcharges. The land acquisition costs are recognized as part of cost of sales upon completion and delivery of the relevant properties.

Capitalized borrowing costs. Our borrowing costs are capitalized to the extent that such costs are directly attributable to the acquisition or construction of a project. Such capitalized borrowing costs are included as part of the cost of sales for the relevant property when we recognize the sales revenue.

Business taxes. Our revenues from property development, property investment and property management are subject to business taxes and surcharges at the rate of 5.5% payable to local tax authorities.

Fair Value Gains on Investment Properties

We hold certain properties such as retail shops and parking spaces for rental income or capital appreciation. Our investment properties are revalued annually on an open market value or existing use basis by an independent property valuer. Any appreciation or depreciation in our investment property value is recognized as fair value gains or losses in our consolidated income statements.

Other Gains

Our other gains primarily consist of interest income, gains on the transfer of project development right, gains on partial disposal of subsidiaries, and gains from repurchase of the Structured Secured Loan. As part of the ordinary business operations, we from time to time seek to co-develop projects or transfer partial project interest, which may result in other gains or losses. Gains on transfer of project development right were derived from the transfers of the development rights of two development projects and we recognized a gain, which represented the excess of the proceeds received and receivable over the costs of the two projects. Gains on partial disposal of a subsidiary represented the excess of proceeds over the carrying value of the underlying shareholding interest in the subsidiary. Gains from repurchase of the Structured Secured Loan were derived from the repurchase of a portion of the Structured Secured Loan and related accrued interest at a discount price to the face value.

Selling and Marketing Costs

Selling and marketing costs comprise primarily advertising and promotional expenses, sales commissions and other expenses relating to sales of our properties, including advertisements on television and in newspapers, magazines, and on billboards.

Administrative Expenses

Administrative expenses comprise primarily administrative staff costs, travel expenses, entertainment expenses, rental payments, office expenses, depreciation and provision for bad debts.

(Provisions)/Reversal of Financial Guarantees

Our financial guarantee liabilities mainly arise from (i) our providing guarantee for repayment by the Original Shareholder in respect of the restructuring for the Convertible Preferred Shares; and (ii) our providing guarantee for the Original Shareholder and Dr. Hui in respect of their obligations to redeem our ordinary shares issued to certain investors on June 25, 2008.

The fair value on financial guarantees is affected by certain factors, including the global economic outlook, our financial position and the results of operations, probability of default and recovery ratio, and market yields and return volatility of comparable corporate bonds. The provisions in the year ended December 31, 2008 and reversal in the six months ended June 30, 2009 were primarily attributed to the financial crisis in 2008 and the subsequent improvement in market situation in the first half of 2009.

Finance (Costs)/Income, net

Finance (Costs)/income, net, comprise primarily the net amount of foreign exchange gains/losses and interest costs net of capitalized interest relating to properties under development and property and equipment. Since foreign exchange rates fluctuate and the construction period for a project does not necessarily coincide with the interest payment periods of the relevant loan, not all of the interest costs related to a project can be capitalized. As a result, our finance costs fluctuate from period to period depending on the level of interest costs that are capitalized within the reporting period.

Profit before Income Tax

Profit before income tax comprises primarily operating profit, net of fair value change on financial guarantee and embedded financial derivatives and finance costs/income.

Our net profit margins (defined as profit for the year/period divided by revenue) for the three years ended December 31, 2006, 2007, 2008 and the six months ended June 30, 2009 were 16.4%, 34.1%, 17.5% and 31.9%, respectively.

Income Tax Expenses

Income tax expenses represent PRC enterprise income tax payable and LAT payable by our PRC subsidiaries.

Prior to December 31, 2005, enterprise income tax for certain subsidiaries established in Guangzhou was calculated based on the pre-sale proceeds of the properties according to the rules and regulations issued by Guangzhou tax authorities, with an effective tax rate between 2.5% and 3.0%. Since January 1, 2006, the enterprise income tax applicable to our property development companies in Guangzhou is the same as other PRC enterprises, generally at 33% of their taxable income. Since January 1, 2008, our PRC subsidiaries have been subject to the new national enterprise income tax of 25% pursuant to the new enterprise income tax law adopted by the NPC. We did not provide for any Hong Kong profits tax as we had no business operations subject to Hong Kong profit tax during the Track Record Period.

Currently, we are not subject to any Cayman Islands income tax pursuant to an undertaking obtained from the Governor in Cabinet. You should refer to "Appendix VII — Summary of Memorandum and Articles of Association and Cayman Islands Companies Law — Summary of Cayman Companies Law and Taxation — 18. Taxation" in this document for more details.

The reconciliation of income tax and our profit before income tax in form of percentages is set out below:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
Profit before income tax	100%	100%	100%	100%	100%
Calculated at PRC enterprise income tax rate	28	33	24	25	22
Effect of changes in tax rate	0	(8)	0	0	0
PRC land appreciation tax deductible for PRC corporate income tax purposes	(4)	(4)	(8)	(6)	(3)
Income not subject to tax	0	(20)	(22)	(18)	(21)
Reversal of provision of deferred tax liabilities of land use right having obtained invoice	0	0	0	0	(13)
Expenses not deductible for tax purposes	10	14	5	1	1
Tax losses for which no deferred income tax asset was recognized	0	1	1	0	0
PRC enterprise income tax	34	16	0	2	(14)
PRC land appreciation tax	11	13	35	24	12
Effective tax rate	45%	29%	35%	26%	(2%)

Our effective tax rate decreased from 45% for the year ended December 31, 2006 to 29% for the year ended December 31, 2007 primarily due to:

- the effect of changes in the PRC enterprise income tax rate from 33% to 25%, which reduced our deferred income tax expense associated primarily with the fair value gains of our investment properties; and

- the gain associated with the partial disposal of interest in a subsidiary in 2007, which was non-taxable.

Our effective tax rate increased from 29% for the year ended December 31, 2007 to 35% for the year ended December 31, 2008 primarily due to significant increases in LAT incurred, which was driven by the higher profit margin achieved by our property projects completed and delivered during the year.

Our effective tax rate was 26% for the six months ended June 30, 2008, as compared to negative 2% for the same period in 2009, primarily due to (i) reversal of financial guarantee of RMB 146.3 million which is not subject to tax; (ii) additional gains from disposal of 40% equity interest in a subsidiary which is not subject to tax; (iii) the gain of RMB 172.5 million from the

repurchase of the Structured Secured Loan, which is not subject to tax; and (iv) reversal of deferred tax liabilities as a result of receiving the official tax invoice in respect of the previous acquisition of Xinzhongjian as part of our Reorganization.

RESULTS OF OPERATIONS

The table below summarizes our consolidated results in absolute terms and as a percentage of our revenue for 2006, 2007, 2008 and the six months ended June 30, 2008 and 2009.

	Year ended December 31,						Six months ended June 30,			
	2006		2007		2008		2008		2009	
	(RMB in thousands, except percentages and per share data)									
Revenue	1,983,304	100.0%	3,166,692	100.0%	3,606,791	100.0%	2,525,413	100.0%	1,635,130	100.0%
Cost of sales	(1,426,278)	71.9	(1,945,261)	61.4	(2,124,420)	58.9	(1,585,279)	62.8	(1,089,782)	66.6
Gross profit	557,026	28.1	1,221,431	38.6	1,482,371	41.1	940,134	37.2	545,348	33.4
Fair value gains on investment properties	300,103	15.1	657,067	20.7	77,415	2.1	107,912	4.3	299,657	18.3
Other gains	25,904	1.3	796,877	25.2	531,090	14.7	485,883	19.2	301,094	18.4
Selling and marketing costs	(63,640)	3.2	(220,651)	7.0	(665,299)	18.4	(278,161)	11.0	(415,259)	25.4
Administrative expenses	(150,964)	7.6	(470,579)	14.9	(545,273)	15.1	(218,146)	8.6	(349,034)	21.3
Other operating expenses	(19,572)	1.0	(23,356)	0.7	(34,439)	1.0	(24,243)	1.0	(6,187)	0.4
Operating profit	648,857	32.7	1,960,789	61.9	845,865	23.5	1,013,379	40.1	375,619	23.0
Fair value change on embedded financial derivatives	(2,515)	0.1	(562,684)	17.8	—	0.0	—	0.0	—	0.0
(Provisions)/reversals of financial guarantees	—	—	—	0.0	(65,997)	1.8	(32,315)	1.3	146,341	8.9
Finance (costs)/income, net	(55,809)	2.8	118,765	3.8	186,520	5.2	183,980	7.3	(12,308)	0.8
Profit before income tax	590,533	29.8	1,516,870	47.9	966,388	26.8	1,165,044	46.1	509,652	31.2
Income tax (expenses)/credit	(265,074)	13.4	(437,766)	13.8	(333,958)	9.3	(304,480)	12.1	12,708	0.8
Profit for the year/period	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	31.9
Other comprehensive income:										
Gain/(loss) recognized directly in equity	—	0.0	—	0.0	—	0.0	—	0.0	—	0.0
Total comprehensive income for the year/period	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	31.9
Attributable to:										
Shareholders of the Company	325,459	16.4	1,081,533	34.2	524,760	14.5	759,883	30.1	500,172	30.5
Minority interests	—	—	(2,429)	0.1	107,670	3.0	100,681	4.0	22,188	1.4
	325,459	16.4	1,079,104	34.1	632,430	17.5	860,564	34.1	522,360	31.9
Basic and diluted earnings per share for profit attributable to our shareholders during the year/period (expressed in RMB per share)	Not applicable	—	Not applicable	—	0.21	—	0.33	—	0.18	—
Dividends	493,518	24.9%	—	—%	125,651	3.5%	125,651	5.0%	—	—%

Business Segments

Our business consists of the following four segments:

- property development;
- property investment;
- property management services; and
- other businesses related to property development.

The following table illustrates our revenue by business segment for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	(RMB in millions)				
Property development	1,885.4	3,014.8	3,495.0	2,471.3	1,490.1
Property investment	11.8	28.6	25.8	11.8	12.4
Property management services	46.3	66.9	78.7	37.3	44.7
Others	39.8	56.4	7.3	5.0	87.9
Total	1,983.3	3,166.7	3,606.8	2,525.4	1,635.1

The following table illustrates our other gains for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	(RMB in thousands)				
Interest income	6,846	27,875	34,495	8,977	12,351
Forfeited customer deposits	2,975	5,394	5,338	1,399	6,277
Gain on transfer of project development rights	—	—	474,465	474,465	—
Gain on partial disposal of a subsidiary	—	760,382	—	—	98,800
Gain on the disposal of available-for-sale investments	10,800	—	—	—	—
Others	5,283	3,226	16,792	1,042	183,666
	25,904	796,877	531,090	485,883	301,094

Six Months Ended June 30, 2009 Compared to Six Months Ended June 30, 2008

Revenue. Our revenue decreased by RMB 890.3 million, or 35.3%, to RMB 1,635.1 million for the six months ended June 30, 2009 from RMB 2,525.4 million for the same period in 2008. The major contributor to our revenue in these periods was the property development business. During the six months ended June 30, 2008, our revenue generated from property development was derived mainly from the high-end series products, including our flagship

project, Evergrande Royal Scenic Penninsula, while our revenue from property development during the six months ended June 30, 2009 was derived from development of properties from a more diversified mix of product series. Major developments completed and delivered in the six months ended June 30, 2009 included Evergrande Scenic Garden phase 1, Evergrande Royal Scenic Penninsula phase 1, Evergrande City Chengdu phase 1, Evergrande Oasis Chengdu phase 1, Evergrande Oasis Shenyang phase 1, Evergrande Palace Chongqing phase 1, Evergrande Splendor Chongqing phase 1 and Evergrande Palace Wuhan phase 1.

Property Development. Our revenue generated from property development decreased by RMB 981.2 million, or 39.7%, to RMB 1,490.1 million for the six months ended June 30, 2009 from RMB 2,471.3 million for the same period in 2008. The decrease was primarily due to the delivery of more high-end series products (including Evergrande Royal Scenic Penninsula) with a higher average selling price in the six months ended June 30, 2008, as compared to our delivery of more diversified products with lower average selling price in the same period in 2009.

The following table sets forth the revenue generated from each project and the percentage of the total revenue generated by each project for the periods indicated.

	Six months ended June 30, 2009		Six months ended June 30, 2008	
Project	**Revenue**	**% of revenue**	**Revenue**	**% of revenue**
	(RMB in millions except percentages)			
High-end series				
Evergrande Royal Scenic Penninsula	296.2	19.9%	1,212.1	49%
Other projects	214.5	14.4	9.0	0.4
Sub-total	510.7	34.3	1,221.1	49.4
Mid- to mid-high-end series				
Evergrande Oasis Chengdu	198.7	13.3	—	—
Evergrande Oasis Shenyang	182.6	12.3	—	—
Evergrande City Chengdu	154.4	10.4	—	—
Jinbi Century Garden	17.6	1.2	459.4	18.6
Jinbi Junhong Garden	10.6	0.7	456.4	18.5
Jinbi New City Garden	7.8	0.5	279.1	11.3
Other projects	17.1	1.1	55.3	2.2
Sub-total	588.8	39.5	1,250.2	50.6
Tourism-related series				
Evergrande Scenic Garden	288.2	19.3	—	—
Evergrande Splendor Chongqing	102.4	6.9	—	—
Sub-total	390.6	26.2	—	—
Total	1,490.1	100.0%	2,471.3	100.0%

Property Investment. Our revenue generated from property investment increased by RMB 0.6 million, or 5.1%, to RMB 12.4 million for the six months ended June 30, 2009 from RMB 11.8 million for the same period in 2008. The increase was primarily due to the slightly increased rental price in some of our rental properties as well as the addition of properties to our investment property portfolio which increased the total GFA of our investment properties in the six months ended June 30, 2009.

Property Management Services. Our revenue generated from property management services increased by RMB 7.4 million, or 19.8%, to RMB 44.7 million for the six months ended June 30, 2009 from RMB 37.3 million for the same period in 2008. The increase was primarily due to the additional property management fees that we received from the increased total GFA completed and delivered since June 30, 2008.

Others. Our other revenue increased by RMB 82.9 million, or 16.6 times, to RMB 87.9 million for the six months ended June 30, 2009 from RMB 5.0 million for the same period in 2008, primarily due to the increased revenue generated from the construction services we provided to certain construction projects in accordance with contractual arrangements with independent third parties.

Cost of sales. Our cost of sales decreased by RMB 495.5 million, or 31.3%, to RMB 1,089.8 million for the six months ended June 30, 2009 from RMB 1,585.3 million for the same period in 2008. The decrease was primarily due to the delivery of more high-end series products with higher construction costs in the six months ended June 30, 2008, as compared to the delivery of more diversified products with lower construction costs in the same period in 2009. Our gross profit margin decreased to 33.3% for the six months ended June 30, 2009 from 37.2% for the same period in 2008 due to the combined effect of the market slowdown and the lower percentage of our high-end series products delivered for the six months ended June 30, 2009.

Fair value gains on investment properties. Fair value gains on our investment properties increased by RMB 191.8 million, or 177.8%, to RMB 299.7 million for the six months ended June 30, 2009 from RMB 107.9 million for the same period in 2008. The increase was primarily due to the increased value of our existing investment properties as a result of overall property value appreciation and increased rental prices, as well as the addition of properties to our investment property portfolio, which increased the total GFA of our investment properties.

Other gains. Our other gains decreased by RMB 184.8 million, or 38.0%, to RMB 301.1 million for the six months ended June 30, 2009 from RMB 485.9 million for the same period in 2008. Our other gains for the six months ended June 30, 2008 were derived primarily from the gain of RMB 474.5 million realized from our transfer of the development rights in two property development projects to Chow Tai Fook Group. Our other gains for the six months ended June 30, 2009 were derived primarily from the gain of approximately RMB 172.5 million realized from our repurchase of a portion of the Structured Secured Loan from an independent third party at a discount price, as well as the gain of RMB 98.8 million realized from repayment by Success Will Group Limited to us in accordance with the contractual arrangements relating to our disposal of a 40% interest in Success Will Group Limited to an affiliate of Merrill Lynch in 2007. In addition, our bank interest income increased to approximately RMB 12.4 million in the six months ended June 30, 2009 from approximately RMB 9.0 million in the same period of 2008.

Selling and marketing costs. Our selling and marketing costs increased by RMB 137.1 million, or 49.3%, to RMB 415.3 million for the six months ended June 30, 2009 from RMB 278.2 million for the same period in 2008. The increase was primarily due to the increase in the advertising costs and sales commissions in connection with our increased nationwide marketing and brand promotion activities as a result of the significantly increased number of properties and total GFA pre-sold in the six months ended June 30, 2009, partially offset by the decrease in the consultancy fee. Our selling and marketing costs are booked in the current period in which they are incurred in connection with the pre-sale activities, while the revenue generated in connection with such selling and marketing costs may be booked in the subsequent period when the relevant properties are delivered.

Administrative expenses. Our administrative expenses increased by RMB 130.9 million, or 60.0%, to RMB 349.0 million for the six months ended June 30, 2009 from RMB 218.1 million for the same period in 2008, primarily due to the increase in our total number of employees from 5,141 as of June 30, 2008 to 6,974 as of June 30, 2009, resulting in the increase in the total salaries and benefits for our administrative personnel to approximately RMB 189.3 million for the six months ended June 30, 2009 from approximately RMB 85.1 million for the same period in 2008 as a result of our nationwide business expansion.

Other operating expenses. Our other operating expenses decreased by RMB 18.0 million, or 74.5%, to RMB 6.2 million for the six months ended June 30, 2009 from RMB 24.2 million for the same period in 2008. The decrease was primarily due to more charitable donations made in connection with natural disasters occurred in the six months ended June 30, 2008, such as Sichuan earthquake.

Reversal of financial guarantees. There was a reversal of financial guarantees of approximately RMB 146.3 million for the six months ended June 30, 2009 while there was a provision of approximately RMB 32.3 million for the same period in 2008, primarily due to a significant improvement of the market conditions during the six months ended June 30, 2009 which resulted in a decrease of carrying amount of the financial guarantees.

Finance (costs)/income, net. We had a net finance cost of RMB 12.3 million for the six months ended June 30, 2009, and a net finance income of RMB 184.0 million for the same period of 2008. The net finance income for the six months ended June 30, 2008 was primarily due to the foreign exchange gain of RMB 191.6 million mainly arising from the Structured Secured Loan as a result of the appreciation of Renminbi against the U.S. dollar during this period. In addition, our interest expenses incurred from bank borrowings wholly repayable within five years increased to approximately RMB 8.1 million for the six months ended June 30, 2009 from approximately RMB 7.6 million for the same period of 2008.

Income tax (expenses)/credit. Our income tax expenses, which comprised PRC enterprise income tax and LAT, were RMB 304.5 million for the six months ended June 30, 2008. We had a tax credit of RMB 12.7 million for the six months ended June 30, 2009. The change was primarily due to (i) reversal of financial guarantee of RMB 146.3 million which is not subject to tax; (ii) additional gains from disposal of 40% equity interest in a subsidiary which is not taxable; (iii) the gain of RMB 172.5 million from the repurchase of the Structured Secured

Loan, which is not taxable; and (iv) reversal of deferred tax liabilities as a result of receiving the official invoice from relevant tax authorities in respect of the previous acquisition of Xinzhongjian as part of our Reorganization.

Profit for the period. Our profit for the period decreased by RMB 338.2 million, or 39.3%, to RMB 522.4 million for the six months ended June 30, 2009 from RMB 860.6 million for the same period in 2008. The result for the six months ended June 30, 2009 and the corresponding period of 2008, after excluding fair value gains on our investment properties and provisions/ reversals of financial guarantees, were a net profit of approximately RMB 151.3 million and RMB 811.9 million, respectively. The decrease was primarily due to delivery of more high-end series products (including Evergrande Royal Scenic Penninsula) with a higher average selling price in the six months ended June 30, 2008, as compared to our delivery of more diversified products with a lower average selling price in the same period in 2009. In addition, our advertising costs and sales commissions increased significantly in the six months ended June 30, 2009, and they were booked in the current period in which they are incurred in connection with the pre-sale activities, while the revenue generated in connection with such advertising costs and sales commissions may be booked in the subsequent period when the relevant properties are delivered.

Dividend. We did not pay any dividend for the six months ended June 30, 2009, but paid a dividend of RMB 125.7 million for the six months ended June 30, 2008.

2008 Compared to 2007

Revenue. Our revenue increased by RMB 440.1 million, or 13.9%, to RMB 3,606.8 million for the year ended December 31, 2008 from RMB 3,166.7 million for the year ended December 31, 2007. The major contributor to our revenue in these two years was the property development business. Major projects completed and delivered in the year ended December 31, 2008 included Jinbi New City Garden phase 5, Jinbi Garden No. 3 phases 3 and 4, Jinbi Junhong Garden, Jinbi Century Garden phase 5, Jinbi Atrium phase 5, Evergrande Royal Scenic Peninsula phases 1, Evergrande Palace Chongqing phase 1, Evergrande Oasis Shenyang phase 1, Evergrande Oasis Chengdu phase 1 and Evergrande City Chengdu phase 1.

Property Development. Our revenue generated from property development increased by RMB 480.2 million, or 15.9%, to RMB 3,495.0 million for the year ended December 31, 2008 from RMB 3,014.8 million for the year ended December 31, 2007, primarily due to the increase in the average selling price in the year ended December 31, 2008, partially offset by the decrease in the total GFA we delivered in the year ended December 31, 2008. The increase of the average selling price was primarily a result of the delivery of our high-end flagship project, Evergrande Royal Scenic Peninsula.

The following table sets forth the revenue generated from each project and the percentage of the total revenue generated by each project for the years indicated.

	2008		2007	
Project	Revenue	% of revenue	Revenue	% of revenue
	(RMB in millions except percentages)			
High-end series				
Evergrande Royal Scenic Peninsula	1,663.9	47.6%	—	—%
Other Projects	47.4	1.4	126.9	4.2
Sub-total	1,711.3	49.0	126.9	4.2
Mid- to mid-high-end series				
Jinbi Junhong Garden	506.8	14.5	589.9	19.6
Jinbi Century Garden	493.5	14.1	533.9	17.7
Jinbi New City Garden	380.5	10.9	357.1	11.9
Jinbi Garden No. 3	48.6	1.4	1,073.2	35.6
Jinbi Atrium	25.5	0.7	329.5	10.9
Other Projects	328.9	9.4	4.3	0.1
Sub-total	1,783.8	51.0	2,887.9	95.8
Total	3,495.0	100.0%	3,014.8	100.0%

Property Investment. Our revenue generated from property investment decreased by RMB 2.8 million, or 9.8%, to RMB 25.8 million for the year ended December 31, 2008 from RMB 28.6 million for the year ended December 31, 2007, primarily due to the decrease in the rentable GFA in the year ended December 31, 2008.

Property Management Services. Our revenue generated from property management services increased by RMB 11.8 million, or 17.6%, to RMB 78.7 million for the year ended December 31, 2008 from RMB 66.9 million for the year ended December 31, 2007, primarily due to the additional property management fees that we received from the total GFA completed and delivered in the year ended December 31, 2008.

Others. Our other revenue decreased by RMB 49.1 million, or 87.1%, to RMB 7.3 million for the year ended December 31, 2008 from RMB 56.4 million for the year ended December 31, 2007, primarily due to the decreased construction services provided by us to independent third parties in 2008.

Cost of sales. Our cost of sales increased by RMB 179.1 million, or 9.2%, to RMB 2,124.4 million for the year ended December 31, 2008 from RMB 1,945.3 million for the year ended December 31, 2007. The increase was primarily due to (i) increased revenue in the year ended December 31, 2008, which resulted in increased business taxes, (ii) our development of more high-end series products with relatively higher construction costs in 2008, including our flagship project, Evergrande Royal Scenic Peninsula, and (iii) the increase in our decoration standard, which led to increased costs. However, our gross profit margin increased to 41.1% in the year ended December 31, 2008 from 38.6% in the year ended December 31, 2007 as our selling prices increased at a higher rate than that of our cost of sales.

Fair value gains on investment properties. Fair value gains on our investment properties decreased by RMB 579.7 million, or 88.2%, to RMB 77.4 million in the year ended December 31, 2008 from RMB 657.1 million in the year ended December 31, 2007. The decrease was primarily due to the general economic slowdown of the property market in Guangzhou during the year.

Other gains. Our other gains decreased by RMB 265.8 million, or 33.4%, to RMB 531.1 million in the year ended December 31, 2008 from RMB 796.9 million in the year ended December 31, 2007. Our other gains for the year ended December 31, 2007 primarily consisted of a gain of approximately RMB 760.4 million realized from our disposal of a 40% interest in a subsidiary, Success Will Group Limited, to an affiliate of Merrill Lynch. Our other gains for the year ended December 31, 2008 primarily consisted of a gain of approximately RMB 474.5 million realized from our transfer of the development rights and control rights in two projects to Chow Tai Fook Group in the year ended December 31, 2008. In addition, our interest income from bank deposits increased from RMB 27.9 million for the year ended December 31, 2007 to RMB 34.5 million for the year ended December 31, 2008.

Selling and marketing costs. Our selling and marketing costs increased by RMB 444.6 million, or 201.4%, to RMB 665.3 million in the year ended December 31, 2008 from RMB 220.7 million in the year ended December 31, 2007, primarily due to the higher advertising costs, sales commissions and consultancy fees incurred in 2008 in connection with implementing more marketing and brand promotion activities to support our pre-sale efforts of 18 projects nationwide in 2008.

Administrative expenses. Our administrative expenses increased by RMB 74.7 million, or 15.9%, to RMB 545.3 million in the year ended December 31, 2008 from RMB 470.6 million in the year ended December 31, 2007. The increase was primarily due to: (i) our increased total salaries and benefits for our administrative personnel; and (ii) our increased office and transportation related expenses in connection with our nationwide expansion.

Other operating expenses. Our other operating expenses increased by RMB 11.0 million, or 47%, to RMB 34.4 million in the year ended December 31, 2008 from RMB 23.4 million in the year ended December 31, 2007. The increase was primarily due to our more charitable donations made in the year ended December 31, 2008 in connection with natural disasters, including Sichuan earthquake.

Fair value change on embedded financial derivatives. The valuation loss for the year ended December 31, 2007 arose from the revaluation of the conversion option and the redemption option of our Convertible Preferred Shares at December 31, 2007. The Convertible Preferred Shares were issued in November 2006 at a subscription price of US$0.5 per share. In accordance with HKAS 39, the conversion option and the redemption option of the Convertible Preferred Shares were remeasured at December 31, 2006 and the changes in fair value of the Convertible Preferred Shares were recognized in our consolidated income statement. As of January 31, 2008, we have repurchased and cancelled the 800,000,000 Convertible Preferred Shares in our company for an aggregate consideration of US$400 million. The repurchase was financed by a loan in the same amount lent by the Financial Investors, including their affiliates, to the Original Shareholder, which had been injected as capital into our company to subscribe

for the 800,000,000 newly issued ordinary shares. The Original Shareholder has conditionally transferred a portion of the newly issued ordinary shares to the Financial Investors, and security for the loan included a guarantee provided by our company.

Fair value change on financial guarantee. The fair value on financial guarantee was initially recognized as RMB 66.0 million as of December 31, 2008. The financial guarantee mainly arises from: (i) our providing guarantee for repayment by the Original Shareholder in respect of the restructuring for the Convertible Preferred Shares; and (ii) our providing guarantee for the Original Shareholder and Dr. Hui in respect of their obligations to redeem ordinary shares issued to certain investors on June 25, 2008.

Finance (costs)/income, net. Our net finance income increased by RMB 67.7 million, or 57.0%, to RMB 186.5 million for the year ended December 31, 2008 from RMB 118.8 million for the year ended December 31, 2007. The increase was primarily due to the foreign exchange gain of RMB 201.9 million mainly arising from the Structured Secured Loan due to the appreciation of Renminbi against the U.S. dollar. In the year ended December 31, 2008, our uncapitalized interest expenses were RMB 15.4 million, and in the year ended December 31, 2007, our uncapitalized interest expenses were RMB 155.5 million with a foreign exchange gain of RMB 274.3 million.

Income tax (expenses)/credit. Our income tax expenses, which comprised PRC enterprise income tax and LAT, decreased by RMB 103.8 million, or 23.7%, to RMB 334.0 million in the year ended December 31, 2008 from RMB 437.8 million in the year ended December 31, 2007. The decrease was primarily due to our decreased profit before income taxes in the year ended December 31, 2008. The effective tax rate for the year ended December 31, 2008 slightly increased to 34.6% from 28.9% for the year ended December 31, 2007 because: (i) the gross profit margin in the year ended December 31, 2008 was higher than that in the year ended December 31, 2007, which resulted in higher LAT; (ii) the write back of the deferred tax provided for the appreciation of land use rights and investment properties revaluation surplus recorded before the current period as the PRC enterprise income tax rate will be lowered from 33% to 25% for the fiscal periods beginning on after January 1, 2008; and (iii) the non-taxable gain of RMB 760.4 million from the disposal of a 40% interest in a property project company was recognized in 2007 while the non-taxable gain of RMB 474.5 million from the transfer of the development rights and control rights in two projects to an affiliate of Chow Tai Fook Group was recognized in the year ended December 31, 2008.

Profit for the year. Our profit for the year decreased by RMB 446.7 million, or 41.4%, to RMB 632.4 million in the year ended December 31, 2008 from RMB 1,079.1 million in the year ended December 31, 2007. The result for the year ended December 31, 2008 and 2007, after excluding fair value gains on our investment properties, embedded financial derivatives and financial guarantee, were a net profit of RMB 640.4 million and RMB 1,149.0 million, respectively.

Dividend. We did not pay any dividend for the year ended December 31, 2007 but paid a dividend of RMB 125.7 million for the year ended December 31, 2008.

2007 Compared to 2006

Revenue. Our revenue increased by RMB 1,183.4 million, or 60.0%, to RMB 3,166.7 million in the year ended December 31, 2007 from RMB 1,983.3 million in the year ended December 31, 2006. The major contributor to our revenue in these two years was the property development business. Major projects completed and delivered in the year ended December 31, 2007 included Jinbi New City Garden phases 2 to 4, Jinbi Garden No. 3 phases 3 and 4, Jinbi Century Garden phases 3 and 4, Jinbi Atrium phases 3 and 4, Jinbi Junhong Garden, and Jinbi Bay Garden phase 2.

Property Development. Our revenue generated from property development increased by RMB 1,129.5 million, or 59.9%, to RMB 3,014.8 million in the year ended December 31, 2007 from RMB 1,885.3 million in the year ended December 31, 2006. The increase was primarily due to the significant increase in both average selling price and the total GFA we delivered in the year ended December 31, 2007 as a result of the strong market demand.

The following table sets forth the revenue generated from each project and the percentage of the total revenue generated by each project for the years as indicated.

	2007		2006	
Project	**Revenue**	**% of revenue**	**Revenue**	**% of revenue**
	(RMB in millions except percentages)			
High-end series				
Jinbi Bay Garden	120.8	4.0%	418.8	22.2%
Jinbi Palace	6.1	0.2	40.0	2.1
Sub-total	126.9	4.2	458.8	24.3
Mid- to mid-high-end series				
Jinbi Garden No. 3	1,073.2	35.6	316.7	16.8
Jinbi Junhong Garden	589.9	19.6	—	—
Jinbi Century Garden	533.9	17.7	300.6	15.9
Jinbi New City Garden	357.1	11.9	330.8	17.5
Jinbi Atrium	329.5	10.9	266.2	14.1
Other projects	4.3	0.1	212.3	11.3
Sub-total	2,887.9	95.8	1,426.6	75.7
Total	3,014.8	100.0%	1,885.4	100.0%

Property Investment. Our revenue generated from property investment increased by RMB 16.8 million, or 142.4%, to RMB 28.6 million in the year ended December 31, 2007 from RMB 11.8 million in the year ended December 31, 2006. The increase was primarily due to the reversion of the lease of Jinbi Dashijie and the shops in Jinbi Garden No. 3 that became available for leasing and leased out in the year ended December 31, 2007.

Property Management Services. Our revenue generated from property management services increased by RMB 20.6 million, or 44.5%, to RMB 66.9 million in the year ended December 31, 2007 from RMB 46.3 million in the year ended December 31, 2006. The increase was primarily due to the additional property management fees that we received from the total GFA completed and delivered since December 31, 2006.

Others. Our other revenue increased by RMB 16.6 million, or 41.7%, to RMB 56.4 million in the year ended December 31, 2007 from RMB 39.8 million in the year ended December 31, 2006, primarily due to our increased revenue generated from our construction service business.

Cost of sales. Our cost of sales increased by RMB 519.0 million, or 36.4%, to RMB 1,945.3 million in the year ended December 31, 2007 from RMB 1,426.3 million in the year ended December 31, 2006. The increase was primarily due to: (i) the increased revenue in the year ended December 31, 2007 which resulted in the increased business taxes corresponding to our increased property sales; and (ii) the increase in our decoration standard, which led to increased costs. However, our gross profit margin increased to 38.6% in the year ended December 31, 2007 from 28.1% in the year ended December 31, 2006 as our selling prices increased at a higher rate than that of our cost of sales.

Fair value gains on investment properties. Fair value gains on our investment properties increased by RMB 357.0 million, or 119.0%, to RMB 657.1 million in the year ended December 31, 2007 from RMB 300.1 million in the year ended December 31, 2006. The increase was primarily due to: (i) the increased value of our existing investment properties as a result of the overall property value appreciation and the increased rental prices in Guangzhou in the year ended December 31, 2007; and (ii) the addition of properties to our investment property portfolio.

Other gains. Our other gains increased by RMB 771.0 million, or 30 times, to RMB 796.9 million in the year ended December 31, 2007 from RMB 25.9 million in the year ended December 31, 2006. The increase was primarily due to the profit of approximately RMB 760.4 million realized from our disposal of a 40% interest in a subsidiary, Success Will Group Limited, to an affiliate of Merrill Lynch.

Selling and marketing costs. Our selling and marketing costs increased by RMB 157.1 million, or 247.0%, to RMB 220.7 million in the year ended December 31, 2007 from RMB 63.6 million in the year ended December 31, 2006. The increase was primarily due to the increased advertising and promotion expenses incurred with the increased number of properties and GFA pre-sold in the year ended December 31, 2007 as well as increased marketing campaign and brand promotion on a nationwide basis in connection with the launch of our various property projects.

Administrative expenses. Our administrative expenses increased by RMB 319.6 million, or 211.7%, to RMB 470.6 million in the year ended December 31, 2007 from RMB 151.0 million in the year ended December 31, 2006. The increase was primarily due to: (i) our increased total salaries and benefits for our administrative personnel as well as the incurrence of expenses in

advance of recognizing revenue from our continued expansion into cities outside Guangdong Province; and (ii) the increased land amortization and tax and fees in connection with the land use right as a result of our increased land reserves.

Other operating expenses. Our other operating expenses increased by RMB 3.8 million, or 19.4%, to RMB 23.4 million in the year ended December 31, 2007 from RMB 19.6 million in the year ended December 31, 2006. The increase was primarily due to an increase of our charitable donation made in the year ended December 31, 2007.

Fair value change on embedded financial derivatives. The valuation loss for 2007 arose from the revaluation of the conversion option and the redemption option of our Convertible Preferred Shares at December 31, 2007. The Convertible Preferred Shares were issued in November 2006. In accordance with HKAS 39, the conversion option and the redemption option of the Convertible Preferred Shares were remeasured at December 31, 2007 and the changes in fair value of the Convertible Preferred Shares were recognized in our consolidated income statement.

Finance (costs)/income, net. The net finance income was RMB 118.8 million for the year ended December 31, 2007, and the net finance cost was RMB 55.8 million for the year ended December 31, 2006. The change was primarily due to the foreign exchange gain of RMB 274.3 million mainly arising from the translation of the Convertible Preferred Shares due to the appreciation of Renminbi against the U.S. dollar. Such foreign exchange gain was partially offset by the uncapitalized interest expenses for bank borrowings and the liabilities component of the Convertible Preferred Shares. Our uncapitalized interest expenses increased from RMB 81.8 million for the year ended December 31, 2006 to RMB 155.5 million for the year ended December 31, 2007.

Income tax (expenses)/credit. Our income tax expenses, which comprised PRC enterprise income tax and LAT, increased by RMB 172.7 million, or 65.1%, to RMB 437.8 million in the year ended December 31, 2007 from RMB 265.1 million in the year ended December 31, 2006. The increase was primarily due to our increased profit before income taxes in the year ended December 31, 2007. The effective tax rate decreased from 44.9% in the year ended December 31, 2006 to 28.9% in the year ended December 31, 2007 because (i) the write back of the deferred tax provided for the appreciation of land use rights and investment properties revaluation surplus recorded before the current period as the PRC enterprise income tax rate was lowered from 33% to 25% for the fiscal periods beginning on after January 1, 2008; and (ii) the gain of approximately RMB 760.4 million from the disposal of a 40% interest in a subsidiary, Success Will Group Limited, to an affiliate of Merrill Lynch, which was non-taxable.

Profit for the year. Our profit for the year increased by RMB 753.6 million, or 231.5%, to RMB 1,079.1 million in the year ended December 31, 2007 from RMB 325.5 million in the year ended December 31, 2006. The result for the year ended December 31, 2007 and 2006, after excluding fair value losses on our investment properties and embedded financial derivatives, were a net profit of RMB 1,149.0 million and RMB 126.9 million, respectively.

Dividend. We did not pay any dividend for the year ended December 31, 2007 while paid a dividend of approximately RMB 493.5 million for the year ended December 31, 2006.

LIQUIDITY AND CAPITAL RESOURCES

We have financed our property projects primarily through proceeds from our shareholders' contributions, bank borrowings, pre-sale proceeds of properties under development, proceeds from the sale of completed properties, the Convertible Preferred Shares and the Structured Secured Loan. We typically follow a financing model under which our start-up cost is mainly financed by bank and other borrowings as well as shareholders' contributions. This financing model supports our projects until the pre-sales stage, when we are able to repay our borrowings with pre-sale proceeds. Our main sources of funds for our property projects are summarized below.

- **Shareholders' contributions.** We have relied to a certain extent on capital contributions from our Shareholders in exchange for equity interests to finance our projects. Since 2004 and prior to May 27, 2009, PRC property developers were typically required to make a capital contribution of not less than 35% of the total investment of a project when they apply for project-specific loans. On May 27, 2009, such contribution percentage requirement was reduced to 20% for ordinary commodity housing projects and affordable housing projects and 30% for all other property development projects.

- **Bank borrowings.** As of June 30, 2009, we had total secured bank borrowings of RMB 9,923 million. We usually obtain project-specific bank borrowings that are secured by our properties under development and our land use rights, and usually repay the borrowings using a portion of our pre-sale proceeds of the specific property.

- **Pre-sale proceeds of properties.** Pre-sale proceeds are proceeds we receive when we enter into contracts to sell properties prior to their completion. Under PRC law, the following conditions must be fulfilled before commencement of the pre-sale of a particular property: (i) the land premium must be paid in full and the land use rights certificate must have been obtained; (ii) the construction works planning permit and the work commencement permit must have been obtained; (iii) the funds contributed to the development of the project must amount to at least 25% of the total amount to be invested in the project and the project progress and the date of completion of the project for use must have been ascertained; and (iv) the pre-sale permit must have been obtained. Upon obtaining a pre-sale permit from the relevant government authorities, we generally enter into pre-sale contracts with our customers. We typically receive an initial payment of at least 30% of the unit purchase price at the execution of the pre-sale contract and the balance typically can be obtained as bank mortgage loans from commercial banks within 90 days of the execution of the pre-sale contract.

- **Financings.** On November 29, 2006, we, Dr. Hui, the Original Shareholder and the Financial Investors entered into an investment agreement pursuant to which the Financial Investors agreed to subscribe for an aggregate of 800,000,000 Convertible Preferred Shares for an aggregate subscription amount of US$400 million subject to adjustment and finalization upon completion of a Qualified IPO. On December 11, 2007 (as amended on June 26, 2008), we entered into a restructuring agreement with the Financial Investors pursuant to which we repurchased and cancelled the 800

million Convertible Preferred Shares for an aggregate consideration of US$400 million. On August 27, 2007, we entered into a loan agreement (as amended on January 24, 2008, June 26, 2008 and September 21, 2009) with an affiliate of Credit Suisse, as initial lender, to raise the Structured Secured Loan with a maximum aggregate principal amount of approximately US$500 million. The aggregate amount drawn down was US$430 million as an offshore loan and RMB 20 million as an onshore loan, and there has been no further draw-down on the loan. The Credit Suisse affiliate has since sold or syndicated out a substantial portion of the Structured Secured Loan to 15 other institutions. On June 9, 2008, we, Dr. Hui, the Original Shareholder and the New Investors entered into a new investment agreement (as amended) pursuant to which the New Investors agreed to subscribe for an aggregate of 374,104,266 new Shares in our company for an aggregate subscription amount of US$506 million. For further details, you may refer to the sections entitled "Corporate History — Reorganization — Introduction of Financial Investors," "— Structured Secured Loan" and "— Introduction of New Investors" in this document.

We expect to fund our property projects through a combination of sources, including internally generated cash flow, proceeds from the pre-sale of our properties under development, proceeds from the sale of completed properties, bank loans, and other funds raised from the capital markets from time to time. In particular, as of June 30, 2009, the total contracted commitment of property development expenditure and land expenditure amounted to RMB 14,278 million and RMB 11,616 million, respectively. For details of the commitment we have made relating to property development expenditure and land expenditure as of June 30, 2009, you may find additional information in Note 32 of "Appendix I — Accountants' Report" in this document. Based on the best estimate by our Directors as of the Latest Practicable Date, approximately RMB 25,894 million is expected to be invested within five years.

Net Current Assets

As of September 30, 2009, our net current assets amounted to approximately RMB 12,758.2 million. Our current assets were mainly comprised of land use rights of RMB 12,798.4 million, properties under development of RMB 9,726.0 million, completed properties held for sale of RMB 6,595.6 million, trade and other receivables and prepayments of RMB 4,935.9 million, cash and cash equivalents of RMB 4,441.5 million and restricted cash of RMB 5,568.1 million. As a result of our standardized operational model, our business cycle from the commencement of development to pre-sale is relatively short and majority of our properties under development are classified as current assets, which may be able to generate cash within one year. Our current liabilities were mainly comprised of borrowings of RMB 7,343.6 million, trade and other payables of RMB 6,205.4 million, receipt in advance from customers of RMB 17,012.7 million, financial guarantee liabilities of RMB 51.1 million and current income tax liabilities of RMB 913.1 million. Our receipt in advance from customers were accounted for as liabilities prior to delivery of the properties. The relevant amount in this category would be recognized as revenue upon completion and delivery of the properties to customers. The increase of land use rights by RMB 4,154.2 million, as compared to RMB 8,644.2 million as of December 31, 2008 was mainly due to the payment of outstanding land premium for the property projects in the nine months ended September 30, 2009.

FINANCIAL INFORMATION

The following table presents selected cash flow data from our consolidated cash flow statements for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	(RMB in millions)				
Net cash (used in)/generated from operating activities	(1,674.6)	(7,517.7)	(5,186.3)	(3,289.4)	2,368.2
Net cash generated from/(used in) investing activities	1,892.2	777.9	(135.4)	(70.0)	(24.3)
Net cash generated from/(used in) financing activities	1,278.6	6,767.7	4,465.2	4,883.8	(119.0)
Cash and cash equivalents at end of the year/period	1,656.0	1,640.9	749.7	3,136.6	2,974.2

Operating Activities

Our cash used in operations principally comprises amounts we pay for our property development activities, which are reflected on our consolidated balance sheets as an increase in our property inventory. Our cash from operations is generated principally from the proceeds from sales of our properties.

We recorded continuous net operating cash outflows for the years ended 2006, 2007 and 2008, and a net operating cash inflow in the six months ended June 30, 2009. For the year ended 2006, 2007 and 2008, the net operating cash outflows were principally due to the increase in our acquisitions of land use rights, properties under development and completed properties held for sale. Our net cash flow generated from operating activities in the six months ended June 30, 2009 was primarily due to a significant increase in our receipt in advance from customers as a result of our pre-sale activities.

Net cash generated from operating activities was RMB 2,368.2 million in the six months ended June 30, 2009, as compared to net cash used in operating activities of RMB 3,289.4 million in the same period in 2008. Operating cash outflow before changes in working capital was RMB 184.8 million in the six months ended June 30, 2009, as compared to an operating cash inflow of RMB 911.7 million in the same period in 2008. Changes in working capital contributed to a cash inflow of RMB 3,002 million in the six months ended June 30, 2009 primarily due to the significant increase in our receipt in advance from customers compared to the same period of 2008, as a result of our increased number of properties and total GFA pre-sold during this period.

Our standardized operational model for high-quality real estate products has enabled us to effectively expand nationwide rapidly. In the six months ended June 30, 2009, we pre-sold properties with an aggregate GFA of approximately 2,156,871 square meters and our pre-sale proceeds amounted to RMB 10.2 billion, representing a growth rate of 1,390.4% and 920.7% over the same period in 2008 respectively.

Net cash used in operating activities decreased to RMB 5,186.3 million in the year ended December 31, 2008 from RMB 7,517.7 million in the year ended December 31, 2007. Operating cash inflow before changes in working capital increased to RMB 749.3 million in the year ended December 31, 2008 from RMB 531.3 million in the year ended December 31, 2007. Changes in working capital contributed to a cash outflow of RMB 4,788.0 million in the year ended December 31, 2008 as compared to RMB 7,558.2 million in the year ended December 31, 2007, primarily attributable to our slowed-down pace to build up land reserves as a result of the more moderate cash control policy and operating policy we adopted in response to the economic downturn in 2008.

Net cash used in operating activities increased to RMB 7,517.7 million in the year ended December 31, 2007 from RMB 1,674.6 million in the year ended December 31, 2006. Operating cash inflow before changes in working capital increased to RMB 531.3 million in the year ended December 31, 2007 from RMB 346.3 million in the year ended December 31, 2006. Changes in working capital contributed to a cash outflow of RMB 7,558.2 million in the year ended December 31, 2007, as compared to RMB 1,770.0 million in 2006, primarily due to the increase in acquisitions of land reserves and construction activities as reflected by the increase in the balances of our land use rights, properties under development, completed properties held for sale, as well as our increased pre-sale activities as reflected by the increase in our restricted cash balance.

Investing Activities

Net cash used in investing activities decreased to RMB 24.3 million in the six months ended June 30, 2009 from RMB 70.0 million in the same period in 2008. The decrease was primarily due to the decrease in our purchase of property and equipment to RMB 36.7 million in the six months ended June 30, 2009 from RMB 70.9 million in the same period in 2008, and the increase in the interest received to RMB 12.4 million in the six months ended June 30, 2009 from RMB 9.0 million in the same period in 2008.

Net cash used in investing activities was RMB 135.4 million in the year ended December 31, 2008, as compared to net cash generated from investing activities of RMB 777.9 million in the year ended December 31, 2007. This change was primarily due to the cash inflow as a result of the proceeds of RMB 976.4 million from our disposal of a 40% interest in a subsidiary, Success Will Group Limited, to an affiliate of Merrill Lynch in the year ended December 31, 2007, which was not replicated in 2008. The primary cash outflow in investing activities were attributable to purchase of fixed assets and hotel constructions.

Net cash generated in investing activities decreased to RMB 777.9 million in the year ended December 31, 2007 from RMB 1,892.2 million in the year ended December 31, 2006, primarily due to the fact that RMB 1,872.7 million of cash advances were repaid by related parties in 2006, which was not replicated in 2007. The primary cash inflow in 2007 was the proceeds of RMB 976.4 million from the partial disposal of our interests in a subsidiary.

Financing Activities

Net cash used in financing activities was RMB 119.0 million in the six months ended June 30, 2009, as compared to net cash generated from financing activities of RMB 4,883.8 million for the same period in 2008. The cash outflow from financing activities in the six months ended June 30, 2009 was primarily due to the repayment of bank borrowings of RMB 1,877.0 million, partially offset by RMB 1,756.6 million raised from the new bank borrowings. Cash inflow generated from financing activities in the six months ended June 30, 2008 was primarily due to the proceeds of RMB 3,386.1 million from the issue of new shares to New Investors, a decrease in restricted cash pledged for bank borrowings of RMB 676.1 million, an increase in bank borrowings of RMB 1,914.8 million, partially offset by repayment of bank borrowings of RMB 1,092.5 million.

Net cash generated from financing activities decreased to RMB 4,465.2 million in the year ended December 31, 2008 from RMB 6,767.7 million in the year ended December 31, 2007, primarily due to a decrease in new bank borrowings of RMB 4,593.9 million to RMB 3,732.6 million from RMB 8,326.5 million and an increase in repayment of bank borrowings of RMB 2,084.5 million, from RMB 969.7 million to RMB 3,054.2 million, partially offset by to the proceeds of RMB 3,386.1 million from the issue of new shares to New Investors in 2008.

Net cash generated from financing activities increased to RMB 6,767.7 million in the year ended December 31, 2007 from RMB 1,278.6 million in the year ended December 31, 2006, primarily due to a significant increase in new bank borrowings, partially offset by the proceeds from issue of Convertible Preferred Shares in 2006, which was not replicated in 2007, as well as dividends paid and distributed to the shareholders.

Working Capital

As of December 31, 2006, 2007, 2008, June 30, 2009 and September 30, 2009, our aggregate cash and cash equivalents amounted to RMB 1,656.0 million, RMB 1,640.9 million, RMB 749.7 million, RMB 2,974.2 million and RMB 4,441.5 million, respectively. As of September 30, 2009, we had available and undrawn banking facilities in the aggregate amount of RMB 10.4 billion. In order to improve our working capital position, gearing ratio and operating cash flow going forward, we plan to:

- proactively execute our nationwide sales plan and generate operating cash flow from the pre-sale of our properties;
- leverage our cost advantage from our increasing economies of scale; and
- seek longer term financing opportunities including syndicated loans, issue of corporate bonds, and equity and equity-linked financings.

PROPERTY INTERESTS AND PROPERTY VALUATION

Our property interests, including the interests in properties that are attributable to us, as valued by CB Richard Ellis Limited, independent property valuer, as of September 30, 2009 was RMB 99.4 billion. There was a net revaluation surplus, representing the excess market value of the properties over their book value as of June 30, 2009 (after adjusting for properties purchased and sold, and depreciation/amortization during the period from July 1, 2009 to September 30, 2009). For further details of our property interests and the text of the letter and valuation certificates of these property interests prepared by CB Richard Ellis Limited, see "Appendix IV — Property Valuation Report" to this document.

Disclosure of the reconciliation of the valuation of the interests in properties attributable to us and such property interests in our consolidated balance sheet as of June 30, 2009 as required under Rule 5.07 of Listing Rules is set forth below:

Net book value as of June 30, 2009	**RMB in millions**
Buildings and assets under construction included in property and equipment[1]	263.6
Properties under development	11,320.3
Completed properties held for sale	3,291.7
Land use rights	10,480.8
Investment properties	2,148.1
	27,504.5
Movement for the period from July 1, 2009 to September 30, 2009[2]	4,591.8
Net book value as of September 30, 2009	32,096.3
Valuation surplus	80,852.0
Valuation as of September 30, 2009	112,948.3

(1) Among the property and equipment amounting to an aggregate of approximately RMB 389.8 million as of June 30, 2009, only the assets under construction and buildings amounting to approximately RMB 263.6 million were included in the valuation in Appendix IV.

(2) Movement for the period from July 1, 2009 to September 30, 2009 mainly represented RMB 2,613.1 million of new purchases of properties and land use rights, RMB 1,978.7 million of costs incurred for construction of properties under development and investment properties, offset by sales of properties, depreciation and amortization.

FINANCIAL INFORMATION

INDEBTEDNESS

Borrowings

Our borrowings are denominated in both U.S. dollar and Renminbi. As of December 31, 2006 and 2007 and 2008, June 30, 2009 and September 30, 2009, we had the following outstanding borrowings.

	As of December 31,			As of June 30,	As of September 30,
	2006	2007	2008	2009	2009
	(RMB in millions)				
Borrowings included in non-current liabilities:					
Bank borrowings — secured	1,732.3	8,980.5	9,779.3	9,468.3	12,854.4
Borrowings from a related party	211.1	225.5	240.9	249.0	253.2
	1,943.4	9,206.0	10,020.2	9,717.3	13,107.6
Less: current portion of non-current borrowings	(517.7)	(290.5)	(5,793.8)	(5,839.4)	(5,885.4)
	1,425.7	8,915.5	4,226.4	3,877.9	7,222.2
Borrowings included in current liabilities:					
Bank borrowings — secured	312.0	355.7	420.0	455.0	1,458.2
Current portion of non-current borrowings	517.7	290.5	5,793.8	5,839.4	5,885.4
	829.7	646.2	6,213.8	6,294.4	7,343.6
Total borrowings	2,255.4	9,561.7	10,440.2	10,172.3	14,565.8

Our outstanding bank and other borrowings amounted to RMB 2,255.4 million, RMB 9,561.7 million, RMB 10,440.2 million, RMB 10,172.3 million and RMB 14,565.8 million, as of December 31, 2006, 2007 and 2008, June 30, 2009 and September 30, 2009, respectively. The increase in our bank and other borrowings was primarily due to additional funds needed for new development projects and our acquisition of land reserves for future development. As of December 31, 2006, 2007, 2008, June 30, 2009 and September 30, 2009, the average interest rate on our borrowings was 6.19%, 12.53%, 10.92%, 10.16% and 9.08%, respectively.

Commercial banks in China typically require guarantees or security interests to lend to us. As of December 31, 2006, 2007 and 2008, June 30, 2009 and September 30, 2009 all of our outstanding bank and other borrowings were secured by our land use rights, investment properties, properties under development, completed properties held for sale and cash deposit and equity interests in certain subsidiaries.

The table below sets forth the maturity profiles of our non-current borrowings as of the dates indicated:

	As of December 31,			As of June 30,	As of September 30,
	2006	2007	2008	2009	2009
	(RMB in millions)				
Bank borrowings:					
1–2 years	182.7	5,160.4	3,605.5	2,586.1	2,727.4
2–5 years	1,032.0	3,529.6	380.0	1,042.8	4,241.6
Borrowings from a related party:					
1–2 years	211.1	225.5	—	—	—
2–5 years	—	—	240.9	249.0	253.2
	1,425.8	8,915.5	4,226.4	3,877.9	7,222.2

Structured Secured Loan

We made three draw-downs under the Structured Secured Loan:

- on August 31, 2007, US$300 million and RMB 20 million;
- on October 24, 2007, US$67 million; and
- on October 31, 2007, US$63 million.

Upon the above draw-downs, we paid structuring fees ranging from 1.5% to 3.0%. The following were reflected in our financial statements:

- cash and bank balances increased by US$295.8 million (approximately RMB 2,221,461,000), US$66 million (approximately RMB 493,020,000) and US$61.1 million (approximately RMB 456,417,000), respectively, which represented net cash proceeds with structuring fees deducted from the loan consideration;
- loans recognized at their fair value net of structuring fees amounting to US$289.9 million (approximately RMB 2,177,149,000), US$64.6 million (approximately RMB 482,562,000) and US$59.8 million (approximately RMB 446,706,000), respectively; and
- the remaining amount of US$5.9 million (approximately RMB 44,312,000), US$1.4 million (approximately RMB 10,458,000) and US$1.3 million (approximately RMB 9,711,000), respectively, mainly representing the value of the Shares transferred by the Original Shareholder to Credit Suisse, credited to our capital reserve and not classified or to be classified as our finance cost.

The fair value of the Structured Secured Loan was measured as the present value of its future cash outflow, which included payment of loan principal, coupon rate and premium, discounted by using the prevailing market rate of interest for a similar instrument but without considering the Shares transferred by the Original Shareholder to Credit Suisse. Going forward, the Structured Secured Loan will be stated at amortized cost, and its interest, with a coupon rate of LIBOR plus 4.5%, and premium in aggregate to be calculated based on the agreed annual return rate of 19% as provided in the Structured Secured Loan agreement for the period from the date of draw-down to the date of completion of [●] will be expensed and reflected in our income statement or capitalized under the "property under development" in our balance sheet. The accrued payments of premium paid by the Original Shareholder will be regarded as shareholder's contribution and transferred to capital reserve of our financial statements.

The Directors believe that, under an arm's length transaction, the Structured Secured Loan proceeds represented the aggregate fair value of the Structured Secured Loan and the Shares given by the Original Shareholder to Credit Suisse. Under the circumstances, the Shares given by the Original Shareholder to Credit Suisse constituted a subsidy to us, with its value being the difference between the fair value of the Structured Secured Loan and the Structured Secured Loan proceeds, as estimated by an independent valuer. The independent valuer also confirmed that the value associated to the Shares given to Credit Suisse was market value based on the discounted cash flow method.

On June 24, 2009, Tianji Holding Limited, our wholly-owned subsidiary, purchased the entire issued share capital of Ever Grace Group Limited, which is one of the lenders and owns US$48.5 million of the Structured Secured Loan, from Shikumen Capital Management Limited, an affiliate of a New Investor, and an independent third party, for an aggregate consideration of US$34.0 million.

Certain events of default occurred under the Structured Secured Loan in 2008 as we failed to maintain certain financial ratios (including the Consolidated EBITDA) during the current global economic downturn and financial crisis. But we obtained a forbearance agreement with the lenders of the Structured Secured Loan in December 2008 for them not to accelerate the Structured Secured Loan. We have obtained waivers from the Structured Secured Loan lenders as well as the Financial Investors and the New Investors with respect to any existing or purported defaults, events of default or cross-defaults under the various financing agreements. Such waivers will remain valid and effective until March 31, 2010. In addition, we have also obtained an extension of the exercise date of the put option to March 31, 2010 in relation to the Structured Secured Loan from the lenders.

Convertible Preferred Shares and Embedded Financial Derivatives

On November 29, 2006, we issued 800,000,000 Convertible Preferred Shares at a subscription price of US$400 million. The Convertible Preferred Shares were subject to dividends at 5% of the subscription price per annum and were to mature on November 29, 2011 unless being extended, at the election of the holders of Convertible Preferred Shares, by additional two years. The Convertible Preferred Shares may be converted into Shares before the maturity date and any outstanding Convertible Preferred Shares must be mandatorily converted into Shares upon occurrence of a qualified public offering at the relevant conversion price, which

was equal to their subscription price subject to adjustments under certain circumstances. Holders of the Convertible Preferred Shares had an option to require us to redeem the Convertible Preferred Shares under certain circumstances at a put price which was equal to their subscription price plus an amount of premium calculated at a compounded rate of return of 15% per annum and deducted by all paid dividends.

All equity interests in the PRC subsidiaries held by ANJI (BVI) Limited were pledged to the holders of Convertible Preferred Shares to secure our obligation to them.

The net proceeds received from the issue of the Convertible Preferred Shares of approximately US$392,982,000 were split between a liability component and a number of embedded financial derivatives as follows:

- The liability component represented the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

  The interest charged for the period up to December 11, 2007 was calculated by applying an effective interest rate of approximately 18.61% to the liability component from the time the Convertible Preferred Shares were issued.

- Embedded derivatives, comprising (a) the fair value of the option of the holders of Convertible Preferred Shares to convert the Convertible Preferred Shares into our Shares; and (b) the fair value of the option of the holders of Convertible Preferred Shares to require us to redeem the Convertible Preferred Shares.

On December 11, 2007, all our Convertible Preferred Shares were restructured and became a debt financing arrangement. We repurchased and cancelled the 800,000,000 Convertible Preferred Shares for an aggregate consideration of US$400 million in January 2008. You may refer to the section entitled "Corporate History — Reorganization — Introduction of Financial Investors" in this document for more details.

The detailed breakdown between the liability component and the embedded financial derivatives is set out in the table below:

	Liability component	Embedded financial derivatives	Total
	(RMB in thousands)		
Convertible Preferred Shares issued on November 29, 2006	2,820,131	295,424	3,115,555
Foreign exchange gain	(35,524)	(3,707)	(39,231)
Interest charged	45,715	—	45,715
Changes in fair value	—	2,515	2,515
As at December 31, 2006	2,830,322	294,232	3,124,554
Exchange gain	(195,483)	(40,480)	(235,963)
Interest charged	519,089	—	519,089
Changes in fair value	—	562,684	562,684
As at December 31, 2007	3,153,928	816,436	3,970,364
Transfer to ordinary share	(58,652)	—	(58,652)
Transfer to share premium	(2,057,512)	(816,436)	(2,873,948)
Transfer to reserves	(1,014,536)	—	(1,014,536)
Financial guarantee liability	(23,228)	—	(23,228)
As of December 31, 2008, June 30, 2009 and September 30, 2009	—	—	—

FINANCIAL GUARANTEE

We make arrangements with various PRC banks to provide mortgage facilities to purchasers of our pre-sold properties. In accordance with market practice, we are required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for mortgages on pre-sold residential properties are generally discharged at the earlier of: (i) the property ownership certificates are submitted to the mortgagee banks, or (ii) the purchasers pay off the total amount of mortgages. If a purchaser defaults on the mortgage loan, we are typically required to repurchase the underlying property by paying off the mortgage loan. If we fail to do so, the mortgagee banks will auction the underlying property and recover the balance from us if the outstanding loan amount exceeds the net foreclosure sale proceeds. In line with industry practice, we do not conduct independent credit checks on our customers but rely on the credit checks conducted by the mortgagee banks. As of December 31, 2006, 2007 and 2008 and June 30, 2009, our outstanding guarantees for mortgage loans of the purchasers of our pre-sold properties were approximately RMB 1,073.9 million, RMB 1,464.2 million, RMB 2,087.0 million and RMB 5,677.5 million, respectively. During the Track Record Period, we encountered defaulted mortgage loans in the aggregate amounts of RMB 4.0 million. However, we were able to recoup our full guaranteed amounts through foreclosure sales. As a result, we did not sustain any economic loss. Since July 1, 2009, we have not experienced any purchaser defaults on mortgage loans that we guaranteed. You may refer to "Appendix I — Accountants' Report — Note 31 — Financial guarantees" for additional information.

We repurchased and cancelled the 800 million Convertible Preferred Shares for an aggregate consideration of US$400 million. The repurchase was financed by a loan in the same amount lent by the Financial Investors to the Original Shareholder, of which we provide guarantee for the repayment. In June 2008, we and the Original Shareholder entered into a new investment agreement with the New Investors for the issue of 374,104,266 Shares. Pursuant to the terms of a deed of undertaking, the Original Shareholder granted a put option to the New Investors, exercisable upon the occurrence of certain events, to require the Original Shareholder to repurchase all or a portion of the Put Option Shares at an agreed-upon price and the Company has provided guarantee to the Original Shareholder for the fulfillment of the obligation under the put option. You may refer to sections entitled "Corporate History — Reorganization — Introduction of Financial Investors" and "— Introduction of New Investors" in this document for more details. As of December 31, 2006, 2007 and 2008 and June 30, 2009, our relevant financial guarantees amounted to approximately RMB nil, RMB nil, RMB 197.4 million and RMB 51.1 million, respectively.

We confirm that, other than disclosed in this document, there has been no material change in our indebtedness and contingent liabilities since June 30, 2009.

CONTRACTUAL OBLIGATIONS AND CAPITAL COMMITMENTS

The following table sets forth our aggregate minimum lease payments as of the dates indicated:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	(RMB in millions)			
Not later than one year	5.6	28.0	30.7	28.9
Later than one year and not later than five years	4.9	84.5	71.8	45.2
Later than five years	0.8	7.3	7.1	6.2
	11.3	119.8	109.6	80.3

The following table sets forth our commitments for property development expenditures as of the dates indicated:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	(RMB in millions)			
Contracted but not provided for	1,720.2	8,561.6	12,776.3	14,278.5

The following table sets forth our commitments for land expenditures as of the dates indicated:

	As of December 31,			As of June 30,
	2006	2007	2008	2009
	(RMB in millions)			
Contracted but not provided for . . .	1,627.5	5,701.5	10,235.6	11,615.7

Our commitments for property development expenditures and land expenditures are financed by cash generated from our operations. We expect to continue to rely on proceeds from our property sales and pre-sales as well as new financings as the principal sources of funding to finance our contractual obligations and capital commitments.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

Except for the contingent liabilities set forth above, we have not entered into any off-balance sheet arrangements or commitments to guarantee the payment obligations of any third parties. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging or research and development services with us.

MARKET RISKS

We are, in the normal course of business, exposed to market risks primarily relating to fluctuations in interest rates, commodity prices, foreign exchange rates and inflation rate.

Interest Rate Risk

We are exposed to interest rate risks, primarily relating to our borrowings, which were RMB 2,255.4 million, RMB 9,561.7 million, RMB 10,440.2 million and RMB 10,172.3 million, respectively, as of December 31, 2006, 2007 and 2008 and June 30, 2009. We undertake debt obligations to support our property development and general working capital needs. Upward fluctuations in interest rates may increase the cost of our financing. Fluctuations in interest rates can also lead to significant fluctuations in the fair values of our debt obligations. The benchmark one-year bank lending rate published by PBOC for the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 was 6.12%, 7.47%, 5.31% and 5.31%, respectively. We currently do not use any derivative instruments to hedge our interest rate risk.

An increase in interest rates may also adversely affect our prospective purchasers' ability to obtain financing and depress the overall housing demand in China. Furthermore, the increase in interest rates may also increase our financial obligation to the PRC banks as we have disclosed in the section entitled "— Financial Guarantee" above.

Commodity Risk

We are exposed to fluctuations in the prices of raw materials for our property development, primarily steel and cement. We do not engage in any hedging activities. Purchasing costs of steel and cement are generally accounted for as part of the construction contractor fees

pursuant to our arrangements with the relevant construction contractors. Accordingly, rising prices for construction materials will affect our construction costs in the form of increased fee quotes by our construction contractors. As a result, fluctuations in the prices of our construction materials have a significant impact on our results of operations.

Foreign Exchange Risk

Substantially all of our revenues and expenses are denominated in Renminbi. Our exposure to foreign exchange rate fluctuations results primarily from our indebtedness denominated in foreign currencies, primarily the U.S. dollars. During the Track Record Period, because of the generally appreciating Renminbi, our holdings in foreign currency denominated assets equal to US$84.4 million, US$134.5 million, US$140.1 million and US$132.5 million as of December 31, 2006, 2007 and 2008 and June 30, 2009, including our proceeds from overseas equity and debt financings before we use them to acquire land reserves, generated foreign exchange losses. A depreciation of Renminbi would adversely affect the value of any dividends we pay to our offshore shareholders. We currently do not engage in hedging activities designed or intended to manage such currency risk. You should refer to "Risk Factors — Risks Relating to China — Fluctuations in the value of Renminbi may adversely affect our business and the value of distributions by our PRC subsidiaries" for additional risk disclosure.

Inflation

China has not experienced significant inflation or deflation in recent years. According to the National Bureau of Statistics of China, China's overall national inflation rate, as represented by the general consumer price index, was approximately 1.5% in the year ended December 31, 2006, 4.8% in the year ended December 31, 2007 and 5.9% in the year ended December 31, 2008. Recent inflation and deflation have not materially affected our business.

DISCLOSURE PURSUANT TO RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure obligation pursuant to Rules 13.13 to 13.19 of the Listing Rules.

PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2009

We set forth below our profit forecast solely in respect of our net forecasted consolidated profit for the year ending December 31, 2009. However, our actual results of 2009, including the actual net profit, will still be subject to market conditions and our operations in the next three months. Based on the contracted sales and overall construction progress of properties under development as of September 30, 2009, we were on track to meet our 2009 profit forecast for the year ending December 31, 2009. In order to assist you in understanding the basis of our profit forecast, we set out additional information in respect of our top 10 projects that will contribute approximately 70% of our forecasted revenue for the year ending December 31, 2009.

FINANCIAL INFORMATION

Basis of Preparation

Our Directors prepared the forecast of our net consolidated profit attributable to our shareholders for the year ending December 31, 2009 based on our audited consolidated results for the year ended December 31, 2008 and the six months ended June 30, 2009, the unaudited management accounts for the three months ended September 30, 2009, and the forecast of our consolidated results for the remaining three months of the year ending December 31, 2009. The forecast for the year ending December 31, 2009 has been prepared on the basis of accounting policies consistent with those adopted for the purpose of the Accountants' Report in Appendix I to this document and the assumptions set forth below.

Principal Assumptions for the Profit Forecast

We set forth below the principal assumptions adopted by our Directors in preparing the profit forecast:

- there will be no material changes in the existing governmental policies as well as political, legal, financial or economic conditions in China, Hong Kong or any other jurisdiction in which we currently operate or which are otherwise material to our operations;
- with respect to the real estate industry in particular, the PRC government will not impose material changes or additional austerity measures to dampen sales or prices of the PRC real estate market;
- there will be no changes in laws, rules or regulations or in contractual arrangements between the governmental authorities with us in the jurisdictions in which we operate, which may materially adversely affect our business;
- there will be no material changes in the bases or rates of taxation in the jurisdictions in which we operate, except as otherwise disclosed in this document;
- there will be no material changes in interest rates or foreign currency exchange rates from those currently prevailing; and
- in respect of the calculation of the capital value of our investment properties as of December 31, 2009:
    - the current financial, economic and political conditions in China that are material to the rental income generated by our investment properties will remain unchanged;
    - the principal terms and conditions pursuant to which our investment properties are being operated will remain unchanged; and
    - the leases relating to our investment properties will be renewed upon their expiration on normal commercial terms.

Such specific assumptions are consistent with those in the valuation undertaken by CB Richard Ellis Limited, an independent property valuer. The investment properties were valued by CB Richard Ellis Limited as of September 30, 2009 and their valuation is set out in "Appendix IV — Property Valuation Report" to this document.

The independent valuer, CB Richard Ellis Limited, has adopted a direct comparison approach by assuming sales of each of these property interests in its current state with the benefit of vacant possession with references to comparable sale transactions available in the relevant markets. The independent valuer has also adopted a capitalization approach taking into account the rental income of the properties derived from the existing leases or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have then been capitalized to determine the market value at an appropriate capitalization rate.

We arrived at the estimated fair value gain or loss on investment properties based on (i) the market value of such investment properties as of September 30, 2009 valued by the independent valuer, and (ii) our estimated capital value as of December 31, 2009 based on the anticipated property-specific market trends of the properties projected by the independent valuer. Such estimates rely on certain property valuation techniques that involve estimates of comparable sales in the relevant market, current market rental and the forecasted rental movement for similar properties in a similar location and condition. Based on these estimates, we forecast that the retail property and carpark market in our current operational jurisdictions will remain stable in the fourth quarter of 2009, with the rental and capital value to appreciate in a range of 0–2%. The fair value of our investment properties as of December 31, 2009, and in turn any fair value change, will continue to be dependent on market conditions and other factors beyond our control, and be based on the market movement and other assumptions that are, by their nature, subjective and uncertain.

Under HKFRS, changes in the fair value of investment properties are reflected in our consolidated income statement and accounted for as "Fair value gains/losses on investment properties."

Summary of Property Development of Top 10 Projects

We set forth below a summary of the property development projects or project phases as of September 30, 2009 that are projected to jointly contribute approximately 70% of our forecasted revenue for the year ending December 31, 2009. As of September 30, 2009, we had successfully pre-sold 100% of the projects or project phases which were expected to be completed and delivered in 2009.

		As of September 30, 2009			
	Top 10 projects/project phases to be delivered in 2009	Contracted sales/sales (RMB in thousands)	Pre-sold/ delivered GFA (m^2)	Average selling price for properties pre-sold/ delivered (RMB/m^2)	Actual/ expected delivery date
1	Evergrande Royal Scenic Peninsula (Phases 1 and 2)	672,674	54,500	12,343	Oct-09
2	Evergrande Splendor Tianjin (Phase 1)	525,338	89,776	5,852	Oct-09
3	Evergrande Scenic Garden (Phase 1)[(1)]	418,085	74,867	5,584	Sep-09
4	Evergrande Oasis Chengdu (Phase 1)	413,539	82,986	4,983	Dec-09
5	Evergrande City Chengdu (Phase 1)	402,573	86,205	4,670	Dec-09
6	Evergrande Oasis Shenyang (Phase 1)	354,885	83,225	4,264	Oct-09
7	Evergrande Oasis Taiyuan (Phase 1)	244,002	51,930	4,699	Oct-09
8	Evergrande Oasis Nanjing (Phase 1)	265,039	52,163	5,081	Dec-09
9	Evergrande Palace Chongqing (Phase 1)[(1)]	303,089	47,341	6,402	Sep-09
10	Evergrande Metropolis Xi'an (Phase 1)	83,042	19,093	4,349	Oct-09
	Total	3,682,266	642,086		

(1) This project phase had been completed and delivered as of September 30, 2009.

As of September 30, 2009, the construction progress with respect to the top 10 projects or project phases above was as follows (excluding phase 1 of Evergrande Scenic Garden and phase 1 of Evergrande Palace Chongqing that had been completed and delivered as of September 30, 2009):

Evergrande Royal Scenic Peninsula

Deliveries of Evergrande Royal Scenic Peninsula comprise of villas and seven high-rise residential buildings for phase 1, and four high-rise buildings for phase 2. The villas and seven high-rise residential buildings for phase 1 had been completed and are ready for delivery. We commenced development of the four high-rise buildings for phase 2 in December 2006 and commenced pre-sale in June 2008. As of September 30, 2009, the construction of these buildings had substantially been completed. We expect to complete the construction and commence deliveries of undecorated units in October 2009. You may refer to properties 13, 22 and 37 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Splendor Tianjin

Deliveries of Evergrande Splendor Tianjin comprise of 366 villas for phase 1. We commenced development of this project in September 2007, and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, including part of masonry and plastering work. We had completed the construction and commenced deliveries of some undecorated units in September 2009 and we expect to complete the construction of all remaining units in October 2009. You may refer to properties 34 and 42 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Chengdu

Deliveries of Evergrande Oasis Chengdu comprise of 40 condominiums and five high-rise residential buildings for phase 1. The 40 condominiums had been completed and are ready for delivery. We commenced development of the five high-rise buildings in October 2007, and commenced pre-sale in December 2008. As of September 30, 2009, we had completed the main building structure. Decoration and installation work of the public sections are in progress. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 24 and 51 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande City Chengdu

Deliveries of Evergrande City Chengdu comprise of 42 condominiums and four high-rise residential buildings for phase 1. The 42 condominiums had been completed and are ready for delivery. We commenced development of the four high-rise residential buildings in November 2007 and commenced pre-sale in December 2008. As of September 30, 2009, we had completed the main building structure and substantially all of the decoration and installation work for the public sections. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 29 and 50 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Shenyang

Deliveries of Evergrande Oasis Shenyang comprise of 24 condominiums and high-rise residential buildings for phase 1, among which 20 condominiums and high-rise residential buildings had been completed and are ready for delivery. We commenced development of another four high-rise buildings in January 2008 and commenced pre-sale in April 2008. As of September 30, 2009, we had completed the main building structure, part of the basic installation work, as well as majority of the interior decoration. We expect to complete the construction and commence deliveries in October 2009. You may refer to properties 31, 62 and 87 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Taiyuan

Deliveries of Evergrande Oasis Taiyuan comprise of 38 condominiums for phase 1. We commenced development of the project in December 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, and a majority of the decoration for the public sections and interior installations of these 38 buildings. We expect to commence deliveries in October 2009. The decorations for the public sections and interior installations of the remaining buildings had also been substantially completed. We expect to complete the construction and commence deliveries in December 2009. You may refer to properties 43 and 82 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Oasis Nanjing

Deliveries of Evergrande Oasis Nanjing comprise of 12 condominiums for phase 1. We commenced development of the project in December 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure while decoration for the public sections and interior installations are in progress. We expect to complete the construction and commence deliveries in December 2009. You may refer to property 70 in "Appendix IV — Property Valuation Report" for additional information.

Evergrande Metropolis Xi'an

Deliveries of Evergrande Metropolis Xi'an comprise of 18 high-rise residential buildings for phase 1. We commenced development of the project in November 2007 and commenced pre-sale in September 2008. As of September 30, 2009, we had completed the main building structure, as well as the decoration for the public sections and interior installations of six buildings. These six buildings are expected to be completed and ready for delivery in October 2009. Interior design works for the remaining 12 buildings are in progress. We expect to complete the construction and commence deliveries in November 2009. You may refer to property 53 in "Appendix IV — Property Valuation Report" for additional information.

Sensitivity Analysis

As of September 30, 2009, we had successfully pre-sold 100% of the forecasted revenue and most of these projects or project phases had been substantially completed. Therefore, we did not perform sensitivity analysis on targeted average selling price and targeted GFA sold and delivered.

Sensitivity analysis on fair value changes of investment properties

The total forecasted amount of fair value gain on our investment properties for the year ending December 31, 2009 is RMB 831 million and its related deferred taxation expense are RMB 208 million (including the portion attributable to minority interests). The total forecasted fair value gain is primarily due to the addition of a significant amount of investment properties to our investment portfolio. We set forth below, for the periods indicated, information of our investment properties and the forecasted fair value gains in 2009.

Investment properties as of December 31, 2008	**Property type**	**GFA (m^2)**	**Number of units**	**Forecasted fair value gains in 2009 (RMB)**
Jinbi Garden No. 1	Commercial spaces	667		1,100,000
	Car parking spaces		375	1,300,000
Jinbi Garden No. 2	Commercial spaces	901		630,000
	Car parking spaces		88	88,000
Jinbi Garden No. 3	Commercial spaces	1,720		—
	Car parking spaces		189	—
Jinbi Big World	Commercial spaces	15,172		63,800,000
Jinbi City Plaza	Commercial spaces	12,004		47,000,000
	Car parking spaces		190	1,000,000
Jinbi Bay Garden	Car parking spaces		196	—
Jinbi Palace	Commercial spaces	581		1,800,000
	Car parking spaces		309	—
Jinbi New City	Commercial spaces	563		—
	Car parking spaces		352	—
Jinbi Emerald Court	Commercial spaces	8,371		11,200,000
	Car parking spaces		141	300,000
Jinbi Century Garden	Commercial spaces	793		1,000,000
	Car parking spaces		1,251	—
Jinbi Atrium	Car parking spaces		779	—
Jinbi Junhong Garden	Car parking spaces		465	50,000
Subtotal		**40,772**	**4,335**	**129,268,000**

New investment properties in 2009	**Property type**	**GFA (m^2)**	**Number of units**	**Forecasted fair value gains in 2009 (RMB)**
Evergrande Scenic Garden	Car parking spaces		1,643	149,951,932
Evergrande City Chongqing	Car parking spaces		915	57,429,060
Evergrande Metropolis Xi'an	Car parking spaces		601	32,722,481
Evergrande Oasis Xi'an	Car parking spaces		225	11,392,317
Evergrande Oasis Shenyang	Commercial spaces	34,704		225,882,752
Evergrande Oasis Taiyuan	Commercial spaces	2,375		13,487,500
	Car parking spaces		862	40,468,667
Evergrande Royal Scenic Peninsula	Commercial spaces	2,500		12,945,956
	Car parking spaces		276	11,322,000
Jinbi New City Phase 5	Commercial spaces	2,935		40,980,167
	Car parking spaces		935	105,191,168
Subtotal		**42,514**	**5,457**	**701,774,000**
Total fair value gains on investment properties in 2009				**831,042,000**

The following table illustrates the sensitivity of the net profit attributable to our shareholders (net of deferred tax effect) to different levels of revaluation gains on investment properties for the year ending December 31, 2009:

Percentage changes in revaluation gains or losses on investment properties compared to our estimate . .	(15%)	(10%)	(5%)	5%	10%	15%
Impact on net profit attributable to our shareholders targeted for the year 2009 (RMB in thousands)	(92,400)	(61,600)	(30,800)	30,800	61,600	92,400

If the estimated revaluation gain of our investment properties increases or decreases by 5%, our net profit attributable to our shareholders for the year ending December 31, 2009 is expected to be approximately RMB 1,063.3 million or RMB 1,001.7 million, respectively, representing an increase or a decrease of 3.0%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

If the estimated revaluation gain of our investment properties increases or decreases by 10%, our net profit attributable to our shareholders for the year ending December 31, 2009 is expected to be approximately RMB 1,094.1 million or RMB 970.9 million, respectively, representing an increase or a decrease of 6.0%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

If the estimated revaluation gain of our investment properties increases or decreases by 15%, our net profit attributable to our equity holder for the year ending December 31, 2009 is expected to be approximately RMB 1,124.9 million or RMB 940.1 million, respectively, representing an increase or a decrease of 8.9%, respectively, over or from the targeted 2009 net profit attributable to our shareholders.

You should refer to the risk factor under the section entitled "Risk Factors — Risks Relating to Our Business — The fair value of our investment properties is likely to fluctuate from time to time and may decrease significantly in the future, which may materially adversely impact our profitability" for additional information.

The above illustrations are intended for reference only and any variation could exceed the ranges given. The above sensitivity analyses are not purported to be exhaustive. While we have considered for the purposes of this profit forecast what we believe is the best estimate of the fair value changes of our investment properties for the year ending December 31, 2009, the actual fair value changes of our investment properties as of the relevant time may differ materially from our estimates and are dependent on market conditions and other factors which are beyond our control.

Profit Forecast for the Year Ending December 31, 2009

	RMB in millions
Net forecasted consolidated profit attributable to our shareholders before revaluation of investment properties	417
Revaluation increase on investment properties (net of deferred tax effect)	616
Net forecasted consolidated profit attributable to our shareholders after revaluation of investment properties	1,033

	Before revaluation of investment properties	After revaluation of investment properties
	RMB	RMB
Forecasted earnings per Share on a pro forma fully diluted basis	[●]	[●]

The calculation of the forecasted earnings per Share on a pro forma fully diluted basis is based on the forecasted consolidated profit for the year attributable to our shareholders, and a total of [●] Shares had been issued and outstanding during the entire year ending December 31, 2009.

DIVIDENDS AND DISTRIBUTABLE RESERVES

Subject to the Cayman Companies Law and our Memorandum and Articles of Association, through a general meeting, we may declare dividends in any currency but no dividend may be declared in excess of the amount recommended by our Board. Our Memorandum and Articles of Association provide that dividends may be declared and paid out of our profit, realized or unrealized, or from any reserve set aside from profits which our Directors determine no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Cayman Companies Law.

Except as provided under the terms of a particular issue, or with respect to the rights attached to any Shares, (i) all dividends must be declared and paid according to the amounts paid up on the Shares in respect of which the dividend is paid, but no amount paid up on a Share in advance of calls may for this purpose be treated as paid up on the Share; and (ii) all dividends must be apportioned and paid pro rata according to the amount paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid. Our Directors may deduct from any dividend or other monies payable to any of our shareholders or in respect of any Shares all sums of money (if any) presently payable by such shareholder to us on account of calls or otherwise. In addition, the declaration of dividends is subject to the discretion of our Board, and the amounts of dividends actually declared and paid will also depend on the following factors:

- our general business conditions;
- our financial results;

- our capital requirements;
- interests of our shareholders; and
- any other factors which our Board may deem relevant.

Our Board has absolute discretion in whether to declare any dividend for any year and, if it decides to declare a dividend, how much dividend to declare. We currently intend to pay dividends of approximately 10% of our profits available for distribution beginning from the year ended December 31, 2009. Going forward, we will re-evaluate our dividend policy in light of our financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of our Board and will be based upon our earnings, cash flow, financial condition, capital requirements, statutory fund reserve requirements and any other conditions that our Directors deem relevant. The payment of dividends may also be limited by legal restrictions and by financing agreements that we may enter into in the future.

As of December 31, 2006, 2007 and 2008 and June 30, 2009, our retained earnings available for distribution to our shareholders amounted to approximately RMB 111.0 million, RMB 1,153.1 million, RMB 1,662.1 million and RMB 2,162.3 million, respectively. As of June 30, 2009, our distributable reserves amounted to RMB 6,195.8 million.

On January 31, 2008, following the redemption of the Convertible Preferred Shares and before the Original Shareholder transferred a part of its Shares to the Financial Investors, we declared dividends of US$17,372,026 out of our share premium account to the then holders of our Shares of which, US$17,278,080 (equivalent to approximately RMB 125,000,000) was paid to the Original Shareholder and the balance of US$93,946 was paid to Credit Suisse. The sum paid to the Original Shareholder was used to off-set the amount due from the Original Shareholder.

NO MATERIAL ADVERSE CHANGE

We confirm that there has not been any material adverse change in our financial or trading position since June 30, 2009.

FUTURE PLANS

FUTURE PLANS

We aim to continue to enhance our leadership position in the PRC real estate industry by capitalizing on development opportunities in high-growth areas in major provincial capitals and neighboring areas. We will adhere to our strategy of offering a diversified product range to our customers and to further optimize the standardized operational model of developing quality real estate products.

Based on our current development schedule, we will have sufficient land reserves and property developments in the pipeline for the next three to five years and plan to maintain our land reserves at approximately 50 million square meters on a rolling basis.

Consistent with our future plans, we will continue to pursue scale and rapid property project development by focusing on the major provincial capitals across China. Going forward, we expect our GFA under construction to be maintained approximately 15 million square meters each year. As of September 30, 2009, we had approximately 41.9 million square meters of GFA under development, of which 17.1 million square meters had construction permit.

The following is the text of a report, prepared for the purpose of inclusion in this document, received from the Company's reporting accountants, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong.

PRICEWATERHOUSECOOPERS

羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

[●]

The Directors
Evergrande Real Estate Group Limited
[●]

Dear Sirs,

We set out below our report on the financial information (the "Financial Information") of Evergrande Real Estate Group Limited (the "Company") and its subsidiaries (together, the "Group") set out in sections I to III below, for inclusion in [●]. The Financial Information comprises the consolidated balance sheets of the Group and the balance sheets of the Company as at 31 December 2006, 2007 and 2008 and 30 June 2009, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2008 and 2009 (the "Relevant Periods"), and a summary of significant accounting policies and other explanatory notes.

The Company was incorporated in the Cayman Islands on 26 June 2006 as an exempted company with limited liability under the Companies Law (2009 Revision) (as consolidated and revised from time to time) of the Cayman Islands. Pursuant to a group reorganisation as detailed in note 1 of section II headed "General Information and Group Reorganisation" below, which was completed in June 2006, the Company became the holding company of the subsidiaries comprising the Group (the "Reorganisation").

As at the date of this report, the Company has direct and indirect interests in the subsidiaries as set out in note 1 of section II below. All of these companies are private companies.

All companies comprising the Group have adopted 31 December as their financial year end date. Details of the financial statements of the companies comprising the Group that are subject to audit and the names of the respective auditors are set out in note 1 of section II below.

For the purpose of this report, the directors of the Company have prepared consolidated financial statements of the Group for the Relevant Periods, in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (the "Underlying Financial Statements"). We have audited the Underlying Financial Statements for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009 in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Financial Information has been prepared based on the Underlying Financial Statements with no adjustment made thereon.

DIRECTORS' RESPONSIBILITY

The directors of the Company are responsible for the preparation and the true and fair presentation of the Underlying Financial Statements and the Financial Information in accordance with HKFRSs.

For the financial information for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009, the directors of the Company are responsible for the preparation and true and fair presentation of the financial information in accordance with HKFRSs. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the financial information that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

For the financial information for the six months ended 30 June 2008, the directors of the Company are responsible for the preparation and the presentation of the financial information in accordance with the accounting policies set out in note 2 of section II below which are conformity with HKFRSs.

REPORTING ACCOUNTANTS' RESPONSIBILITY

For the financial information for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009, our responsibility is to express an opinion on the financial information based on our examination and to report our opinion to you. We examined the Underlying Financial Statements for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009 used in preparing the financial information and carried out such additional procedures as we considered necessary in accordance with the Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

For the financial information for the six months ended 30 June 2008, our responsibility is to express a conclusion on the financial information based on our review and to report our conclusion to you. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of the financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in

accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

OPINION AND REVIEW CONCLUSION

In our opinion, the financial information for each of the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009, for the purpose of this report, gives a true and fair view of the state of affairs of the Company and the Group as at 31 December 2006, 2007 and 2008 and 30 June 2009 and of the Group's results and cash flows for the respective years and period then ended.

Based on our review, which does not constitute an audit, nothing has come to our attention that causes us to believe that the financial information for the six months ended 30 June 2008, for the purpose of this report, is not prepared, in all material respects, in accordance with the accounting policies set out in note 2 of section II below which are in conformity with HKFRSs.

I. FINANCIAL INFORMATION

(a) Consolidated Balance Sheets

		31 December			30 June
		2006	2007	2008	2009
	Note	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current assets					
Property and equipment	6	46,781	217,978	450,141	389,815
Land use rights	7	378,622	470,820	250,868	278,606
Investment properties	8	847,487	1,571,468	1,741,390	2,148,108
Other receivables	21(a)	—	—	281,849	290,351
Deferred income tax assets	18	19,957	123,904	324,364	401,461
		1,292,847	2,384,170	3,048,612	3,508,341
Current assets					
Land use rights	7	1,158,544	6,514,092	8,644,245	10,202,174
Properties under development	9	1,083,477	3,287,017	9,049,192	11,320,250
Completed properties held for sale	10	290,339	986,962	2,240,713	3,291,744
Trade and other receivables and prepayments	11	1,918,580	4,845,432	3,590,360	2,931,573
Income tax recoverable		8,128	—	31,816	100,707
Restricted cash	12	386,092	1,725,849	1,167,942	2,126,399
Cash and cash equivalents	13	1,655,970	1,640,863	749,718	2,974,188
		6,501,130	19,000,215	25,473,986	32,947,035
Total assets		7,793,977	21,384,385	28,522,598	36,455,376
EQUITY					
Capital and reserves attributable to shareholders of the Company					
Share capital	14	125,000	125,000	209,332	209,332
Share premium	14	—	—	6,000,560	6,000,560
Reserves	15	(744,315)	(640,465)	389,837	389,837
Retained earnings		110,981	1,153,145	1,662,139	2,162,311
		(508,334)	637,680	8,261,868	8,762,040
Minority interests		—	213,593	321,263	244,651
Total equity		(508,334)	851,273	8,583,131	9,006,691
LIABILITIES					
Non-current liabilities					
Borrowings	16	1,425,721	8,915,516	4,226,413	3,877,886
Convertible Preferred Shares	17	2,830,322	3,153,928	—	—
Embedded financial derivatives	17	294,232	816,436	—	—
Deferred income tax liabilities	18	422,762	482,137	451,527	441,987
		4,973,037	13,368,017	4,677,940	4,319,873
Current liabilities					
Borrowings	16	829,662	646,200	6,213,843	6,294,425
Trade and other payables	19	857,081	4,194,060	4,469,168	5,122,154
Receipt in advance from customers		1,472,096	1,763,544	3,503,265	10,765,988
Financial guarantee liabilities	31(b)	—	—	197,403	51,062
Current income tax liabilities	20	170,435	561,291	877,848	895,183
		3,329,274	7,165,095	15,261,527	23,128,812
Total liabilities		8,302,311	20,533,112	19,939,467	27,448,685
Total equity and liabilities		7,793,977	21,384,385	28,522,598	36,455,376
Net current assets		3,171,856	11,835,120	10,212,459	9,818,223
Total assets less current liabilities		4,464,703	14,219,290	13,261,071	13,326,564

(b) Balance Sheets

		31 December			30 June
		2006	2007	2008	2009
	Note	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current assets					
Investment in subsidiaries		1	2	2	2
Property and equipment	6	1,400	1,403	1,106	938
		1,401	1,405	1,108	940
Current assets					
Other receivables	11	2,876,263	3,134,092	6,351,153	6,471,439
Cash and cash equivalents	13	316,432	617	420	1,659
		3,192,695	3,134,709	6,351,573	6,473,098
Total assets		3,194,096	3,136,114	6,352,681	6,474,038
EQUITY					
Capital and reserves attributable to shareholders of the Company					
Share capital	14	125,000	125,000	209,332	209,332
Share premium	14	—	—	6,000,560	6,000,560
Reserve	15	—	—	1,014,536	1,014,536
Accumulated losses		(55,459)	(975,656)	(1,083,267)	(819,323)
Total equity		69,541	(850,656)	6,141,161	6,405,105
LIABILITIES					
Non-current liabilities					
Convertible Preferred Shares	17	2,830,322	3,153,928	—	—
Embedded financial derivatives	17	294,232	816,436	—	—
		3,124,554	3,970,364	—	—
Current liabilities					
Financial guarantee liabilities	31(b)	—	—	197,403	51,062
Trade and other payables	19	1	16,406	14,117	17,871
		1	16,406	211,520	68,933
Total liabilities		3,124,555	3,986,770	211,520	68,933
Total equity and liabilities		3,194,096	3,136,114	6,352,681	6,474,038
Net current assets		3,192,694	3,118,303	6,140,053	6,404,165
Total assets less current liabilities		3,194,095	3,119,708	6,141,161	6,405,105

(c) Consolidated Statements of Comprehensive Income

		Year ended 31 December			Six months ended 30 June	
		2006	2007	2008	2008	2009
	Note	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue	5	1,983,304	3,166,692	3,606,791	2,525,413	1,635,130
Cost of sales	22	(1,426,278)	(1,945,261)	(2,124,420)	(1,585,279)	(1,089,782)
Gross profit		557,026	1,221,431	1,482,371	940,134	545,348
Fair value gains on investment properties	8	300,103	657,067	77,415	107,912	299,657
Other gains	21	25,904	796,877	531,090	485,883	301,094
Selling and marketing costs	22	(63,640)	(220,651)	(665,299)	(278,161)	(415,259)
Administrative expenses	22	(150,964)	(470,579)	(545,273)	(218,146)	(349,034)
Other operating expenses	22	(19,572)	(23,356)	(34,439)	(24,243)	(6,187)
Operating profit		648,857	1,960,789	845,865	1,013,379	375,619
Fair value change on embedded financial derivatives	17	(2,515)	(562,684)	—	—	—
(Provisions)/reversals of financial guarantees	31(b)	—	—	(65,997)	(32,315)	146,341
Finance (costs)/income, net	25	(55,809)	118,765	186,520	183,980	(12,308)
Profit before income tax		590,533	1,516,870	966,388	1,165,044	509,652
Income tax (expenses)/credit	26	(265,074)	(437,766)	(333,958)	(304,480)	12,708
Profit for the year/period		325,459	1,079,104	632,430	860,564	522,360
Other comprehensive income:						
Gain/loss recognised directly in equity		—	—	—	—	—
Total comprehensive income for the year/ period		325,459	1,079,104	632,430	860,564	522,360
Attributable to:						
Shareholders of the Company		325,459	1,081,533	524,760	759,883	500,172
Minority interests		—	(2,429)	107,670	100,681	22,188
		325,459	1,079,104	632,430	860,564	522,360
Basic and diluted earnings per share for profit attributable to shareholders of the Company during the year/ period (expressed in RMB per share)	27	Not applicable	Not applicable	0.21	0.33	0.18
Dividends	28	493,518	—	125,651	125,651	—

(d) Consolidated Statements of Changes in Equity

	Attributable to shareholders of the Company						
	Share capital	Share premiun	Reserves	Retained earnings	Total	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2006	—	—	982,385	285,867	1,268,252	—	1,268,252
Total comprehensive income for the year	—	—	—	325,459	325,459	—	325,459
Issuance of shares	125,000	—	—	—	125,000	—	125,000
Deemed contribution by the shareholder of the Company *(note 15(b))*	—	—	82,759	—	82,759	—	82,759
Deemed distribution to the then equity holder of the Group *(note 15(a))*	—	—	(1,816,286)	—	(1,816,286)	—	(1,816,286)
Transfer to statutory reserves	—	—	6,827	(6,827)	—	—	—
Dividends to then shareholders of the Group	—	—	—	(493,518)	(493,518)	—	(493,518)
Balance as at 31 December 2006	125,000	—	(744,315)	110,981	(508,334)	—	(508,334)
Total comprehensive income for the year	—	—	—	1,081,533	1,081,533	(2,429)	1,079,104
Deemed contribution by the shareholder of the Company *(note 15(b))*	—	—	64,481	—	64,481	—	64,481
Transfer to statutory reserves	—	—	39,369	(39,369)	—	—	—
Partial disposal of a subsidiary *(note 21(b))*	—	—	—	—	—	216,022	216,022
Balance as at 31 December 2007	125,000	—	(640,465)	1,153,145	637,680	213,593	851,273
Total comprehensive income for the year	—	—	—	524,760	524,760	107,670	632,430
Issuance of shares — Restructure of Convertible Preferred Shares *(note 17)*	58,652	2,873,948	1,014,536	—	3,947,136	—	3,947,136
— Issuance of new shares *(note 14(e))*	25,680	3,252,263	—	—	3,277,943	—	3,277,943
Transfer to statutory reserves	—	—	15,766	(15,766)	—	—	—
Dividends *(note 14(f))*	—	(125,651)	—	—	(125,651)	—	(125,651)
Balance as at 31 December 2008	209,332	6,000,560	389,837	1,662,139	8,261,868	321,263	8,583,131
Total comprehensive income for the period	—	—	—	500,172	500,172	22,188	522,360
Additional gain from partial disposal of a subsidiary *(note 21(b))*	—	—	—	—	—	(98,800)	(98,800)
Balance as at 30 June 2009	209,332	6,000,560	389,837	2,162,311	8,762,040	244,651	9,006,691
Unaudited							
Balance as at 31 December 2007	125,000	—	(640,465)	1,153,145	637,680	213,593	851,273
Total comprehensive income for the period	—	—	—	759,883	759,883	100,681	860,564
Issuance of shares — Restructure of Convertible Preferred Shares *(note 17)*	58,652	2,873,948	1,014,536	—	3,947,136	—	3,947,136
— Issuance of new shares *(note 14(e))*	25,680	3,252,263	—	—	3,277,943	—	3,277,943
Dividends *(note 14(f))*	—	(125,651)	—	—	(125,651)	—	(125,651)
Balance as at 30 June 2008	209,332	6,000,560	374,071	1,913,028	8,496,991	314,274	8,811,265

(e) Consolidated Cash Flow Statements

	Note	Year ended 31 December			Six months ended 30 June	
		2006	2007	2008	2008	2009
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cash flows of operating activities						
Cash (used in)/generated from operations	29	(1,423,776)	(7,026,900)	(4,038,562)	(2,679,221)	2,817,309
PRC enterprise income tax paid		(87,372)	(104,229)	(198,713)	(122,325)	(64,950)
PRC land appreciation tax paid		(9,245)	(23,970)	(81,575)	(67,220)	(60,535)
Interest paid		(154,202)	(362,615)	(867,413)	(420,654)	(323,624)
Net cash (used in)/generated from operating activities		(1,674,595)	(7,517,714)	(5,186,263)	(3,289,420)	2,368,200
Cash flows of investing activities						
Purchase of property and equipment		(17,220)	(187,047)	(168,889)	(70,927)	(36,740)
Acquisition of a subsidiary, net of cash acquired		—	(39,336)	—	—	—
Proceeds from disposal of available-for-sale investments		29,800	—	—	—	—
Proceeds from partial disposal of a subsidiary		—	976,404	—	—	—
Interest received		6,846	27,875	34,495	8,977	12,351
Cash advances made to related parties		—	—	(969)	(8,047)	—
Repayments of amounts due from related parties		1,872,731	—	—	—	46
Net cash generated from/(used in) investing activities		1,892,157	777,896	(135,363)	(69,997)	(24,343)
Cash flows of financing activities						
Distribution to then shareholders of the Group		(1,816,286)	—	—	—	—
Dividends paid		(493,518)	—	(651)	(651)	—
Proceeds from borrowings		3,587,346	8,326,497	3,732,643	1,914,800	1,756,585
Repayments of borrowings		(2,687,459)	(969,724)	(3,054,204)	(1,092,549)	(1,876,955)
Issue of Convertible Preferred Shares		3,115,555	—	—	—	—
Issue of shares		—	—	3,386,121	3,386,121	—
Restricted cash pledged for bank borrowings		(278,969)	(589,121)	400,489	676,090	2,238
Cash advances from related parties		43,364	—	850	—	—
Repayments of amounts due to related parties		(191,452)	—	—	—	(850)
Net cash generated from/(used in) financing activities		1,278,581	6,767,652	4,465,248	4,883,811	(118,982)
Net increase/(decrease) in cash and cash equivalents		1,496,143	27,834	(856,378)	1,524,394	2,224,875
Cash and cash equivalents at the beginning of the year/period		170,282	1,655,970	1,640,863	1,640,863	749,718
Exchange losses on cash and cash equivalents		(10,455)	(42,941)	(34,767)	(28,654)	(405)
Cash and cash equivalents at the end of the year/period		1,655,970	1,640,863	749,718	3,136,603	2,974,188

II. NOTES TO THE FINANCIAL INFORMATION

1. General information and group reorganisation

Evergrande Real Estate Group Limited (the "Company") was incorporated in the Cayman Islands on 26 June 2006 as an exempted company with limited liability under the Companies Law (2009 Revision as consolidated and revised from time to time) of the Cayman Islands and is engaged in investment holding. During the Relevant Periods, the Company and its subsidiaries (the "Group") were principally engaged in the property development, property investment, property management, property construction and other property development related services (the "[●] Businesses").

Dr. Hui Ka Yan ("Dr. Hui") established various companies in the People's Republic of China (the "PRC") engaging in the [●] Businesses through Guangzhou Hengda Industrial Group Company Limited ("廣州恒大實業集團有限公司"). For the preparation of [●], the following group reorganisation (the "Reorganisation") was carried out. Guangzhou Hengda Industrial Group Company Limited is not engaged in the [●] Businesses and accordingly is not included in the Group after the Reorganisation.

(i) In June 2006, the PRC companies comprising the Group (the "Operating Group"), Guangzhou Hengda Industrial Group Company Limited and Dr. Hui underwent a group restructuring. During the restructuring, Guangzhou Chaofeng Land Company Limited, Guangzhou Kailong Land Company Limited and Hengda Real Estate Group Company Limited, which are the intermediate holding company in the Group after the restructuring, have acquired/disposed of certain equity interests in certain companies in the Operating Group from/to Guangzhou Hengda Industrial Group Company Limited and Dr. Hui. After the restructuring, the entire equity interests of the Operating Group were held by Guangzhou Hengda Industrial Group Company Limited. The net consideration, which represented respective portion of paid-in capital of the relevant companies at the time of the transfer, paid by the Operating Group to Guangzhou Hengda Industrial Group Company Limited and Dr. Hui amounted to approximately RMB 52,726,000.

(ii) Dr. Hui incorporated Xin Xin (BVI) Limited ("Xin Xin") in the British Virgin Islands ("BVI"). Xin Xin incorporated the Company, and the Company incorporated ANJI (BVI) Limited.

(iii) ANJI (BVI) Limited acquired the entire equity interests of the Operating Group from Guangzhou Hengda Industrial Group Company Limited at cash considerations totalling RMB 1,763,560,000.

Particulars of the subsidiaries of the Group as at the date of this report are set out below:

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
Incorporated in the BVI with limited liability and operating in the PRC					
ANJI (BVI) Limited	26 June 2006	US$100	100%	—	Investment holding
ShengJian (BVI) Limited	29 January 2007	US$100	—	100%	Investment holding
Shengyu (BVI) Limited	6 March 2007	US$100	—	100%	Investment holding
Jiajian (BVI) Limited	6 March 2007	US$100	—	100%	Investment holding
Fengyu (BVI) Limited	16 October 2006	US$100	100%	—	Investment holding
Lanbowan (BVI) Limited	16 October 2006	US$100	—	100%	Investment holding
Shengtong (BVI) Limited	31 January 2008	US$1	—	100%	Investment holding

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
Yitong (BVI) Limited	13 October 2006	US$100	100%	—	Investment holding
Chuangfeng (BVI) Limited	13 October 2006	US$100	—	100%	Investment holding
Luckyman Group Limited	12 January 2008	US$1	—	100%	Investment holding
Luckyup Group Limited	30 January 2008	US$1	—	100%	Investment holding
Sure Fast Group Limited	10 January 2008	US$1	—	100%	Investment holding
Grandday Group Limited	16 January 2008	US$1	—	100%	Investment holding
Ever Grace Group Limited	18 September 2008	US$100	—	100%	Investment holding
Incorporated in Hong Kong with limited liability and operating in the PRC					
Success Will Group Limited *(note (a))*	5 July 2007	HK$1,000	—	60%	Investment holding
Shengtong Holding Limited	13 February 2008	HK$10	—	100%	Investment holding
Tianji Holding Limited	19 May 2009	HK$1		100%	Investment holding
Evergrande International Hotels Group Limited	05 June 2008	HK$10	—	100%	Investment holding
Mass Joy Holdings Limited	02 January 2008	HK$10	—	100%	Investment holding
Will Glory Holdings Limited	10 April 2008	HK$10	—	100%	Investment holding
Lucky Grow Holdings Limited	24 April 2008	HK$10	—	100%	Investment holding
Tianding Holding Limited	18 May 2009	HK$1	—	100%	Investment holding
Incorporated in the PRC with limited liability and operating in the PRC					
恒大地產集團有限公司 Hengda Real Estate Group Company Limited	24 June 1996	RMB 2,500,000,000	—	100%	Property development
廣州市俊匯房地產開發有限公司 Guangzhou Junhui Real Estate Development Company Limited	23 February 1994	RMB 702,780,000	—	100%	Property development
廣州通瑞達房地產實業有限公司 Guangzhou Tongruida Real Estate Industrial Company Limited	31 December 1996	RMB 475,950,000	—	100%	Property development
佛山市南海新中建房地產發展有限公司 Foshan Nanhai Xinzhongjian Real Estate Development Company Limited	11 September 2001	RMB 30,000,000	—	60%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
廣州市俊鴻房地產開發有限公司 Guangzhou Junhong Real Estate Development Company Limited	12 April 1993	RMB 362,550,000	—	100%	Property development
廣州恒大（增城）房地產開發有限公司 Guangzhou Hengda (Zengcheng) Real Esate Development Company Limited	18 July 2005	RMB 68,560,000	—	100%	Property development
恒大地產集團武漢有限公司 Hengda Real Estate Group (Wuhan) Company Limited	20 July 2006	RMB 1,308,000,000	—	100%	Property development
恒大地產集團重慶有限公司 Hengda Real Estate Group (Chongqing) Company Limited	17 July 2006	RMB 711,000,000	—	100%	Property development
恒大鑫源（昆明）置業有限公司 Hengda Xinyuan (Kunming) Property Company Limited	26 April 2007	US$60,000,000	—	100%	Property development
恒大地產集團成都有限公司 Hengda (Chengdu) Real Estate Group Company Limited	12 July 2006	RMB 521,000,000	—	100%	Property development
南京恒大富豐置業有限公司 Nanjing Hengda Fufeng Real Estate Company Limited	10 April 2007	US$29,900,000	—	100%	Property development
天津薊縣金鑫觀光產業有限公司 Tianjin Ji Jinxin Tourism Industry Company Limited	7 April 2006	RMB 1,000,000	—	100%	Property development
武漢鑫金觀光產業園有限公司 Wuhan Xinjin Tourist Park Company Limited	21 April 2006	RMB 1,000,000	—	100%	Property development
彭山縣鑫鑫觀光產業園有限公司 Pengshan Xinxin Tourist Park Company Limited	26 April 2006	RMB 1,000,000	—	100%	Property development
安寧市淦鑫觀光產業園有限公司 Anning Ganxin Tourist Park Company Limited	7 June 2006	RMB 1,000,000	—	100%	Property development
啟東市惠口福飲食廣場有限公司 Qidong Huikoufu Catering & Beverage Court Company Limited	28 April 2006	RMB 6,000,000	—	100%	Property development
啟東市金色海岸大酒店有限公司 Qidong Golden Shore Hotel Company Limited	28 April 2006	RMB 6,000,000	—	100%	Property development
啟東市童心遊樂有限公司 Qidong Tongxin Tourism Company Limited	28 April 2006	RMB 6,000,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
啟東市萬仁動感影視城有限公司 Qidong Wanren Live Cinemas Company Limited	28 April 2006	RMB 6,000,000	—	100%	Property development
啟東市欣晴娛樂有限公司 Qidong Xinqing Entertainment Company Limited	28 April 2006	RMB 5,000,000	—	100%	Property development
啟東市立群健身俱樂部有限公司 Qidong Liqun Gymnastic Club Company Limited	28 April 2006	RMB 10,000,000	—	100%	Property development
啟東市怡然康復保健有限公司 Qidong Yiran Health Recovery & Healthcare Company Limited	28 April 2006	RMB 6,000,000	—	100%	Property development
恒大（清新）生態示範園有限公司 Hengda (Qingxin) Designated Eco-park Company Limited	10 August 2005	RMB 1,000,000	—	100%	Property development
恒大（佛岡）湯塘農場有限公司 Hengda (Fogang) Tangtang Farm Company Limited	17 August 2005	RMB 1,000,000	—	100%	Property development
廣州恒大生態農業開發基地有限公司 Guangzhou Hengda Eco-agricultural Development Base Company Limited	22 September 2005	RMB 1,000,000	—	100%	Property development
廣州市超豐置業有限公司 Guangzhou Chaofeng Land Company Limited	2 April 1996	RMB 784,000,000	—	100%	Consulting, marketing and agency service of real estate
廣州市凱隆置業有限公司 Guangzhou Kailong Land Company Limited	6 April 1996	RMB 600,000,000	—	100%	Consulting, marketing and agency service of real estate
恒大地產集團天津薊縣有限公司 Hengda (Tianjin) Jixian Real Estate Group Company Limited	22 August 2006	RMB 437,000,000	—	100%	Property development
恒大地產集團彭山有限公司 Hengda (Pengshan) Real Estate Group Company Limited	20 July 2006	RMB 41,000,000	—	100%	Property development
恒大地產集團江津有限公司 Hengda (Jiangjin) Real Estate Group Company Limited	27 July 2006	RMB 260,000,000	—	100%	Property development
鄂州恒大房地產開發有限公司 E'zhou Hengda Real Estate Development Company Limited	25 July 2006	RMB 390,000,000	—	100%	Property development
鄂州鑫金生態觀光產業園有限公司 E'zhou Xinjin Ecology Sightseeing Park Company Limited	18 July 2006	RMB 1,000,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
恒大地產集團清新有限公司 Hengda (Qingxin) Real Estate Group Company Limited	28 December 2006	RMB 10,000,000	—	100%	Property development
廣州市啟通實業有限公司 Guangzhou Qitong Real Estate Industry Company Limited	9 November 2006	RMB 10,000,000	—	100%	Trading
廣州市廣域實業有限公司 Guangzhou Guangyu Real Estate Industry Company Limited	9 November 2006	RMB 10,000,000	—	100%	Trading
廣州市力拓土石方工程有限公司 Guangzhou Lituo Site Preparation Company Limited	9 May 2006	RMB 30,000,000	—	100%	Construction
成都恒大銀河新城置業有限公司 Chengdu Hengda Galaxy New City Property Company Limited	30 November 2006	RMB 296,000,000	—	100%	Property development
武漢東湖恒大房地產開發有限公司 Wuhan Donghu Hengda Real Estate Development Company Limited	22 December 2006	RMB 1,064,000,000	—	100%	Property development
重慶市鑫恒觀光農業有限公司 Chongqing Xinheng Sightseeing Industry Park Company Limited	7 August 2006	RMB 1,000,000	—	100%	Property development
恒大鑫隆（瀋陽）置業有限公司 Hengda Xinlong (Shengyang) Real Estate Company Limited	28 December 2006	US$5,000,000	—	100%	Property development
恒大長基（瀋陽）置業有限公司 Hengda Changji (Shengyang) Property Company Limited	1 December 2006	US$74,900,000	—	100%	Property development
恒大鑫源（瀋陽）置業有限公司 Hengda Xinyuan (Shengyang) Property Company Limited	1 December 2006	US$99,000,000	—	100%	Property development
鶴山市鑫鑫觀光產業園有限公司 Heshan Xinxin Tourist Park Company Limited	26 July 2006	RMB 1,000,000	—	100%	Property development
成都市溫江區鑫金康置業有限責任公司 Chengdu Wenjiang Xinjinkang Property Company Limited	1 August 2006	RMB 495,500,000	—	100%	Property development
恒大鑫豐（彭山）置業有限公司 Hengda Xinfeng (Pengshan) Property Company Limited	13 March 2007	US$70,600,000	—	100%	Property development
恒大盛宇（清新）置業有限公司 Hengda Shengyu (Qingxin) Company Limited	25 March 2007	US$87,030,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
武漢市金碧綠洲房地產開發有限公司 Wuhan Evergrande Oasis Real Estate Development Company Limited	21 March 2007	US$29,900,000	—	100%	Property development
啟東譽豪飲食廣場有限公司 Qidong Yuhao Catering Court Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
啟東歡華大酒店有限公司 Qidong Huanhua Hotel Company Limited	1 January 2007	US$15,000,000	—	100%	Property development
啟東勤盛遊樂有限公司 Qidong Qingshen Amusement Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
啟東衡美影視城有限公司 Qidong Hengmei Movie City Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
啟東鑫華娛樂有限公司 Qidong Xinhua Entertainment Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
啟東通譽健身俱樂部有限公司 Qidong Tongyu Gym Club Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
啟東寶豐康復保健有限公司 Qidong Baofeng Health Recovery Company Limited	1 January 2007	US$29,900,000	—	100%	Property development
重慶恒大基宇置業有限公司 Hengda Chongqing Jiyu Property Company Limited	14 May 2007	US$128,900,000	—	100%	Property development
恒大地產集團鄭州有限公司 Hengda (Zhengzhou) Real Estate Group Company Limited	23 May 2007	RMB 20,000,000	—	100%	Property development
湖北怡清雅築房地產開發有限公司 Hubei Yiqingyazhu Real Estate Development Company Limited	20 March 2007	RMB 320,000,000	—	100%	Property development
金碧物業有限公司 Jinbi Preperty Management Company Limited	10 September 1997	RMB 177,600,000	—	60%	Property management and related consulting services
廣州市金碧房地產代理有限公司 Guangzhou Jinbi Real Estate Agency Company Limited	18 July 2002	RMB 500,000	—	100%	Property agency

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
廣州市金碧華府物業有限公司 Guangzhou Jinbi Huafu Property Company Limited	20 August 2003	RMB 10,000,000	—	60%	Provision of property management services
廣州市金碧世家物業服務有限公司 Guangzhou Jinbi Shijia Property Service Company Limited	11 November 2003	RMB 10,000,000	—	100%	Provision of property management services
廣州市金碧恒盈物業服務有限公司 Guangzhou Jinbi Hengying Property Service Company Limited	6 February 2004	RMB 10,000,000	—	100%	Provision of property management services
恒大地產集團西安有限公司 Hengda (Xi'an) Real Estate Group Company Limited	14 September 2007	RMB 30,000,000	—	100%	Property development
恒大地產集團洛陽有限公司 Hengda (Luoyang) Real Estate Group Company Limited	5 September 2007	RMB 20,000,000	—	100%	Property development
恒大地產集團太原有限公司 Hengda (Taiyuan) Real Estate Group Company Limited	11 September 2007	RMB 631,000,000	—	100%	Property development
西安曲江投資建設有限公司 Xi'an Qujiang Investment Construction Company Limited	9 September 2002	RMB 453,462,000	—	65%	Property development
西安祺雲置業有限公司 Xi'an Qiyun Land Company Limited	28 August 2007	RMB 315,000,000	—	100%	Property development
合肥祺嘉置業有限公司 Hefei Qijia Property Company Limited	6 November 2007	US$38,600,000	—	100%	Property development
恒大地產集團南寧有限公司 Hengda Nanning Real Estate Group Company Limited	9 November 2007	RMB 20,000,000	—	100%	Property development
南寧銀象房地產開發有限責任公司 Nanning Yinxiang Real Estate Development Company Liability limited	24 November 2005	RMB 10,000,000	—	80.05%	Property development
恒大地產集團貴陽置業有限公司 Hengda Real Estate Group Guiyang Property Company Limited	13 November 2007	RMB 159,100,000	—	100%	Property development
南京漢典房地產開發有限公司 Nanjing Handian Property Development Company Limited	10 July 2002	RMB 371,000,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
湖南雄震投資有限公司 Hunan Xiongzhen Investment Company Limited	7 August 2003	RMB 100,000,000	—	51%	Property development
恒大地產集團合肥有限公司 Hengda Hefei Real Estate Group Company Limited	9 November 2007	RMB 20,000,000	—	100%	Property development
恒大地產集團長沙置業有限公司 Hengda Changsha Property Company Limited	7 November 2007	RMB 20,000,000	—	100%	Property development
廣州恒暉建築工程有限公司 Guangzhou Henghui Construction Company Limited	26 November 1997	RMB 21,000,000	—	100%	Construction
廣州市恒大工程監理有限公司 Guangzhou Hengda Construction Supervisory Company Limited	3 June 1997	RMB 3,000,000	—	100%	Supervision of construction
廣州市金碧園林藝術有限公司 Guangzhou Jinbi Landscaping Company Limited	24 January 2002	RMB 1,180,000	—	100%	Landscape and architecture
廣州恒大裝飾工程有限公司 Guangzhou Hengda Decoration Engineering Company Limited	24 May 2004	RMB 3,010,000	—	100%	Decoration and design
佛山市恒大金屬建築材料有限公司 Foshan Hengda Metallic Construction Material Company Limited	24 August 2005	RMB 1,000,000	—	100%	Sales of decoration materials
廣州市恒大廣告有限公司 Guangzhou Hengda Advertising Company Limited	1 February 1999	RMB 500,000	—	100%	Advertising
廣州市越秀住宅建設有限公司 Guangzhou Yuexiu Property Construction Company Limited	20 May 2005	RMB 53,280,000	—	100%	Construction
荊州市晴川建築設計院有限公司 Jingzhou Architecture Design Institute Company Limited	6 June 1996	RMB 5,000,000	—	100%	Designing of architecture
廣州市恒大材料設備有限公司 Hengda (Guangzhou) Material and Equipment Company Limited	30 April 2007	RMB 100,000,000	—	100%	Trading of construction materials
河南省軟件園實業發展有限公司 Henan Ruanjianyuan Industrial Development Company Limited	4 April 2000	RMB 20,000,000	—	80%	Property development
佛山市南海俊誠房地產開發有限公司 Foshan Nanhai Jun Cheng Property Development Company Limited	23 November 2007	RMB 20,000,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
恒大地產集團廣東房地產開發有限公司 Hengda Real Estate Group Guangdong Property Development Company Limited	19 December 2007	RMB 50,000,000	—	100%	Property development
武漢恒大園林綠化工程有限公司 Wuhan Hengda Landscaping Planting Project Company Limited	20 June 2008	RMB 500,000	—	100%	Landscape and architecture
天津金瑞園林藝術有限公司 Tianjin Jinrun Landscaping Company Limited	27 June 2008	RMB 1,000,000	—	100%	Landscape and architecture
湖南盛基置業有限公司 Hunan Shengji Property Company Limited	26 March 2008	US$20,000,000	—	100%	Property development
合肥恒大園林綠化工程有限公司 Hefei Hengda Landscaping Planting Project Company Limited	2 July 2008	RMB 500,000	—	100%	Landscape and architecture
西安恒大園林綠化工程有限公司 Xi'an Hengda Landscaping Planting Project Company Limited	5 August 2008	RMB 1,000,000	—	100%	Landscape and architecture
南京菁潤園林綠化工程有限公司 Nanjing Jingrun Landscaping Planting Project Company Limited	24 July 2008	RMB 2,000,000	—	100%	Landscape and architecture
昆明金翠園林綠化工程有限公司 Kunming Jincui Landscaping Planting Project Company Limited	10 July 2008	RMB 1,000,000	—	100%	Landscape and architecture
佛山市南海區華南師範大學附屬小學恒大南海學校投資有限公司 Foshan Nanhai Affiliated Primary School of South China Normal University Hengda Nanhai School Investment Company Limited	15 July 2008	RMB 3,000,000		100%	Education
貴陽恒大園林綠化工程有限公司 Guiyang Hengda Landscaping Planting Project Company Limited	18 July 2008	RMB 2,000,000	—	100%	Landscape and architecture
重慶潤豐園林綠化工程有限公司 Chongqing Runfeng Landscaping Planting Project Company Limited	4 August 2008	RMB 1,000,000	—	100%	Landscape and architecture
鄂州恒大園林綠化工程有限公司 E'zhou Hengda Landscaping Planting Project Company Limited	30 July 2008	RMB 1,000,000	—	100%	Landscape and architecture
長沙天璽置業有限公司 Changsha Tianxi Zhiye Property Company Limited	5 August 2008	RMB 20,000,000	—	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest		Principal activities
			Directly	Indirectly	
長沙駿鴻園林綠化工程有限公司 Changsha Junhong Landscaping Planting Project Company Limited	6 August 2008	RMB 2,000,000	—	100%	Landscape and architecture
成都鑫金康園林綠化工程有限公司 Chengdu Xinjinkang Landscaping Planting Project Company Limited	30 June 2008	RMB 1,000,000	—	100%	Landscape and architecture
太原園林綠化工程有限公司 Taiyuan Landscaping Planting Project Company Limited	11 August 2008	RMB 2,000,000	—	100%	Landscape and architecture
恒大地產集團包頭有限公司 Hengda (Baotou) Real Estate Group Company Limited	9 August 2008	RMB 35,000,000	—	100%	Property development
廣東恒大排球俱樂部有限公司 Guangdong Hengda Volleyball Club Limited	24 April 2009	RMB 20,000,000		100%	Club operation
陝西金泓投資有限公司 Shanxi Jinhong Investment Company Limited	2 November 2006	RMB 50,000,000		60%	Property development
南寧市御景園林綠化工程有限公司 Nanning Yujing Landscaping Planting Project Company Limited	18 August 2008	RMB 2,000,000	—	100%	Landscape and architecture

(a) On 5 July 2007, Success Will Group Limited was incorporated in Hong Kong as a wholly owned subsidiary of ANJI (BVI) Limited.

On 28 September 2007, Success Will Group Limited redesignated its issued share capital of 1,000 ordinary shares of HK$1.00 each into 600 A ordinary shares of HK$1.00 each and 400 B ordinary shares of HK$1.00 each. ANJI (BVI) Limited and a related party of one of the Company's shareholders entered into a share purchase agreement on the same date, pursuant to which the counterparty acquired the 400 B ordinary shares of Success Will Group Limited from ANJI (BVI) Limited at a consideration of US$130,000,000.

Each of the A ordinary shares and B ordinary shares of Success Will Group Limited will carry the respective rights to dividends and rank pari passu to each other until the total amount of dividends distributed to the holders of the B ordinary shares is equivalent to a 25% compounded annual return on the purchase price of the B ordinary shares, which thereafter, the issued A ordinary shares will entitle the holders thereof to 80% of any dividend declared, made or paid whereas the issued B ordinary shares will entitle the holders thereof to 20% of any dividend so declared, made or paid.

No statutory audited financial statements have been prepared for the above subsidiaries as it is not required by local government, except for the following companies of the corresponding financial years:

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
恒大地產集團有限公司 Hengda Real Estate Group Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
廣州市俊匯房地產開發有限公司 Guangzhou Junhui Real Estate Development Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
廣州通瑞達房地產實業有限公司 Guangzhou Tongruida Real Estate Industrial Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
佛山市南海新中建房地產發展有限公司 Foshan Nanhai Xinzhongjian Real Estate Development Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
廣州市俊鴻房地產開發有限公司 Guangzhou Junhong Real Estate Development Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
廣州恒大（增城）房地產開發有限公司 Guangzhou Hengda (Zengcheng) Real Esate Development Company Limited	廣州晉成會計師事務所有限公司 Guangzhou Jincheng Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
恒大地產集團武漢有限公司 Hengda Real Estate Group (Wuhan) Company Limited	武漢天鵬會計師事務所有限責任公司 Wuhan Tianpeng Certified Public Accountants Company Limited	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Company Limited	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Company Limited
恒大地產集團重慶有限公司 Hengda Real Estate Group (Chongqing) Company Limited	Not applicable	重慶鉑碼會計師事務所有限公司 Chongqing Boma Certified Public Accountants Co., Ltd.	重慶中凱會計師事務所有限公司 Chongqing Zhongkai Certified Public Accountants Company Limited
恒大鑫源（昆明）置業有限公司 Hengda Xinyuan (Kunming) Property Company Limited	Not applicable	昆明亞太會計師事務所有限責任公司 Kunming Yatai Certified Public Accountants	昆明亞太會計師事務所有限責任公司 Kunming Yatai Certified Public Accountants

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
恒大地產集團成都有限公司 Hengda (Chengdu) Real Estate Group Company Limited	四川光華會計師事務所有限責任公司 Sichuan Guanghua Public Accountant Office Limited Company	四川光華會計師事務所有限責任公司 Sichuan Guanghua Public Accountant Office Limited Company	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
南京恒大富豐置業有限公司 Nanjing Hengda Fufeng Property Company Limited	Not applicable	南京中信會計師事務所 Nanjing Zhongxin Certified Public Accountants	南京國信均益會計師事務所有限公司 Nanjing Guoxinjunyi Public Accountant Office Limited Company
天津薊縣金鑫觀光產業有限公司 Tianjin Ji Jinxin Tourism Industry Company Limited	Not applicable	天津市正泰有限責任會計師事務所 Tianjin Zhengtai Certified Public Accountants Ltd.	天津市正泰有限責任會計師事務所 Tianjin Zhengtai Certified Public Accountants Ltd.
武漢鑫金觀光產業園有限公司 Wuhan Xinjin Tourist Park Company Limited	武漢天鵬會計師事務所有限責任公司 Wuhan Tianpeng Certified Public Accountants Company Limited	湖北天元會計師事務有限責任公司 Hubei Tianyuan Public Accountant Office Limited Company	湖北天元會計師事務有限責任公司 Hubei Tianyuan Public Accountant Office Limited Company
彭山縣鑫鑫觀光產業園有限公司 Pengshan Xinxin Tourist Park Company Limited	Not applicable	Not applicable	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
安寧市淦鑫觀光產業園有限公司 Anning Ganxin Tourist Park Company Limited	Not applicable	昆明亞太會計師事務所有限責任公司 Kunming Yatai Certified Public Accountants	昆明亞太會計師事務所有限責任公司 Kunming Yatai Certified Public Accountants
恒大(清新)生態示範園有限公司 Hengda (Qingxin) Designated Eco-park Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
恒大(佛岡)湯塘農場有限公司 Hengda (Fogang) Tangtang Farm Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
廣州恒大生態農業開發基地有限公司 Guangzhou Hengda Eco-agricultural Development Base Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
廣州市超豐置業有限公司 Guangzhou Chaofeng Land Company Limited	廣州晉成會計師事務所有限公司 Guangzhou Jincheng Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
廣州市凱隆置業有限公司 Guangzhou Kailong Land Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited
恒大地產集團天津薊縣有限公司 Hengda (Tianjin) Jixian Real Estate Group Company Limited	Not applicable	天津隆玉聯合會計師事務所 Tianjin Longyu United Certified Public Accountants	天津市正泰有限責任會計師事務所 Tianjin Zhengtai Certified Public Accountants Ltd.
恒大地產集團彭山有限公司 Hengda (Pengshan) Real Estate Group Company Limited	Not applicable	四川光華會計師事務所有限責任公司 Sichuan Guanghua Public Accountant Office Limited Company	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
恒大地產集團江津有限公司 Hengda (Jiangjin) Real Estate Group Company Limited	Not applicable	重慶鉑碼會計師事務所有限公司 Chongqing Boma Certified Public Accountants Co., Ltd.	重慶中凱會計師事務所有限公司 Chongqing zhongkai Certified Public Accountants Co., Ltd.
鄂州恒大房地產開發有限公司 E'zhou Hengda Real Estate Development Company Limited	武漢天鵬會計師事務有限責任公司 Wuhan Tianpeng Certified Public Accountants Co., Ltd.	湖北鄂州融信有限責任會計師事務所 Hubei Ezhou Rongxin Certified Public Accountants Co., Ltd.	湖北鄂州融信有限責任會計師事務所 Hubei Ezhou Rongxin Certified Public Accountants Co., Ltd.
鄂州鑫金生態觀光產業園有限公司 E'zhou Xinjin Ecology Sightseeing Park Company Limited	武漢天鵬會計師事務有限責任公司 Wuhan Tianpeng Certified Public Accountants Co., Ltd.	湖北中天會計師事務所有限責任公司 Hubei Zhongtian Certified Public Accountants Co., Ltd.	湖北鄂州融信有限責任會計師事務所 Hubei Ezhou Rongxin Certified Public Accountants Co., Ltd.
恒大地產集團清新有限公司 Hengda (Qingxin) Real Estate Group Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
廣州市啟通實業有限公司 Guangzhou Qitong Real Estate Industry Company Limited	Not applicable	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
廣州市廣域實業有限公司 Guangzhou Guangyu Real Estate Industry Company Limited	Not applicable	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
廣州市力拓土石方工程有限公司 Guangzhou Lituo Site Preparation Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州市華穗會計師事務所有限公司 Guangzhou Huasui Certified Public Accountants Company Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
成都恒大銀河新城置業有限公司 Chengdu Hengda Galaxy New City Property Company Limited	Not applicable	Not applicable	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
武漢東湖恒大房地產開發有限公司 Wuhan Donghu Hengda Real Estate Development Company Limited	武漢天鵬會計師事務所有限責任公司 Wuhan Tianpeng Certified Public Accountants Company Limited	武漢長城會計師事務有限責任公司 Wuhan Changcheng Certified Public Accountants Co., Ltd.	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Co., Ltd.
重慶市鑫恒觀光農業有限公司 Chongqing Xinheng Sightseeing Industry Park Company Limited	Not applicable	重慶鉑碼會計師事務所有限公司 Chongqing Boma Certified Public Accountants Co., Ltd.	重慶中凱會計師事務所有限公司 Chongqing Zhongkai Certified Public Accountants Co., Ltd.
恒大鑫隆（瀋陽）置業有限公司 Hengda Xinlong (Shengyang) Real Estate Company Limited	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.
恒大長基（瀋陽）置業有限公司 Hengda Changji (Shengyang) Property Company Limited	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.
恒大鑫源（瀋陽）置業有限公司 Hengda Xinyuan (Shengyang) Property Company Limited	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.	遼寧爾立會計師事務所有限公司 Liaoning Lier Certified Public Accountants Co., Ltd.
鶴山市鑫鑫觀光產業園有限公司 Heshan Xinxin Tourist Park Company Limited	鶴山市中信會計師事務所 Heshan Zhongxin Certified Public Accountants Co., Ltd.	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
成都市溫江區鑫金康置業有限責任公司 Chengdu Wenjiang Xinjinkang Property Company Limited	四川寅洋會計師事務所有限責任公司 Sichuan Yanyang Certified Public Accountants Co., Ltd.	Not applicable	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
恒大鑫豐（彭山）置業有限公司 Hengda Xinfeng (Pengshan) Property Company Limited	Not applicable	Not applicable	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
恒大盛宇（清新）置業有限公司 Hengda Shengyu (Qingxin) Company Limited	Not applicable	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
武漢市金碧綠洲房地產開發有限公司 Wuhan Evergrande Oasis Real Estate Development Company Limited	Not applicable	武漢長城會計師事務有限責任公司 Wuhan Changcheng Certified Public Accountants Co., Ltd.	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Co., Ltd.
啟東譽豪飲食廣場有限公司 Qidong Yuhao Catering Court Company Limited	Not applicable	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東歡華大酒店有限公司 Qidong Huanhua Hotel Company Limited	Not applicable	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東勤盛遊樂有限公司 Qidong Qingshen Amusement Company Limited	Not applicable	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東衡美影視城有限公司 Qidong Hengmei Movie City Company Limited	Not applicable	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東鑫華娛樂有限公司 Qidong Xinhua Entertainment Company Limited	Not applicable	南通三角州聯合會計師事務所 Nantong Shanjiaozhou Lianhe Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東通譽健身俱樂部有限公司 Qidong Tongyu Gym Club Company Limited	Not applicable	南通三角州聯合會計師事務所 Nantong Shanjiaozhou Lianhe Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
啟東寶豐康復保健有限公司 Qidong Baofeng Health Recovery Company Limited	Not applicable	南通三角州聯合會計師事務所 Nantong Shanjiaozhou Lianhe Public Accountants Co., Ltd.	南通陽光會計師事務所有限公司 Nantong Sunshine Certified Public Accountants Co., Ltd.
重慶恒大基宇置業有限公司 Hengda Chongqing Jiyu Property Company Limited	Not applicable	重慶鉑碼會計師事務所有限公司 Chongqing Boma Certified Public Accountants Co., Ltd.	重慶中凱會計師事務所有限公司 Chongqing Zhongkai Certified Public Accountants Co., Ltd.
恒大地產集團鄭州有限公司 Hengda (Zhengzhou) Real Estate Group Company Limited	Not applicable	河南久遠會計師事務所有限公司 Henan Jiuyuan Certified Public Accountants Co., Ltd.	河南久遠會計師事務所有限公司 Henan Jiuyuan Certified Public Accountants Co., Ltd.
湖北怡清雅築房地產開發有限公司 Hubei Yiqingyazhu Real Estate Development Company Limited	Not applicable	武漢長城會計師事務有限責任公司 Wuhan Changcheng Certified Public Accountants Co., Ltd.	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Co., Ltd.

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
金碧物業有限公司 Jinbi Preperty Management Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
廣州市金碧房地產代理有限公司 Guangzhou Jinbi Real Estate Agency Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
廣州市金碧華府物業有限公司 Guangzhou Jinbi Huafu Property Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
廣州市金碧世家物業管理有限公司 Guangzhou Jinbi shijia Property Management Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
廣州市金碧恒盈物業服務有限公司 Guangzhou Jinbi Hengying Property Service Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
恒大地產集團洛陽有限公司 Hengda (Luoyang) Real Estate Group Company Limited	Not applicable	河南凱橋會計師事務所有限公司 Henan Kaiqiao Certified Public Accountants Co., Ltd.	洛陽中華會計師事務所有限責任公司 Luoyang Zhonghua Certified Public Accountants Co., Ltd.
恒大地產集團太原有限公司 Hengda (Taiyuan) Real Estate Group Company Limited	Not applicable	山西晉強會計師事務所有限公司 Shanxi Jinqiang Certified Public Accountants Co., Ltd.	山西華鈺會計師事務所 ShanXi Huayu Certified Public Accountants
西安曲江投資建設有限公司 Xi'an Qujiang Investment Construction Company Limited	Not applicable	陝西正大有限責任會計師事務所 Shaanxi Zhengda Certified Public Accountants Ltd.	Not applicable
西安祺雲置業有限公司 Xi'an Qiyun Land Company Limited	Not applicable	陝西正大有限責任會計師事務所 Shaanxi Zhengda Certified Public Accountants Ltd.	陝西西秦金周會計師事務所有限責任公司 Shaanxi Xiqin Jinzhou Certified Public Accountants
合肥祺嘉置業有限公司 Hefei Qijia Property Company Limited	Not applicable	安徽華建會計師事務所 Anhui Huajian Certified Public Accountants Co., Ltd.	安徽中健會計師事務所 Anhui Huajian Certified Public Accountants Co., Ltd.

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
恒大地產集團南寧有限公司 Hengda Nanning Real Estate Group Company Limited	Not applicable	南寧市華泰天正聯合會計師事務所 Nanning Huatai Tianzheng Lianhe Certified Public Accountants Co., Ltd.	南寧市華泰天正聯合會計師事務所 Nanning Huatai Tianzheng Lianhe Certified Public Accountants Co., Ltd.
南寧銀象房地產開發有限責任公司 Nanning Yinxiang Real Estate Development Company Liability limited	Not applicable	南寧市華泰天正聯合會計師事務所 Nanning Huatai Tianzheng Lianhe Certified Public Accountants Co., Ltd.	南寧市華泰天正聯合會計師事務所 Nanning Huatai Tianzheng Lianhe Certified Public Accountants Co., Ltd.
恒大地產集團貴陽置業有限公司 Hengda Real Estate Group Guiyang Property Company Limited	Not applicable	貴陽華正聯合會計師事務所 Guiyang Huazheng Certified Public Accountants Partnership	貴陽華正聯合會計師事務所 Guiyang Huazheng Certified Public Accountants Partnership
南京漢典房地產開發有限公司 Nanjing Handian Property Development Company Limited	Not applicable	南京中信會計師事務所 Nanjing Zhongxin Certified Public Accountants	南京國信均益會計師事務所有限公司 Nanjing Guoxin Junyi Certified Public Accountants Co., Ltd.
湖南雄震投資有限公司 Hunan Xiongzhen Investment Company Limited	Not applicable	湖南中和有限責任會計師事務所 Hunan Zhonghe Limited Certified Public Accounts' Firm	湖南遠誠聯合會計師事務所 Yuancheng United Certified Public Accounts Office of Hunan
恒大地產集團合肥有限公司 Hengda Hefei Real Estate Group Company Limited	Not applicable	安徽華建會計師事務所 Anhui Huajian Certified Public Accountants Co., Ltd.	安徽中健會計師事務所 Anhui Huajian Certified Public Accountants Co., Ltd.
恒大地產集團長沙置業有限公司 Hengda Changsha Property Company Limited	Not applicable	湖南中和有限責任會計師事務所 Hunan Zhonghe Limited Certified Public Accounts' Firm	湖南遠誠聯合會計師事務所 Yuancheng United Certified Public Accounts Office of Hunan
廣州恒暉建築工程有限公司 Guangzhou Henghui Construction Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
廣州市恒大工程監理有限公司 Guangzhou Hengda Construction Supervisory Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州市南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
廣州市金碧園林藝術有限公司 Guangzhou Jinbi Landscaping Company Limited	廣州晉成會計師事務所有限公司 Guangzhou Jincheng Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
廣州恒大裝飾工程有限公司 Guangzhou Hengda Decoration Engineering Company Limited	廣州晉成會計師事務所有限公司 Guangzhou Jincheng Certified Public Accountants Company Limited	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
佛山市恒大金屬建築材料有限公司 Foshan Hengda Metallic Construction Material Company Limited	佛山市達正會計師事務所 Foshan Dazheng Certified Public Accountants Co., Ltd.	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
廣州市恒大廣告有限公司 Guangzhou Hengda Advertising Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
廣州市越秀住宅建設有限公司 Guangzhou Yuexiu Property Construction Company Limited	廣州市華穗會計師事務所有限公司 Guangzhou Huasui Certified Public Accountants Company Limited	廣州市華穗會計師事務所有限公司 Guangzhou Huasui Certified Public Accountants Company Limited	廣州市華穗會計師事務所有限公司 Guangzhou Huasui Certified Public Accountants Company Limited
荊州市晴川建築設計院有限公司 Jingzhou Architecture Design Institute Company Limited	Not applicable	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
廣州市恒大材料設備有限公司 Hengda (Guangzhou) Material and Equipment Company Limited	Not applicable	廣州南華會計師事務所有限公司 Guangzhou Nanhua Certified Public Accountants Limited	北京中瑞誠聯合會計師事務所廣東分所 Guangdong Branch of China Regal CPAs
河南省軟件園實業發展有限公司 Henan Ruanjianyuan Industrial Development Company Limited	Not applicable	河南久遠會計師事務所有限公司 Henan Jiuyuan Certified Public Accountants Co., Ltd.	河南久遠會計師事務所有限公司 Henan Jiuyuan Certified Public Accountants Co., Ltd.
佛山市南海俊誠房地產開發有限公司 Foshan Nanhai Jun Cheng Property Development Company Limited	Not applicable	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州宏海會計師事務所有限公司 Guangzhou Honghai Certified Public Accountants Co., Ltd.
恒大地產集團廣東房地產開發有限公司 Hengda Real Estate Group Guangdong Property Development Company Limited	Not applicable	廣州志信會計師事務所有限公司 Guangzhou Reputation Certified Public Accountants Company Limited	廣州振和會計師事務所有限公司 Guangzhou Zhenhe Certified Public Accountants Co., Ltd.
武漢恒大園林綠化工程有限公司 Wuhan Hengda Landscaping Planting Project Company Limited	Not applicable	Not applicable	湖北天元會計師事務有限責任公司 Hubei Tianyuan Certified Public Accountants Co., Ltd.

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
天津金瑞園林藝術有限公司 Tianjin Jinrun Landscaping Company Limited	Not applicable	Not applicable	天津市正泰有限責任會計師事務所 Tianjin Zhengtai Certified Public Accountants Ltd.
湖南盛基置業有限公司 Hunan Shengji Property Company Limited	Not applicable	Not applicable	湖南遠誠聯合會計師事務所 Yuancheng United Certified Public Accountants Office of Hunan
合肥恒大園林綠化工程有限公司 Hefei Hengda Landscaping Planting Project Company Limited	Not applicable	Not applicable	安徽中健會計師事務所 Anhui Zhongjian Certified Public Accountants Co., Ltd.
西安恒大園林綠化工程有限公司 Xi'an Hengda Landscaping Planting Project Company Limited	Not applicable	Not applicable	陝西西秦金周會計師事務所有限責任公司 Shaanxi Xiqin Jinzhou Certified Public Accountants
南京菁潤園林綠化工程有限公司 Nanjing Jingrun Landscaping Planting Project Company Limited	Not applicable	Not applicable	南京國信均益會計師事務所有限公司 Nanjing Guoxin Junyi Certified Public Accountants Co., Ltd.
昆明金翠園林綠化工程有限公司 Kunming Jincui Landscaping Planting Project Company Limited	Not applicable	Not applicable	昆明亞太會計師事務所有限責任公司 Kunming Yatai Certified Public Accountants
佛山市南海區華南師範大學附屬小學恒大南海學校投資有限公司 Foshan Nanhai Affiliated Primary School of South China Normal University Hengda Nanhai School Investment Company Limited	Not applicable	Not applicable	廣州永道會計師事務所有限公司 Guangzhou Yongdao Certified Public Accountants Co., Ltd.
貴陽恒大園林綠化工程有限公司 Guiyang Hengda Landscaping Planting Project Company Limited	Not applicable	Not applicable	貴陽華正聯合會計師事務所 Guiyang Huazheng Certified Public Accountants Partnership
重慶潤豐園林綠化工程有限公司 Chongqing Runfeng Landscaping Planting Project Company Limited	Not applicable	Not applicable	重慶中凱會計師事務所有限公司 Chongqing Zhongkai Certified Public Accountants Co., Ltd.
鄂州恒大園林綠化工程有限公司 E'zhou Hengda Landscaping Planting Project Company Limited	Not applicable	Not applicable	湖北鄂州融信有限責任會計師事務所 Hubei Ezhou Rongxin Certified Public Accountants Co., Ltd.

	Statutory auditors		
Name of companies	**Year 2006**	**Year 2007**	**Year 2008**
長沙天璽置業有限公司 Changsha Tianxi Zhiye Property Company Limited	Not applicable	Not applicable	湖南遠誠聯合會計師事務所 Hunan Yuancheng United Certified Public Accountants Office
長沙駿鴻園林綠化工程有限公司 Changsha Junhong Landscaping Planting Project Company Limited	Not applicable	Not applicable	湖南遠誠聯合會計師事務所 Hunan Yuancheng United Certified Public Accountants Office
成都鑫金康園林綠化工程有限公司 Chengdu Xinjinkang Landscaping Planting Project Company Limited	Not applicable	Not applicable	四川恒通會計師事務所有限公司 Sichuan Hengtong Certified Public Accountants Co., Ltd.
太原園林綠化工程有限公司 Taiyuan Landscaping Planting Project Company Limited	Not applicable	Not applicable	山西華鈺會計師事務所 Shanxi Huayu Certified Public Accountants
恒大地產集團包頭有限公司 Hengda (Baotou) Real Estate Group Company Limited	Not applicable	Not applicable	包頭廣源會計師事務所 Baotou Guangyuan Certified Public Accountants Co., Ltd.
陝西金泓投資有限公司 Shanxi Jinhong Investment Company Limited	Not applicable	Not applicable	陝西興華會計師事務所有限責任公司 Shanxi Xinghua Certified Public Accountants Co., Ltd.
南寧市御景園林綠化工程有限公司 Nanning Yujing Landscaping Planting Project Company Limited	Not applicable	Not applicable	南寧市華泰天正聯合會計師事務所 Nanning Huatai Tianzheng Lianhe Certified Public Accountants Co., Ltd.

The names of certain of the companies referred to in the Financial Information represent management's translation of the Chinese names of these companies into English as no English names have been registered or available for these companies.

2. Summary of significant accounting policies

The significant accounting policies applied in the preparation of the Financial Information are set out below. These policies have been consistently applied during the Relevant Periods, unless otherwise stated.

(a) ***Basis of preparation***

For the purpose of this report, the Financial Information for the Relevant Periods have been prepared to reflect the reorganisation of a business under common control, in which all the companies comprising the Group are ultimately controlled by Dr. Hui. Accordingly, the Reorganisation has been accounted for using the principles of merger accounting, as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Financial Information has been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") under the historical cost convention, as modified by the revaluation of investment properties, embedded financial derivatives and available-for-sale investments which are carried at fair value.

The preparation of the Financial Information in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information are disclosed in note 4 below.

The Group finances the development of its projects primarily through proceeds from the shareholders' contributions, bank borrowings, pre-sale proceeds of properties, the Convertible Preferred Shares and the structured secured loan from a financial institution (the "Structured Secured Loan"). The directors of the Company have prepared the working capital forecast for the 18 months ending 31 December 2010 with certain key assumption as disclosed in note 3(a)(iv). The directors of the Company are of the opinion that the Group will have sufficient working capital to finance its operations and to maintain its operating existence in the foreseeable future and accordingly have prepared the Financial Information on a going concern basis.

The following new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 July 2009 or later periods and which the Group has not early adopted.

- HKAS 27 (Revised), "Consolidated and Separate Financial Statements" (effective for annual period beginning on or after 1 July 2009). The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (Revised) prospectively to transactions with non-controlling interests from 1 January 2010.

- HKFRS 1 (Amendment), "First time adoption of HKFRS" and HKAS 27 "Consolidated and separate financial statements" (effective for annual periods beginning on or after 1 July 2009). The amended standard allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from HKAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. The Company will apply HKAS 27 (Amendment) prospectively from 1 July 2009 in its separate financial statements. This amendment is not relevant to the Group.

- HKFRS 3 (Revised), "Business Combination" (effective for business combinations with acquisition date on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the consolidated income statement. There is a choice on an acquisition by acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (Revised) prospectively to all business combinations from 1 January 2010.

- HKFRS 5 (Amendment), "Non-current assets held for sale and discontinued operations" (and consequential amendment to HKFRS 1, "First-time adoption") (effective for annual periods beginning on or after 1 July 2009). The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control, and relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to HKFRS 1 states that these amendments are applied prospectively from the date of transition to HKFRSs. The Group will apply the HKFRS 5 (Amendment) prospectively to all partial disposals of subsidiaries from 1 January 2010.

- HKFRS 2 (Amendment), "Share-based payment" (effective for annual periods beginning on or after 1 July 2009). The amended standard deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation there of subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

- There are a number of minor amendments to HKFRS 7, "Financial instruments: Disclosures", HKAS 8, "Accounting policies, changes in accounting estimates and errors", HKAS 10, "Events after the balance sheet date", HKAS 18, "Revenue" and HKAS 34, "Interim financial reporting"

which are not addressed above. These amendments are unlikely to have an impact on the Group's financial statements and have therefore not been analysed in detail.

- In 2009, the HKICPA published certain improvements to the HKFRS which will be effective for period beginning on or after 1 January 2010. These improvements have not been early adopted by the Group. Amendments have been made to the following standards according to the improvements:

HKAS 1 (Amendment)	Presentation of financial statements
HKAS 7 (Amendment)	Cash flow statements
HKAS 17 (Amendment)	Leases
HKAS 18 (Amendment)	Revenue
HKAS 36 (Amendment)	Impairment of assets
HKAS 38 (Amendment)	Intangible assets
HKAS 39 (Amendment)	Financial instruments: Recognition and measurement
HKFRS 2 (Amendment)	Scope of HKFRS 2 and revised HKFRS 3
HKFRS 5 (Amendment)	Disclosures of non-current assets (or disposal groups) classified as held for sales or discontinued operations
HKFRS 8 (Amendment)	Disclosure of information about segment assets
HK(IFRIC) 9 (Amendment)	Reassessment of embedded derivatives
HK(IFRIC) 16 (Amendment)	Hedges of a net investment in a foreign operation
HK(IFRIC)-Int 16 (Amendment)	Hedges of a net investment in a foreign operation
Amendments to Implementation Guidance on HKFRS 1	First-time adoption of Hong Kong financial reporting standards — additional exemptions for first-time adopters

The Group is in the process of making an assessment on the impact of these new/revised standards, amendments and interpretations to existing standards and does not anticipate that the adoption will result in any material impact on the Group's results of operations and financial position.

(b) ***Merger accounting for common control combination***

The Financial Information incorporate the financial information of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book value from the controlling parties' perspective. No amount is recognised in consideration for goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over acquisition cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated income statement includes the results of each of the combining entities or businesses from the later of the earliest date presented and the date when the combining entities or businesses first came under common control, regardless of the date of the common control combination.

A uniform set of accounting policies is adopted by those entities. All intra-group transactions, balances and unrealised gains on transactions between combining entities or businesses are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for using merger accounting is recognised as expenses in the period in which they are incurred.

(c) ***Consolidation***

(i) *Subsidiaries*

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group except for which has been accounted for under merger accounting. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(ii) *Transaction with minority interests*

The Group applies a policy of treating transaction with minority interests as transactions with parties external to the Group. Disposals to minority interest result in gains and losses for the Group that are recorded in the consolidated statement of comprehensive income. Purchase from minority interests result in goodwill, being the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary being acquired.

(d) ***Segment reporting***

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for making strategic decisions, allocating resources and assessing performance of the operating segments.

(e) ***Foreign currency translation***

(i) *Functional and presentation currency*

Items included in the financial statements of each companies comprising the Group are measured using the currency of the primary economic environment in which the companies operate (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional and presentation currency of the Company.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

(iii) *Group entities*

The results and financial positions of the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet of the group entities are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement of the group entities are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity.

(f) *Property and equipment*

Property and equipment are stated at historical cost less depreciation and any impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the period in which they are incurred.

Depreciation on property and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	30 years
Machinery	5–10 years
Motor vehicles	5–10 years
Furniture, fitting and equipment	5–8 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other (losses)/gains — net, of the income statement.

(g) *Assets under construction*

Assets under construction are stated at historical cost less impairment losses. Historical cost includes expenditure that is directly attributable to the development of the assets which comprises construction costs, amortisation of land use rights, borrowing costs and professional fees incurred during the development period. On completion, the assets are transferred to buildings within property and equipment.

No depreciation is provided for assets under construction. The carrying amount of an asset under construction is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(h) ***Investment properties***

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Property that is currently being constructed or developed for future use as investment property is classified as investment property.

Investment property comprises land held under operating leases. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed or the date at which fair value becomes reliably measurable. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed at each balance sheet date by independent valuers. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

Changes in fair values of investment property are recognised in the consolidated income statement.

If an investment property becomes owner-occupied, it is reclassified as property and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

If an item of property and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the consolidated income statement to the extent the impairment provision previous made.

(i) ***Impairment of non-financial assets***

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating unit"). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(j) ***Financial assets***

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and reviews the designation at each reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified as "Trade and other receivables" in the balance sheet. They are recognised as trade receivables, other receivables, cash and cash equivalent in balance sheet and carried at the amortised cost using the effective interest method.

(k) ***Properties under development***

Properties under development are stated at the lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised, less applicable variable selling expenses and anticipated cost to completion.

Development cost of property comprises construction costs, amortisation of land use rights, borrowing costs, and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale.

Properties under development are classified as current assets unless those will not be realised in one normal operating cycle.

(l) ***Completed properties held for sale***

Completed properties remaining unsold at the end of each relevant period are stated at the lower of cost and net realisable value.

Cost comprises development costs attributable to the unsold properties during property development, as explained in accounting policy for properties under development.

Net realisable value is determined by reference to the estimated selling price in the ordinary course of business, less applicable estimated selling expenses to make the sale.

(m) ***Trade and other receivables***

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised on trade date — the date on which the Group provides fund, products or services directly to a debtor who has no intention to exchange the receivables. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the trade or other receivable is reduced through the use of an allowance account, and the amount of the provision is recognised in the consolidated income statement within selling and marketing costs. When an trade or other receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited to consolidated income statement.

Trade and other receivables are included in current assets, except for those mature after 12 months of the balance sheet date which are classified as non-current assets.

(n) ***Cash and cash equivalents***

Cash and cash equivalent includes cash in hand and at banks and deposits held at call with banks, other short-term high liquidity investment with original maturities of three months or less.

Bank deposits which are restricted to use are included in "Restricted cash". Restricted cash are excluded from cash and cash equivalents in the cash flow statements.

(o) ***Share capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new share or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) ***Trade and other payables***

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(q) ***Borrowings***

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the respective balance sheet date.

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing is derecognised when, and only when the obligation specified in the contract is discharged or cancelled or expires.

(r) ***Convertible Preferred Shares***

The Company issued US dollar ("US$") denominated Convertible Preferred Shares which can be converted to ordinary shares of the Company and redeemed under certain circumstances.

If the conversion of the Convertible Preferred Shares will not result in delivering a fixed number of the Company's own equity instruments in exchange for a fixed amount of cash or another financial asset, the Convertible Preferred Shares contract will be separated into two component elements: a derivative component consisting of the conversion option and the redemption option and a liability component consisting of the straight debt element of the Convertible Preferred Shares.

On the issue of the Convertible Preferred Shares, the fair value of the embedded derivative was calculated using a valuation technique. The derivative component is carried at fair value on the balance sheet with any changes in fair value being charged or credited to the consolidated income statement in the period when the change occurs. The remainder of the proceeds is allocated to debt element of the Convertible Preferred Shares, net of transaction costs, and is recorded as the liability component. The liability component is subsequently carried at amortised cost until extinguished on conversion or redemption. Interest expense is calculated using the effective interest method by applying the effective interest rate to the liability component through the maturity date.

If the Convertible Preferred Shares are converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the Convertible Preferred Shares are redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in the consolidated income statement.

(s) ***Current and deferred income tax***

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries/regions where the group companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using the tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(t) ***Employee benefits***

(i) *Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) *Retirement benefits*

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Scheme Ordinance ("MPF Scheme") for all employees in Hong Kong. The contributions to the MPF Scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income. The assets of this pension scheme are held separately from those of the Group in independently administered funds. Other than the contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees in Hong Kong.

The Group's contributions to the defined contribution retirement schemes are expensed as incurred.

(iii) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(u) *Provisions and contingent liabilities*

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

(v) *Revenue recognition*

Revenue comprises the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown, net of discount and after eliminated sales with the Group entities. Revenue is recognised as follows:

The Group recognises revenue when the amount of revenue can be reliably measured, it is probably that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, and type of transaction and the specifics of each arrangement.

(i) *Sales of properties*

Revenue from sales of properties is recognised when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectibility of related receivables is reasonably assured. To the extent that the Group has to perform further work on the

real estate already delivered to the purchasers, the relevant expenses shall be recognised simultaneously. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated balance sheets under current liabilities.

(ii) *Property management*

Revenue arising from property management is recognised in the accounting period in which the services are rendered, using a straight-line basis over the term of the contract.

(iii) *Construction and decoration services*

Revenue arising from construction and decoration service is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(iv) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cashflow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(v) *Rental income*

Rental income of property leasing under operating leases is recognised on a straight-line basis over the lease terms.

(w) *Leases*

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) *The Group is the lessee*

Payments made under operating leases (net of any incentives received from the lessor), are charged to the consolidated income statement on a straight-line basis over the period of the lease.

The Group made upfront payments to obtain operating leases of land use rights on which properties will be developed. The upfront payments of the land use rights are recorded as assets and amortised over the lease periods. The unamortised upfront payments are recognised as cost of sales when the relevant properties are sold or transferred to the cost of investment properties upon completion of the relevant properties.

(ii) *The Group is the lessor*

Assets leased out under operating leases are included in investment properties in the balance sheets.

(x) *Dividend distribution*

Dividend distribution to the then equity holders of the Group is recognised in this report in the period in which the dividends are approved by the equity holders or the board of directors, where applicable, of relevant Group companies.

(y) *Financial guarantee liabilities*

Financial guarantee liabilities are recognised in respect of the financial guarantee provided by the Group to the banks for property purchasers and to certain investors for the Company's holding company.

Financial guarantee liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the issue of the financial guarantee liabilities. After initial recognition, such liabilities are measured at the higher of the present value of the best estimate of the expenditure required to settle the present obligation and the amount initially recognised less cumulative amortisation.

Financial guarantee liabilities are derecognised from the balance sheet when, and only when, the obligation specified in the contract is discharged or cancelled or expired.

3. Financial risk management

The Group's major financial instruments include cash and bank deposits, trade and other receivables, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) *Financial risk factor*

(i) *Foreign exchange risk*

The Group's businesses are principally conducted in RMB, except that certain receipts of sales proceeds and proceeds from borrowings and Convertible Preferred Shares are in other foreign currencies. As at 30 June 2009, the non-RMB assets and liabilities of the Group are mainly cash proceeds from borrowings deposited in US$ bank accounts and borrowings from a financial institution denominated in US$. The Group has not entered into any significant forward exchange contract to hedge its exposure to foreign exchange risk.

As at 31 December 2006, the Group did not have significant monetary assets or liabilities denominated in foreign currency. As at 31 December 2007 and 2008 and 30 June 2009, if RMB had strengthened/weakened by 5% against US$, with all other variables held constant, post-tax profit for the years ended 31 December 2007 and 2008 and six months ended 30 June 2009 would have been approximately RMB 45 million, RMB 163 million and RMB 87 million higher/lower.

(ii) *Interest rate risk*

The Group has no significant interest-bearing assets. The Group's exposure to changes in interest rates is mainly attributable to its long term borrowings and the Convertible Preferred Shares. Borrowings at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

As at 31 December 2006, 2007 and 2008 and 30 June 2009, if interest rate on borrowing had been 100 basic point higher/lower with all variables held constant, post-tax profit for the end ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2009 would have been approximately RMB 5 million, RMB 15 million, RMB 5 million and RMB 1 million lower/higher, respectively, mainly as a result of more/less interest expense on floating rate borrowings.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

(iii) *Credit risk*

Cash transactions are limited to high-credit-quality institutions. The extent of the Group's credit exposure is represented by the aggregate balance of cash in bank, restricted cash, trade and other receivables.

For banks and financial institutions, deposits are only placed with reputable banks. For credit exposures to customers, generally, the Group requires full payment from customers before delivery of properties. Credit terms are granted to customers for rare cases upon obtaining approval from the Company's senior management after assessing the credit history of those customers. The Group has set out policies to ensure follow-up action is taken to recover overdue debts and the Group reviews regularly the recoverable amount of each individual trade and other receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. Detailed disclosure of these guarantees is made in note 31.

(iv) *Liquidity risk*

Management of the Group aims to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of available financing, including short-term and long-term bank loans and issuance of Convertible Preferred Shares and new ordinary shares to meet its construction commitments. Due to the dynamic nature of the underlying businesses, the Group's finance department maintains flexibility in funding by maintaining adequate amount of cash and cash equivalents and flexibility in funding through having available sources of financing.

Certain events of default occurred under the Structured Secured Loan in 2008 (note 16(b)), which have also caused cross-defaults under the financial arrangement with the holders of Convertible Preferred Shares (the "Financial Investors") (note 17) and certain shareholders of the Company (the "New Investors") (note 14(e)). On 17 September 2009, the Group has obtained waivers from the Financial Investors, the lenders of Structured Secured Loan and the New Investors with respect to any existing or purported defaults, events of default or cross-default under the various investment and loan agreements, such waivers will remain valid until 31 March 2010; and the Group has also obtained an extension of the exercise date of the put option in relation to the Structured Secured Loan from the lenders to 31 March 2010.

The directors of the Company have prepared cash flow projections for the period from 1 July 2009 to 31 December 2010 (the "Projected Period"). Key assumptions used in the preparation of the cash flow projections for the Projected Period are disclosed below:

(1) A qualified initial public offering ("QIPO") can be completed by 31 March 2010;

(2) Unit selling price of the properties of the Group in the Projected Period is not expected to fluctuate significantly from that of the six months ended 30 June 2009. The contracted sales in the Projected Period are expected to be derived from 38 projects of the Group over 10 cities within the PRC;

(3) To finance the development of its projects, the Group will continue to obtain bank borrowings under credit lines for which the Group has entered into strategic cooperation agreement or received non-binding letters of intent from certain domestic banks. The issuance of non-binding offers for credit lines is not uncommon in the PRC.

The Group has certain alternative plans to mitigate the potential impacts on anticipated cash flows should there be significant adverse changes in economic environment. These include adjusting and further slowing down the construction plans for properties under development, implementing cost control measures, accelerating sales with more flexible pricing, seeking joint venture partners to co-develop quality projects, disposal of certain land use rights and investment properties with acceptable

prices and renegotiating payment terms with counterparties for certain land acquisitions. The Group will, based on its assessment of the relevant future costs and benefits, pursue such options as are appropriate.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the balance sheet to the contractual maturity date.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2006					
Borrowings	939,710	465,982	1,062,669	—	2,468,361
Trade and other payables	857,081	—	—	—	857,081
Convertible Preferred Shares	—	—	2,830,322	—	2,830,322
Total	1,796,791	465,982	3,892,991	—	6,155,764
At 31 December 2007					
Borrowings	1,420,408	6,048,236	3,692,152	—	11,160,796
Trade and other payables	4,194,060	—	—	—	4,194,060
Convertible Preferred Shares	—	—	3,153,928	—	3,153,928
Total	5,614,468	6,048,236	6,846,080	—	18,508,784
At 31 December 2008					
Borrowings	6,829,100	3,724,936	393,924	293,831	11,241,791
Trade and other payables	4,469,168	—	—	—	4,469,168
Total	11,298,268	3,724,936	393,924	293,831	15,710,959
At 30 June 2009					
Borrowings	6,754,625	2,791,839	1,086,229	293,831	10,926,524
Trade and other payables	5,122,154	—	—	—	5,122,154
Total	11,876,779	2,791,839	1,086,229	293,831	16,048,678

(b) ***Capital risk management***

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for equity owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to equity owners, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total assets, as shown in the consolidated balance sheets.

During the Relevant Periods, the Group's strategy was to maintain a gearing ratio within 20% to 50%. The gearing ratios as at 31 December 2006, 2007 and 2008 and 30 June 2009 were as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Total borrowings	2,255,383	9,561,716	10,440,256	10,172,311
Total assets	7,793,977	21,384,385	28,522,598	36,455,376
Gearing ratio	29%	45%	37%	28%

(c) ***Fair value estimation***

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date, quoted market prices or dealer quotes for similar instruments or estimated discounted cash flows.

The nominal value less impairment provisions of trade and other receivables and the nominal value of trade and other payables approximate their fair value due to their short maturities. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4. Critical accounting estimates and judgements

Estimates and judgements used in preparing the financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) ***PRC enterprise income taxes and deferred taxation***

The Group's subsidiaries that operate in the PRC are subject to income tax in the PRC. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

(b) ***PRC land appreciation taxes***

The Group is subject to land appreciation taxes in the PRC. However, the implementation and settlement of these taxes varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its land appreciation taxes calculation and payments with any local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation and its related taxes. The Group recognised these land appreciation taxes based on management's best estimates according to the understanding of the tax rules. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expenses and tax provisions in the periods in which such taxes have been finalised with local tax authorities.

(c) ***Convertible Preferred Shares***

As described in note 17, the Company's Convertible Preferred Shares contain a number of embedded financial derivatives that are measured to fair value through profit or loss. The Company engaged an independent appraiser to assist it in determining the fair value of these embedded financial derivatives. The determination of fair value was made after consideration of a number of factors, including but not limited to: the Group's financial and operating results; the global economic outlook in general and the specific economic and competitive factors affecting the Group's business; the nature and prospects of the PRC property market; the Group's business plan and prospects; business risks the Group faces; and market yields and return volatility of comparable corporate bonds. This conclusion of value was based on generally accepted valuation procedures and practices that rely extensively on the use of numerous assumptions and

the consideration of many uncertainties, not all of which can be easily quantified or ascertained. As at 31 December 2006 and 2007, the fair values of the embedded financial derivatives were approximately RMB 294 million and RMB 816 million, respectively.

(d) ***Estimated fair value of investment properties***

The best evidence of fair value is current prices in an active market for the properties with similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

(i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

(ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

(iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The Group assesses the fair value of its investment properties based on valuations determined by independent and professional qualified valuers. As at 31 December 2006, 2007 and 2008 and 30 June 2009, the fair values of the investment properties were approximately RMB 847 million, RMB 1,571 million, RMB 1,741 million and RMB 2,148 million, respectively.

(e) ***Estimated fair value of financial guarantee liabilities***

The Group determines the amount of the fair values of financial guarantee liabilities with a range of reasonable fair value estimates. In making its estimates, the Group considers information from a variety of sources including: the Group's financial position and operating results; the global economic outlook in general and the specific economic and competitive factors affecting the Group's business; probability of a successful IPO; probability of default and recovery ratio; and market yields and return volatility of comparable corporate bonds.

These conclusions of values were based on generally accepted valuation procedures and practices that rely on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

The Group assesses the fair value of its financial guarantee liabilities for their initial recognition and the present values of the expenditures required to settle the present obligations subsequently based on assessments conducted by independent and professional qualified valuers.

(f) ***Provision for properties held for sale and properties under development***

The Group assesses the carrying amounts of completed properties held for sale and properties under development according to their net realisable value based on the realisability of these properties, taking into account costs to completion based on past experience and net sales value based on prevailing market conditions. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The assessment requires the use of judgement and estimates.

5. Segment information

The chief operating decision-maker has been identified as the senior management at the headquarter level. The chief operating decision-maker reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Group is organised into four business segments: property development, property investment, property management, property construction and other property development related services. As chief operating decision-maker of the Group considers most of the Group's consolidated revenue and results are attributable to the market in the PRC, only an immaterial part (less than 10%) of the Group's consolidated assets are located outside the PRC, no geographical segment information is presented.

Revenue consists of sales of properties, rental income of investment properties, property management services and income for provision of construction and other property development related services. Revenue of the Relevant Periods consists of the following:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Sales of properties	1,885,344	3,014,766	3,495,057	2,471,276	1,490,107
Rental income of investment properties	11,775	28,592	25,758	11,852	12,360
Property management services	46,339	66,940	78,694	37,303	44,723
Property construction and other property development related services	39,846	56,394	7,282	4,982	87,940
	1,983,304	3,166,692	3,606,791	2,525,413	1,635,130

The segment results and other segment items included in the consolidated income statement for the year ended 31 December 2006 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Gross segment revenue	1,885,344	11,775	46,339	162,081		2,105,539
Inter-segment revenue	—	—	—	(122,235)		(122,235)
Revenue	1,885,344	11,775	46,339	39,846		1,983,304
Segment results	338,353	311,267	7,460	(2,112)	(6,111)	648,857
Fair value change on embedded financial derivatives						(2,515)
Finance costs, net						(55,809)
Profit before income tax						590,533
Income tax expense						(265,074)
Profit for the year						325,459
Depreciation *(note 6)*	8,165	—	389	875	—	9,429
Amortisation of land use rights recognised as expenses *(note 7)*	7,953	—	—	—	—	7,953
Fair value gains on investment properties	—	300,103	—	—	—	300,103

The segment results and other segment items included in the consolidated income statement for the year ended 31 December 2007 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Gross segment revenue	3,014,766	36,606	66,940	852,897		3,971,209
Inter-segment revenue	—	(8,014)	—	(796,503)		(804,517)
Revenue	3,014,766	28,592	66,940	56,394		3,166,692
Segment results	1,295,903	691,843	(13,484)	101,122	(114,595)	1,960,789
Fair value change on embedded financial derivatives						(562,684)
Finance income, net						118,765
Profit before income tax						1,516,870
Income tax expense						(437,766)
Profit for the year						1,079,104
Depreciation *(note 6)*	10,190	—	533	4,303	—	15,026
Amortisation of land use rights recognised as expenses *(note 7)*	31,588	—	—	—	—	31,588
Fair value gains on investment properties	—	657,067	—	—	—	657,067

The segment results and other segment items included in the consolidated income statement for the year ended 31 December 2008 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Gross segment revenue	3,495,057	33,800	78,694	2,165,392		5,772,943
Inter-segment revenue	—	(8,042)	—	(2,158,110)		(2,166,152)
Revenue	3,495,057	25,758	78,694	7,282		3,606,791
Segment results	698,195	109,525	(25,044)	266,185	(202,996)	845,865
Provision for financial guarantees						(65,997)
Finance income, net						186,520
Profit before income tax						966,388
Income tax expense						(333,958)
Profit for the year						632,430
Depreciation *(note 6)*	19,016	—	871	4,171	—	24,058
Amortisation of land use rights recognised as expenses *(note 7)*	17,404	—	—	—	—	17,404
Fair value gains on investment properties	—	77,415	—	—	—	77,415

The segment results and other segment items included in the consolidated income statement for the six months ended 30 June 2009 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Gross segment revenue	1,490,107	16,863	44,723	1,193,408		2,745,101
Inter-segment revenue	—	(4,503)	—	(1,105,468)		(1,109,971)
Revenue	1,490,107	12,360	44,723	87,940		1,635,130
Segment results	34,161	311,399	(39,078)	202,897	(133,760)	375,619
Reversal of provision for financial guarantees						146,341
Finance costs, net						(12,308)
Profit before income tax						509,652
Income tax credit						12,708
Profit for the period						522,360
Depreciation *(note 6)*	19,528	—	632	2,293	—	22,453
Amortisation of land use rights recognised as expenses *(note 7)*	10,757	—	—	—	—	10,757
Fair value gains on investment properties	—	299,657	—	—	—	299,657

The segment results and other segment items included in the consolidated income statement for the six months ended 30 June 2008 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)
Gross segment revenue	2,471,276	15,761	37,303	903,435		3,427,775
Inter-segment revenue	—	(3,909)	—	(898,453)		(902,362)
Revenue	2,471,276	11,852	37,303	4,982		2,525,413
Segment results	739,612	122,885	(25,044)	266,185	(90,259)	1,013,379
Provision for financial guarantees						(32,315)
Finance income, net						183,980
Profit before income tax						1,165,044
Income tax expense						(304,480)
Profit for the period						860,564
Depreciation *(note 6)*	9,903	—	398	2,097	—	12,398
Amortisation of land use rights recognised as expenses *(note 7)*	5,645	—	—	—	—	5,645
Fair value gains on investment properties	—	107,912	—	—	—	107,912

Segment assets and liabilities as at 31 December 2006 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	6,487,208	847,487	346,160	114,294	(29,257)	7,765,892
Unallocated						28,085
Total assets						7,793,977
Segment liabilities	2,161,800	—	144,759	41,912	(19,294)	2,329,177
Unallocated						5,973,134
Total liabilities						8,302,311
Capital expenditure	11,117	—	526	5,577	—	17,220

Segment assets and liabilities as at 31 December 2007 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	19,521,753	1,571,468	232,746	780,658	(846,144)	21,260,481
Unallocated						123,904
Total assets						21,384,385
Segment liabilities	6,143,685	—	46,181	493,176	(725,438)	5,957,604
Unallocated						14,575,508
Total liabilities						20,533,112
Capital expenditure	100,847	60,659	1,958	23,583	—	187,047

Segment assets and liabilities as at 31 December 2008 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	26,521,654	1,741,390	239,393	1,535,377	(1,871,396)	28,166,418
Unallocated						356,180
Total assets						28,522,598
Segment liabilities	8,531,098	—	78,313	910,716	(1,547,694)	7,972,433
Unallocated						11,967,034
Total liabilities						19,939,467
Capital expenditure	249,673	5,068	1,903	4,058	—	260,702

Segment assets and liabilities as at 30 June 2009 are as follows:

	Property development	Property investment	Property management services	Property construction and other services	Elimination	Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	34,150,435	2,148,108	261,840	2,053,931	(2,661,106)	35,953,208
Unallocated						502,168
Total assets						36,455,376
Segment liabilities	16,805,243	—	140,144	1,146,399	(2,203,644)	15,888,142
Unallocated						11,560,543
Total liabilities						27,448,685
Capital expenditure	30,699	—	4,152	1,889	—	36,740

Sales between segments are carried out at agreed terms amongst the parties. The revenue from external parties reported to the management is measured in a manner consistent with that in the consolidated income statement.

Segment assets consist primarily of property and equipment, investment properties, land use rights, properties under development, completed properties held for sale, receivables, prepayments and cash balances. They exclude deferred tax assets and income tax recoverable.

Segment liabilities consist of operating liabilities.

Capital expenditure comprises additions to property and equipment.

Reportable segments' assets are reconciled to total assets as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	7,765,892	21,260,481	28,166,418	35,953,208
Unallocated:				
Income tax recoverable	8,128	—	31,816	100,707
Deferred income tax assets	19,957	123,904	324,364	401,461
Total assets per balance sheets	7,793,977	21,384,385	28,522,598	36,455,376

Reportable segments liabilities are reconciled to total liabilities as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Segment liabilities	2,329,177	5,957,604	7,972,433	15,888,142
Unallocated:				
Current income tax liabilities	170,435	561,291	877,848	895,183
Deferred income tax liabilities	422,762	482,137	451,527	441,987
Borrowings	2,255,383	9,561,716	10,440,256	10,172,311
Convertible Preferred Shares	2,830,322	3,153,928	—	—
Embedded financial derivatives	294,232	816,436	—	—
Financial guarantee liabilities	—	—	197,403	51,062
Total liabilities per balance sheets	8,302,311	20,533,112	19,939,467	27,448,685

6. Property and equipment

The Group

	Buildings	Machinery	Motor vehicles	Furniture, fitting and equipment	Assets under construction	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2006						
Cost	14,193	3,526	45,606	11,378	—	74,703
Accumulated depreciation	(2,795)	(1,108)	(20,430)	(5,644)	—	(29,977)
Net book amount	11,398	2,418	25,176	5,734	—	44,726
Year ended 31 December 2006						
Opening net book amount	11,398	2,418	25,176	5,734	—	44,726
Additions	—	5,599	9,440	2,181	—	17,220
Disposals	—	(150)	(5,258)	(328)	—	(5,736)
Depreciation	(460)	(845)	(6,488)	(1,636)	—	(9,429)
Closing net book amount	10,938	7,022	22,870	5,951	—	46,781
At 31 December 2006						
Cost	14,193	8,789	48,409	12,882	—	84,273
Accumulated depreciation	(3,255)	(1,767)	(25,539)	(6,931)	—	(37,492)
Net book amount	10,938	7,022	22,870	5,951	—	46,781
Year ended 31 December 2007						
Opening net book amount	10,938	7,022	22,870	5,951	—	46,781
Acquisition of subsidiary	—	10,897	—	—	—	10,897
Additions	32,621	12,277	29,272	18,253	83,727	176,150
Disposals	—	(378)	(81)	(365)	—	(824)
Depreciation	(444)	(5,626)	(5,808)	(3,148)	—	(15,026)
Closing net book amount	43,115	24,192	46,253	20,691	83,727	217,978
At 31 December 2007						
Cost	46,814	31,017	77,525	30,494	83,727	269,577
Accumulated depreciation	(3,699)	(6,825)	(31,272)	(9,803)	—	(51,599)
Net book amount	43,115	24,192	46,253	20,691	83,727	217,978
Year ended 31 December 2008						
Opening net book amount	43,115	24,192	46,253	20,691	83,727	217,978
Additions	35	2,761	19,650	29,062	209,194	260,702
Disposals	—	(2,179)	(1,935)	(367)	—	(4,481)
Transfer to buildings	291,795	—	—	—	(291,795)	—
Depreciation	(2,030)	(3,618)	(11,088)	(7,322)	—	(24,058)
Closing net book amount	332,915	21,156	52,880	42,064	1,126	450,141
At 31 December 2008						
Cost	338,644	29,455	95,237	58,825	1,126	523,287
Accumulated depreciation	(5,729)	(8,299)	(42,357)	(16,761)	—	(73,146)
Net book amount	332,915	21,156	52,880	42,064	1,126	450,141
Six months ended 30 June 2009						
Opening net book amount	332,915	21,156	52,880	42,064	1,126	450,141
Additions	—	656	2,097	33,987	—	36,740
Disposals	—	(184)	(36)	(8,666)	—	(8,886)
Transfer to investment properties	(64,601)	—	—	—	(1,126)	(65,727)
Depreciation	(4,740)	(1,692)	(6,792)	(9,229)	—	(22,453)
Closing net book amount	263,574	19,936	48,149	58,156	—	389,815
At 30 June 2009						
Cost	274,043	29,837	97,288	81,277	—	482,445
Accumulated depreciation	(10,469)	(9,901)	(49,139)	(23,121)	—	(92,630)
Net book amount	263,574	19,936	48,149	58,156	—	389,815

The Group

	Buildings	Machinery	Motor vehicles	Furniture, fitting and equipment	Assets under construction	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Unaudited						
Six months ended 30 June 2008						
Opening net book amount	43,115	24,192	46,253	20,691	83,727	217,978
Additions	—	2,301	12,265	9,277	59,895	83,738
Disposals	—	(1,468)	(1,343)	(43)	—	(2,854)
Depreciation	(1,004)	(1,966)	(6,171)	(3,257)	—	(12,398)
Closing net book amount	42,111	23,059	51,004	26,668	143,622	286,464
At 30 June 2008						
Cost	46,814	31,043	87,622	39,693	143,622	348,794
Accumulated depreciation	(4,703)	(7,984)	(36,618)	(13,025)	—	(62,330)
Net book amount	42,111	23,059	51,004	26,668	143,622	286,464

Depreciation charge of the Group was included in the following categories in the consolidated income statements:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of sales	1,029	2,993	3,576	1,424	1,551
Selling and marketing costs	5	124	253	158	3,056
Administrative expenses	8,395	11,909	20,229	10,816	17,846
	9,429	15,026	24,058	12,398	22,453

Interests of RMB 10,490,000, RMB 21,149,000 and RMB 12,811,000 were capitalised in assets under construction for the years ended 31 December 2007 and 2008 and six months ended 30 June 2008, respectively. There was no interest capitalised in assets under construction for the year ended 31 December 2006 or six months ended 30 June 2009.

The capitalisation rate of borrowings was 12.53%, 11.23% and 11.27% for the years ended 31 December 2007 and 2008 and the six months ended 30 June 2008, respectively.

The Company

	Motor vehicles	Furniture, fitting and equipment	Total
	RMB'000	RMB'000	RMB'000
Period ended 31 December 2006:			
Additions and as at 31 December 2006	1,389	11	1,400
Year ended 31 December 2007:			
Opening net book amount	1,389	11	1,400
Additions	—	376	376
Disposal	(53)	—	(53)
Depreciation	(266)	(54)	(320)
Closing net book amount	1,070	333	1,403
At 31 December 2007			
Cost	1,336	387	1,723
Accumulated depreciation	(266)	(54)	(320)
Net book amount	1,070	333	1,403
Year ended 31 December 2008:			
Opening net book amount	1,070	333	1,403
Additions	—	52	52
Depreciation	(268)	(81)	(349)
Closing net book amount	802	304	1,106
At 31 December 2008			
Cost	1,336	439	1,775
Accumulated depreciation	(534)	(135)	(669)
Net book amount	802	304	1,106
Six months ended 30 June 2009			
Opening net book amount	802	304	1,106
Additions	—	10	10
Depreciation	(134)	(44)	(178)
Closing net book amount	668	270	938
At 30 June 2009			
Cost	1,336	449	1,785
Accumulated depreciation	(668)	(179)	(847)
Net book amount	668	270	938
Unaudited			
Six months ended 30 June 2008			
Opening net book amount	1,070	333	1,403
Additions	—	29	29
Depreciation	(133)	(39)	(172)
Closing net book amount	937	323	1,260
At 30 June 2008			
Cost	1,336	416	1,752
Accumulated depreciation	(399)	(93)	(492)
Net book amount	937	323	1,260

7. Land use rights — Group

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Opening net book amount	1,548,501	1,537,166	6,984,912	6,984,912	8,895,113
Additions	371,611	5,796,646	2,855,403	998,664	1,895,089
Amortisation	(27,913)	(66,022)	(121,024)	(62,294)	(76,518)
— Capitalised in properties under development	(19,960)	(34,434)	(103,620)	(56,649)	(65,761)
— Recognised as expenses	(7,953)	(31,588)	(17,404)	(5,645)	(10,757)
Transfer to cost of sales	(348,015)	(259,747)	(270,381)	(168,786)	(202,198)
Transfer to investment properties	(7,018)	(23,131)	(4,543)	(3,146)	(30,706)
Transfer of project development rights *(note 21(a))*	—	—	(549,254)	(549,254)	—
Closing net book amount	1,537,166	6,984,912	8,895,113	7,200,096	10,480,780
Amount to be realised within one normal operating cycle included under current assets	1,158,544	6,514,092	8,644,245	6,966,079	10,202,174
Land use rights included under non-current assets	378,622	470,820	250,868	234,017	278,606
	1,537,166	6,984,912	8,895,113	7,200,096	10,480,780

Land use rights comprise cost of acquiring rights to use certain land, which are located in different area of the PRC other than Hong Kong, for property development over fixed periods. Land use rights are held on leases of between 50 to 70 years.

As at 31 December 2006, 2007 and 2008 and 30 June 2009, land use rights of RMB 428,365,000, RMB 2,262,500,000, RMB 3,238,778,000 and RMB 5,408,159,000, respectively, were pledged as collateral for the Group's bank borrowings (note 16).

As at 30 June 2009, with respect to land use rights of RMB 278,606,000, the Group needs to obtain further governmental approvals and pay additional land premium before sale of the properties.

8. Investment properties — Group

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Opening balance	513,531	847,487	1,571,468	1,571,468	1,741,390
Additions	333,956	723,981	169,922	144,732	425,728
— Transfer from land use rights	7,018	23,131	4,543	3,146	30,706
— Transfer from property and equipment	—	—	—	—	65,727
— Transfer from completed properties held for sale	26,835	43,783	87,964	33,674	29,638
— Fair value gains	300,103	657,067	77,415	107,912	299,657
Disposal of investment properties	—	—	—	—	(19,010)
Ending balance	847,487	1,571,468	1,741,390	1,716,200	2,148,108

The fair values of the Group's investment properties as at 31 December 2006, 2007 and 2008 and 30 June 2009 were assessed by CB Richard Ellis Limited, an independent qualified valuer. Valuations were based on either i) capitalisation of net rental income derived from the existing tenancies with allowance for the reversionary income potential of the properties, using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows; or ii) on direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession by making reference to comparable sales transactions as available in the relevant market.

The investment properties are all in the PRC and have lease periods of between 10 years to 50 years.

As at 31 December 2006, 2007 and 2008 and 30 June 2009, investment properties of RMB 757,185,000, RMB 624,204,000, RMB 628,036,000 and RMB 402,997,000, respectively, were pledged as collateral for the Group's bank borrowings (note 16).

9. Properties under development — Group

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Properties under development include:				
Construction costs and capitalised expenditures	971,583	2,579,962	7,432,993	9,617,137
Interests capitalised	111,894	707,055	1,616,199	1,703,113
	1,083,477	3,287,017	9,049,192	11,320,250

The properties under development are located in the PRC.

As at 31 December 2006, 2007 and 2008 and 30 June 2009, properties under development of approximately RMB 179,019,000, RMB 67,073,000, RMB 969,068,000 and RMB 897,530,000, respectively, were pledged as collateral for the Group's bank borrowings (note 16).

The capitalisation rate of borrowings is 6.19%, 12.53%, 11.23% and 10.41% for the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009, respectively.

10. Completed properties held for sale — Group

All completed properties held for sale are located in the PRC.

As at 31 December 2006, 2007 and 2008 and 30 June 2009, completed properties held for sale of approximately RMB 64,819,000, RMB 180,013,000, RMB 30,898,000 and RMB 354,288,000, respectively, were pledged as collateral for the Group's bank borrowings (note 16).

11. Trade and other receivables and prepayments

	Group				Company			
	31 December			30 June	31 December			30June
	2006	2007	2008	2009	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables *(note (a))*:	16,171	11,785	16,389	143,268	—	—	—	—
— related parties *(note 34 (d))*	—	2,682	2,537	3,805	—	—	—	—
— third parties	16,171	9,103	13,852	139,463	—	—	—	—
Other receivables due from:	248,912	494,741	601,711	558,914	2,876,263	3,134,092	6,333,532	6,448,999
— related parties *(note 34 (d))*	—	—	877	400	—	—	—	—
— a shareholder *(note 34 (d))*	125,000	125,000	91	522	125,000	125,000	91	522
— a subsidiary	—	—	—	—	2,748,163	2,999,493	6,332,413	6,447,457
— third parties	123,912	369,741	600,743	557,992	3,100	9,599	1,028	1,020
Prepayments — third parties	1,653,497	4,338,906	2,972,260	2,229,391	—	—	17,621	22,440
— for acquisition of land use rights	1,605,996	3,837,448	2,528,633	1,820,937	—	—	—	—
— others	47,501	501,458	443,627	408,454	—	—	17,621	22,440
	1,918,580	4,845,432	3,590,360	2,931,573	2,876,263	3,134,092	6,351,153	6,471,439

As at 31 December 2006, 2007 and 2008 and 30 June 2009, the fair value of trade and other receivables and prepayments approximated their carrying amounts.

The amounts due from related parties, shareholder and subsidiary are unsecured, interest free and have no fixed repayment terms.

(a) Trade receivables mainly arose from sales of properties. Proceeds in respect of sales of properties are to be received in accordance with the terms of the related sales and purchase agreements.

The ageing analysis of trade receivables at respective balance sheet dates is as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Within 90 days	13,016	9,900	5,532	126,827
Over 90 days and within 180 days	1,396	681	4,390	5,310
Over 180 days and within 365 days	1,759	1,204	6,467	11,131
	16,171	11,785	16,389	143,268

The trade and other receivables do not contain past due or impaired assets.

The maximum exposure to credit risk at each balance sheet date is the carrying value of each class of receivables mentioned above. The Group has retained the legal titles of the properties sold to these customers at each balance sheet date.

12. Restricted cash — Group

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantee deposit for construction of projects *(note (a))*	101,098	851,679	644,609	1,581,411
Guarantee deposit for bank acceptance notes and loans *(note (b))*	278,969	868,090	467,601	465,363
Guarantee deposit for payments of cost of relocation *(note (c))*	6,025	6,080	55,732	79,625
	386,092	1,725,849	1,167,942	2,126,399

(a) In accordance with relevant documents issued by the PRC local State-Owned Land and Resource Bureau, certain property development companies of the Group were required to place the proceeds received from pre-sale of properties as guarantee deposits for construction of properties. The deposits can only be used to pay for construction fees and purchase of construction materials of the relevant projects when approvals are obtained from the PRC local State-Owned Land and Resource Bureau. The restriction will be released after the construction is completed or real estate ownership certificate of the pre-sold properties is issued, whichever is earlier.

(b) The Group placed certain cash deposits with designated banks as security for bank acceptance notes and bank loans.

(c) Pursuant to the policy of the PRC Bureau of Land Resources and Housing Management, the Group should place certain deposits with designated bank accounts to guarantee the payments to original occupants of the land to be acquired by the Group for compensating their relocation costs.

Restricted cash earns interest at floating daily bank deposit rates.

13. Cash and cash equivalents

	Group				Company			
	31 December			30 June	31 December			30 June
	2006	2007	2008	2009	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cash at bank and in hand:								
— Denominated in RMB	1,398,396	2,686,463	1,540,017	4,854,969	—	—	—	—
— Denominated in other currencies	643,666	680,249	377,643	245,618	316,432	617	420	1,659
	2,042,062	3,366,712	1,917,660	5,100,587	316,432	617	420	1,659
Less: Restricted cash *(note 12)*	(386,092)	(1,725,849)	(1,167,942)	(2,126,399)	—	—	—	—
	1,655,970	1,640,863	749,718	2,974,188	316,432	617	420	1,659

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

Cash at banks earns interest at floating daily bank deposit rates.

14. Share capital

	Note	Number of ordinary shares	Nominal value of ordinary shares	Number of Convertible Preferred Shares	Nominal value of Convertible Preferred Shares
			US$		US$
Authorised:					
Ordinary shares of US$1.00 each upon incorporation	(a)	50,000	50,000	—	—
Subdivision of shares of US$0.01 each	(c)	4,950,000	—	—	—
Increase in authorised share capital	(c)	4,195,000,000	41,950,000	800,000,000	8,000,000
Cancellation of Convertible Preferred Shares and increase in authorised ordinary shares	(g)	800,000,000	8,000,000	(800,000,000)	(8,000,000)
Increase in authorised share capital	(h)	95,000,000,000	950,000,000	—	—
		100,000,000,000	1,000,000,000	—	—

	Note	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary share	Share premium
			US$	RMB'000	RMB'000
Issued and fully paid:					
Ordinary shares of US$1.00 each	(b)	100	100	1	—
Subdivision of shares of US$0.01 each	(c)	9,900	—	—	—
		10,000	100	1	—
Issuance of ordinary shares of US$0.01 each	(d)	1,599,990,000	15,999,900	124,999	—
As at 31 December 2006 and 2007		1,600,000,000	16,000,000	125,000	—
Issuance of ordinary shares of US$0.01 each	17	800,000,000	8,000,000	58,652	2,873,948
Issuance of ordinary shares of US$0.01 each	(e)	374,104,266	3,741,043	25,680	3,252,263
Dividends	(f)	—	—	—	(125,651)
As at 31 December 2008 and 30 June 2009		2,774,104,266	27,741,043	209,332	6,000,560

(a) On 26 June 2006 (the date of incorporation of the Company), the authorised share capital of the Company was US$50,000 divided into 50,000 shares of US$1 each.

(b) On 26 June 2006, 100 ordinary shares of the Company were allotted and issued at par value of US$1.00 each to Xin Xin.

(c) On 29 November 2006, every issued and unissued ordinary share of US$1.00 each was subdivided into 100 shares of US$0.01 each and the authorised share capital of the Company was increased from US$50,000 to US$50,000,000 divided into 4,200,000,000 ordinary shares of US$0.01 each and 800,000,000 Convertible Preferred Shares of US$0.01 each.

(d) On 29 November 2006, 1,599,990,000 ordinary shares of the Company were allotted and issued to Xin Xin at par.

(e) On 25 June 2008, 374,104,266 ordinary shares of the Company were allotted and issued to certain investors with subscription price of US$1.35 per share ("New Investment"). The investors have a right to put all subscribed shares to Xin Xin when the put payment option of the loan from a financial

institution is exercised or due for repayment upon its maturity (note 16(b)). The put right will lapse upon the consummation of QIPO. The put option price payable by Xin Xin and/or Dr. Hui upon the exercise of the put option shall be equal to an amount which will yield a certain internal rate of return on the subscription price. The put option granted to the investors was treated as a transaction between shareholders and as such it did not affect the Financial Information. The Company has provided a guarantee and pledge of shares of certain of its subsidiaries as security for the performance of the obligation of Xin Xin and Dr. Hui (note 31(b)(ii)).

On 17 September 2009, the Group has obtained waivers from the New Investors with respect to any existing or purported defaults, events of default or cross-default under the various investment and loan agreements, such waivers will remain valid until 31 March 2010; and the Group has also obtained an extension of the exercise date of the put option in relation to the Structured Secured Loan to 31 March 2010 (note 16(b)).

(f) On 31 January 2008, following the redemption of the Convertible Preferred Shares (note 17) and before Xin Xin transferred part of its ordinary shares to the holders of Convertible Preferred Shares (note 16(b)(iv)), the Company has declared dividends of US$0.05 per ordinary share totaling US$17,372,026 (equivalent to RMB 125,651,000) out of the Company's share premium to its ordinary shareholders of which US$17,278,080 (equivalent to approximately RMB 125,000,000) was set off against amounts due from Xin Xin.

(g) On 24 January 2008, 800,000,000 Convertible Preferred Shares were cancelled and the authorised ordinary shares were increased by an equivalent number.

(h) On 3 March 2008, the authorised share capital of the Company was increased from US$50,000,000 to US$1,000,000,000 by the creation of an additional 95,000,000,000 shares.

15. Reserves

The Group

	Merger reserve	Other reserves	Statutory reserves	Total
	RMB'000 *(note (a))*	**RMB'000** *(note (b))*	**RMB'000** *(note (c))*	**RMB'000**
Balance at 1 January 2006	829,812	—	152,573	982,385
Deemed contribution by the shareholder of the Company *(note (b))*	—	82,759	—	82,759
Distribution to the then equity holder of the Group *(note (a))*	(1,816,286)	—	—	(1,816,286)
Transfer to statutory surplus reserve fund and statutory welfare fund	—	—	6,827	6,827
Balance at 31 December 2006	(986,474)	82,759	159,400	(744,315)
Deemed contribution by the shareholder of the Company *(note (b))*	—	64,481	—	64,481
Transfer to statutory surplus reserve fund and statutory welfare fund	—	—	39,369	39,369
Balance at 31 December 2007	(986,474)	147,240	198,769	(640,465)
Transfer to statutory surplus reserve fund and statutory welfare fund	—	—	15,766	15,766
Deemed contribution by the shareholder of the Company *(note 17)*	—	1,014,536	—	1,014,536
Balance at 31 December 2008 and 30 June 2009	(986,474)	1,161,776	214,535	389,837
Unaudited				
Balance at 1 January 2008	(986,474)	147,240	198,769	(640,465)
Deemed contribution by the shareholder of the Company *(note 17)*	—	1,014,536	—	1,014,536
Balance at 30 June 2008	(986,474)	1,161,776	198,769	374,071

(a) *Merger reserve*

The merger reserve represents the aggregate nominal value of share capital/paid-in capital of the subsidiaries acquired in the Reorganisation. Movement of merger reserve during the Relevant Periods includes cash considerations paid to Guangzhou Hengda Industrial Group Limited totalling RMB 1,816,286,000 pursuant to the Reorganisation mentioned in note 1 of section II, which have been treated as a distribution to the equity holder during the year ended 31 December 2006.

(b) *Other reserves*

In 2006, Guangzhou Hengda Industrial Group Company Limited, a company beneficially owned by Dr. Hui, granted a loan with a principal of RMB 293,831,000 to the Group (note 16). The loan is free of interest and should be initially recognised at fair value which is determined at the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate. The difference between the consideration received and fair value of the loan of approximately RMB 82,759,000 was deemed as a contribution from Dr. Hui.

On 27 August 2007, the Group entered into the Structured Secured Loan agreement with a financial institution (note 16(b)). In connection with this transaction, Xin Xin transferred 12,978,900 ordinary shares of the Company held by it to this financial institution at a notional consideration of US$150. The loan should be initially recognised at the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate. The difference between the consideration received and fair value of the loan of approximately RMB 64,481,000 was deemed as a contribution from shareholder of the Company.

(c) *Statutory reserves*

In accordance with the relevant rules and regulation in the PRC and the provision of the articles of association of the group companies established in the PRC, before the Reorganisation, these group companies were required to appropriate 10% and 5% of the profit for the year after setting off the accumulated losses brought forward (based on the figures reported in the statutory financial statements) to the statutory surplus reserve and the statutory public welfare fund, respectively.

After the Reorganisation, certain subsidiaries established in the PRC became foreign investment enterprises and are required to appropriate 10% of the profit for the year after setting off the accumulated losses brought forward (based on the figures reported in the statutory financial statements) to the statutory reserve fund and a certain percentage of the profit for the year to enterprise expansion fund at the discretion of the board of directors of the respective companies.

The statutory surplus reserve and statutory reserve fund can only be used to make good of losses of previous years or to increase the capital of respective companies upon the approval of relevant authority, the statutory public welfare fund can only be used in capital expenditure for collective employee welfare facilities, the enterprise expansion fund can only be used to increase capital of respective companies or to expand their production scale upon approval by the relevant authorities.

The Company

	Other reserve
	RMB'000
Deemed contribution by the shareholder of the Company *(note 17)* and balance at 31 December 2008 and 30 June 2009	1,014,536

16. Borrowings — Group

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Borrowings included in non-current liabilities:				
Bank borrowings — secured	1,732,368	8,980,508	9,779,323	9,468,275
Borrowing from a related party *(note (a), note 34(e))*	211,071	225,508	240,933	249,036
	1,943,439	9,206,016	10,020,256	9,717,311
Less: current portion of non-current borrowings	(517,718)	(290,500)	(5,793,843)	(5,839,425)
	1,425,721	8,915,516	4,226,413	3,877,886
Borrowings included in current liabilities:				
Bank borrowings — secured	311,944	355,700	420,000	455,000
Current portion of non-current borrowings	517,718	290,500	5,793,843	5,839,425
	829,662	646,200	6,213,843	6,294,425
The total borrowings are denominated in the following currencies:				
RMB	2,255,383	6,477,710	7,172,193	7,097,758
US dollar *(note (b))*	—	3,084,006	3,268,063	3,074,553
	2,255,383	9,561,716	10,440,256	10,172,311

(a) The loan from related party is unsecured, interest-free and matured in 2014. The loan was initially recognised at fair value which is determined at the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate, and then subsequently stated at amortised cost.

(b) On 27 August 2007, the Group and a financial institution entered into the Structured Secured Loan with a maximum principal of US$500,000,000. Up to 31 October 2007, US$430,000,000 ("Offshore Structured Secured Loan") and RMB 20,000,000 ("Onshore Structured Secured Loan") have been drawn down. The Structured Secured Loan matures on 31 October 2010 and bears interests at LIBOR plus a margin ("Annual Margin"). The other key terms of the Structured Secured Loan are as follows:

(i) Put payment: if the QIPO does not occur by 31 October 2009, the lender has right to request the Group to repay the Structured Secured Loan in whole together with a redemption premium, which together with the Annual Margin, provides an agreed annual return to the financial institution;

(ii) Mandatory prepayment: the Group is required to repay one-third of the outstanding principal balance of the Structured Secured Loan and Xin Xin has undertaken to pay a premium, which together with the Annual Margin paid by the Group, provides an agreed annual return to the financial institution upon QIPO;

(iii) Security: the Structured Secured Loan is secured by the equity interests and land use rights of certain subsidiaries of the Group, the Company's shares held by Xin Xin and guarantees of Xin Xin and Dr. Hui;

(iv) Structuring fee and shares in the Company held by Xin Xin: structuring fee is payable to the financial institution upon each draw down of the Structured Secured Loan and certain number of shares in the Company held by Xin Xin should be transferred to the financial institution upon each grant of commitment.

Certain events of default occurred under the Structured Secured Loan in 2008. On 17 September 2009, the Group has obtained waivers from the lenders of Structured Secured Loan with respect to any existing or purported defaults, events of default or cross-default under the various investment and loan agreements, such waivers will remain valid until 31 March 2010; and the Group has also obtained an extension of the exercise date of the put option in relation to the Structured Secured Loan from the lenders until 31 March 2010.

In accordance with the waiver from the lenders of Structured Secured Loan, if the QIPO fails to occur on or prior to 30 November 2009, the Group will be required to repay 25% of the Offshore Structured Secured Loan. If the Company fails to complete a QIPO by 31 March 2010, the Group will be required to repay the remaining principal of the Offshore Structured Secured Loan in three equal installments, each being 25% of the Offshore Structured Secured Loan and payable by 31 March 2010, 30 June 2010 and 30 September 2010, respectively. The Group will also be required to repay the Onshore Structured Secured Loan when it repays the last installment of the Offshore Structured Secured Loan.

A portion of the Structured Secured Loan has been repurchased during the six months ended 30 June 2009 (note 21(c)).

As at 31 December 2006, 2007 and 2008 and 30 June 2009, the Group's borrowings of RMB 2,044,312,000, RMB 9,336,208,000, RMB 10,199,323,000 and RMB 9,923,275,000, respectively, were secured by its land use rights, investment properties, properties under development, completed properties held for sale, cash in bank and equity interests of certain subsidiaries of the Group.

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

	6 months or less	6–12 months	1–5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Borrowings included in non-current liabilities:				
At 31 December 2006	751,950	462,700	211,071	1,425,721
At 31 December 2007	5,711,341	2,978,667	225,508	8,915,516
At 31 December 2008	2,200,980	1,784,500	240,933	4,226,413
At 30 June 2009	1,706,180	1,922,670	249,036	3,877,886
Borrowings included in current liabilities:				
At 31 December 2006	161,069	668,593	—	829,662
At 31 December 2007	316,700	329,500	—	646,200
At 31 December 2008	4,717,113	1,496,730	—	6,213,843
At 30 June 2009	5,026,293	1,268,132	—	6,294,425

The maturity of the borrowings included in non-current liabilities is as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Bank borrowings:				
1–2 years	182,700	5,160,369	3,605,480	2,586,060
2–5 years	1,031,950	3,529,639	380,000	1,042,790
Borrowing from a related party:				
1–2 years	211,071	225,508	—	—
After 5 years	—	—	240,933	249,036
	1,425,721	8,915,516	4,226,413	3,877,886

The effective interest rates at 31 December 2006, 2007 and 2008 and 30 June 2009 were as follows:

	31 December			30 June
	2006	2007	2008	2009
Bank borrowings	6.19%	12.53%	10.92%	10.16%

The fair value of the Group's current borrowings approximates their carrying amounts at each of the balance sheet dates for the reason that the impact of discounting is not significant or the borrowings carry floating rate interests.

The fair values of the Group's non-current borrowings approximate their carrying amounts at each of the balance sheet dates as all the non-current borrowings carry floating rate interests.

17. Convertible Preferred Shares and embedded financial derivatives

On 29 November 2006, the Company issued 800,000,000 Convertible Preferred Shares at a total consideration of US$400,000,000. The Convertible Preferred Shares are subject to dividends at 5% of subscription price per annum and would have matured on 29 November 2011 unless extended, at the election of the holders of Convertible Preferred Shares (the "Financial Investors"), by two years. All equity interests in the PRC subsidiaries held by ANJI (BVI) Limited has been pledged to the Financial Investors to secure the Group's obligation in relation to the Convertible Preferred Share.

The principal terms of the Convertible Preferred Shares are as follows:

(a) ***Conversion***

The Convertible Preferred Shares can be converted to ordinary shares at the option of the Financial Investors from the issue date up to the maturity date and all outstanding Convertible Preferred Shares should be mandatorily converted to ordinary shares upon the consummation of QIPO at conversion price, which is initially equal to subscription price and subject to adjustments under certain circumstances.

(b) ***Redemption***

The Financial Investors have an option to require the Company to redeem the Convertible Preferred Shares under certain circumstances at a put price which is equal to subscription price plus an amount of premium calculated at a compounded rate of return of 15% per annum and deducted by all paid dividends.

(c) ***Guaranteed minimum return and upside sharing***

Upon the conversion of the Convertible Preferred Shares, 800,000,000 Convertible Preferred Shares will be converted to 800,000,000 ordinary shares and allotted to the Financial Investors in the proportion of their initial investments. However, the final number of ordinary shares the Financial Investors are entitled to receive is subject to adjustments, which are calculated in accordance with the mechanism designed based on the Financial Investors' initial investment cost, the timing of the QIPO and the fair value of the Company. Immediately prior to [●], depending on [●], the Financial Investors may return to Xin Xin a portion of the shares of the Company received, or Xin Xin may transfer additional shares of the Company to the Financial Investors, to arrive at the agreed upon return benchmark under the Convertible Preferred Shares agreement.

The net proceeds received from the issue of the Convertible Preferred Shares of approximately US$392,982,000 have been split into a liability component and a number of embedded financial derivatives as follows:

(i) Liability component initially recognised at its fair value, which is the residual amount after deducting the fair value of the derivative component as at 29 November 2006, and is subsequently carried at amortised cost.

The interest charged for the subsequent periods is calculated by applying an effective interest rate of approximately 18.61%.

(ii) Embedded financial derivatives, comprising:

- The fair value of the option of the Financial Investors to convert the Convertible Preferred Shares into ordinary shares of the Company at the conversion price; and
- The fair value of the option of the Financial Investors to require the Company to redeem the Convertible Preferred Shares.

These embedded options are interdependent as only one of these options can be exercised. Therefore, they are not able to be accounted for separately and a single compound financial derivative was recognised.

A valuation on the Convertible Preferred Shares was carried out jointly by DTZ Debenham Tie Leung Limited and Real Actuarial Consulting Limited. The binomial model is used in the valuation of the embedded derivatives. Key assumption and variables used in the model are as follows:

	29 November 2006	31 December 2006	31 December 2007
Exercise price	US$0.50	US$0.50	US$0.50
Risk-free rate of interest	4.50%	4.50%	4.50%
Dividend yield	—	—	—
Volatility	35%	35%	35%

Notes:

(a) The risk-free rate of interest adopted approximated the US five-year treasury yield between 30 November 2006 and 31 December 2007.

(b) In accordance with the terms and conditions of the relevant agreement, the conversion price of the Convertible Preferred Shares would be adjusted for any future share dividend and asset distribution. As a result, a nil dividend yield was used in determining the fair value of the embedded financial derivatives.

(c) The volatility adopted for a private company was based on the average of the upper range between the industry volatility and the peer companies' volatilities.

The variables and assumptions used in computing the fair value of the embedded financial derivatives are based on the best estimates of the directors of the Company. The value of embedded derivatives varies with different variables of certain subjective assumptions.

The movements of the liability component and embedded financial derivatives of the Convertible Preferred Shares are set out below:

	The Group and the Company		
	Liability component	Embedded financial derivatives	Total
	RMB'000	RMB'000	RMB'000
Convertible Preferred Shares issued on 29 November 2006	2,820,131	295,424	3,115,555
Exchange gain	(35,524)	(3,707)	(39,231)
Interest charged	45,715	—	45,715
Changes in fair value	—	2,515	2,515
As at 31 December 2006	2,830,322	294,232	3,124,554
Exchange gain	(195,483)	(40,480)	(235,963)
Interest charged	519,089	—	519,089
Changes in fair value	—	562,684	562,684
As at 31 December 2007	3,153,928	816,436	3,970,364
Transfer to ordinary share	(58,652)	—	(58,652)
Transfer to share premium	(2,057,512)	(816,436)	(2,873,948)
Transfer to reserves	(1,014,536)	—	(1,014,536)
Financial guarantee liability	(23,228)	—	(23,228)
As at 31 December 2008 and 30 June 2009	—	—	—
Unaudited			
As at 1 January 2008	3,153,928	816,436	3,970,364
Transfer to ordinary share	(58,652)	—	(58,652)
Transfer to share premium	(2,057,512)	(816,436)	(2,873,948)
Transfer to reserves	(1,014,536)	—	(1,014,536)
Financial guarantee liability	(23,228)	—	(23,228)
As at 30 June 2008	—	—	—

On 11 December 2007, the Company entered into an agreement with the Financial Investors, pursuant to which the Company repurchased and cancelled the 800,000,000 Convertible Preferred Shares for an aggregate consideration of US$400 million in January 2008. The repurchase was financed by a loan of the same amount lent by the Financial Investors to Xin Xin (the "SI Loan"), which has been injected into the Company by Xin Xin to subscribe 800,000,000 newly issued ordinary shares of the Company. Xin Xin has also conditionally transferred totalling 33.24% of shares of the Company, which is subject to adjustment and finalisation, to the Financial Investors. The Company has provided guarantee and pledge of shares of certain of its subsidiaries to secure the repayment obligations of Xin Xin. In accordance with the loan agreement between Xin Xin and the Financial Investors, the Financial Investors have the right to require Xin Xin to repay all or a portion of the loan in cash at any time after the occurrence of any events of default, which include: i) the QIPO does not occur by 31 October 2009; and ii) any events of default or breach occurs under any document in relation to the Structured Secured Loan (note 16(b)), the partial disposal of Success Will Group Limited (note 21(b)), the New Investment (note 14(e)), the SI Loan or the cooperative agreements in respect of two property development projects (note 21(a)).

As a result of the above transactions, liability portion and embedded financial derivatives of the Convertible Preferred Shares totalling approximately RMB 3,970 million were derecognised in 2008, simultaneously share capital plus premium of approximately RMB 2,933 million (equivalent to the subscription price of 800,000,000 newly issued ordinary shares of US$400 million), reserves of approximately RMB 1,014 million and financial guarantee liability of approximately RMB 23 million have been recognised, no gain or loss was recognised in the financial statements.

On 17 September 2009, the Group has obtained waivers from the Financial Investors with respect to any existing or purported defaults, events of default or cross-default under the various investment and loan agreements, such waivers will remain valid until 31 March 2010.

18. Deferred income tax — Group

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts of deferred tax assets and liabilities of the Group are as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred income tax assets to be recovered within 12 months	—	(75,327)	(112,235)	(191,932)
Deferred income tax assets to be recovered after more than 12 months	(19,957)	(48,577)	(212,129)	(209,529)
Deferred income tax assets	(19,957)	(123,904)	(324,364)	(401,461)
Deferred income tax liabilities to be settled after more than 12 months	422,762	482,137	451,527	441,987
	402,805	358,233	127,163	40,526

The net movements on the deferred taxation are as follows:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(unaudited)	
Beginning of the year/period	277,716	402,805	358,233	358,233	127,163
Recognised in consolidated income statements *(note 26)*	125,089	(44,572)	(231,070)	(77,025)	(86,637)
End of the year/period	402,805	358,233	127,163	281,208	40,526

Movements in gross deferred tax assets and liabilities are as follows:

Deferred income tax assets

	Temporary difference on recognition of sales and related cost of sales	Tax losses	Total
	RMB'000	RMB'000	RMB'000
As at 1 January 2006	(38,541)	(13,244)	(51,785)
Charged/(credited) to the consolidated income statement	28,740	(6,713)	22,027
As at 31 December 2006	(9,801)	(19,957)	(29,758)
Credited to the consolidated income statement	(28,531)	(65,615)	(94,146)
As at 31 December 2007	(38,332)	(85,572)	(123,904)
Credited to the consolidated income statement	(46,804)	(161,156)	(207,960)
As at 31 December 2008	(85,136)	(246,728)	(331,864)
Credited to the consolidated income statement	(26,601)	(50,496)	(77,097)
As at 30 June 2009	(111,737)	(297,224)	(408,961)
Unaudited			
As at 1 January 2008	(38,332)	(85,572)	(123,904)
Credited to the consolidated income statement	(18,469)	(50,917)	(69,386)
As at 30 June 2008	(56,801)	(136,489)	(193,290)

Deferred income tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related benefit through the future taxable profits is probable.

Deferred income tax liabilities

	Excess of carrying amount of land use rights over the tax bases	Temporary difference on recognition of fair value gain of investment properties	Total
	RMB'000	RMB'000	RMB'000
As at 1 January 2006	224,810	104,691	329,501
(Credited)/charged to the consolidated income statement	(756)	103,818	103,062
As at 31 December 2006	224,054	208,509	432,563
(Credited)/charged to the consolidated income statement	(64,951)	114,525	49,574
As at 31 December 2007	159,103	323,034	482,137
(Credited)/charged to the consolidated income statement	(39,145)	16,035	(23,110)
As at 31 December 2008	119,958	339,069	459,027
(Credited)/charged to the consolidated income statement	(80,537)	70,997	(9,540)
As at 30 June 2009	39,421	410,066	449,487
Unaudited			
As at 1 January 2008	159,103	323,034	482,137
(Credited)/charged to the consolidated income statement	(31,299)	23,660	(7,639)
As at 30 June 2008	127,804	346,694	474,498

19. Trade and other payables

	The Group				The Company			
	31 December			30 June	31 December			30 June
	2006	2007	2008	2009	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables — third parties	265,185	805,135	2,786,243	3,045,379	—	—	—	—
Other payables:	555,336	3,233,023	1,514,839	1,809,814	1	16,406	14,117	17,871
— related parties *(note 34(d))*	—	—	850	—	1	16,254	14,117	17,395
— third parties	154,404	2,168,857	347,316	834,267	—	152	—	476
— Payables for acquisition of land use rights	400,932	1,064,166	1,166,673	975,547	—	—	—	—
Accrued expenses	12,266	138,113	94,013	135,676	—	—	—	—
Other taxes payable	24,294	17,789	74,073	131,285	—	—	—	—
	857,081	4,194,060	4,469,168	5,122,154	1	16,406	14,117	17,871

The ageing analysis of trade payables of the Group at 31 December 2006, 2007 and 2008 and 30 June 2009 is as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Within 90 days	251,668	509,963	2,642,391	2,343,820
Over 90 days and within 180 days	8,599	292,753	41,343	330,849
Over 180 days and within 365 days	1,917	1,038	79,700	315,077
Over 365 days	3,001	1,381	22,809	55,633
	265,185	805,135	2,786,243	3,045,379

The carrying amounts of the Group's and the Company's trade and other payables were denominated in RMB.

20. Current income tax liabilities — Group

The current income tax liabilities are analysed as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Income tax payables				
— PRC corporate income tax payable	8,984	179,096	230,325	215,749
— PRC land appreciation tax payable	161,451	382,195	647,523	679,434
	170,435	561,291	877,848	895,183

21. Other gains

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Interest income from bank deposits	6,846	27,875	34,495	8,977	12,351
Forfeited customer deposits	2,975	5,394	5,338	1,399	6,277
Gain on the transfers of project development rights *(note (a))*	—	—	474,465	474,465	—
Gain on partial disposal of a subsidiary *(note (b))*	—	760,382	—	—	98,800
Gain on the disposal of available-for-sale investments	10,800	—	—	—	—
Interest income from non-current receivables *(note (a))*	—	—	13,168	—	8,502
Gain from repurchase of loan *(note (c))*	—	—	—	—	172,475
Others	5,283	3,226	3,624	1,042	2,689
	25,904	796,877	531,090	485,883	301,094

(a) In April 2008, the Group entered into cooperative agreements with a related party of one of the Company's shareholders in respect of two property development projects, pursuant to which the Group transferred the controlling rights on the property development and management business of these two projects to the counterparty. The counterparty has guaranteed a return to the Group totaling RMB 1,100,000,000. The Group is also entitled to share the net profit generated by the projects in

future under agreed mechanism. The Group has recognised a gain from this cooperative arrangement of RMB 474,465,000, which represents the excess of guaranteed returns received and receivable, after taking into account of the discounting effect, over the net assets of the two projects. The guaranteed returns to be received upon the completion of property development projects are recognised as long-term other receivables. The long-term receivables were initially recognised at fair value which is assessed by Real Actuarial Consulting Limited, an independent qualified valuer, and subsequently stated at amortised cost.

(b) As described in note 1(a) of section II, in September 2007, ANJI (BVI) Limited disposed of 40% equity interest in Success Will Group Limited, who wholly owned Foshan Nanhai Xinzhongjian Real Estate Development Company Limited ("Xinzhongjian", who is principally engaged in development of a real estate project in Guangzhou) to a related party of one of the Company's shareholders at a consideration of US$130,000,000, equivalent to RMB 976,404,000. The gain to the Group, which represents net consideration deducted by net assets of Success Will Group Limited shared by the counterparty of RMB 216,022,000, amounted to RMB 760,382,000.

When the Group and the counterparty entered into such share purchase agreement of Success Will Group Limited, there was a land premium payable of approximately RMB 247 million as the official invoice had not been obtained by that time. Pursuant to the share purchase agreement, it was agreed that the counterparty would undertake its share (40%) of the unpaid land premium, only if the Group provide an official invoice for this land premium. If the invoice was not obtained, the Group would undertake to pay this liability in full. When calculating the gain of partial disposal of Success Will Group Limited in 2007, the Group has assumed it would need to pay this land premium without obtaining the invoice. In June 2009, the Group obtained the official invoice and therefore recognised an additional gain from partial disposal of Success Will Group Limited of RMB 98,800,000.

(c) Pursuant to the agreement between Tianji Holding Limited ("Tianji"), a subsidiary of the Group, and independent third parties, Tianji repurchased a portion of the Structured Secured Loan of US$48,500,000 and unpaid interest of RMB 73,069,000, at a consideration of US$33,950,000, which resulted in a gain of RMB 172,475,000 in the six months ended 30 June 2009.

22. Expenses by nature

Major expenses included in cost of sales, selling and marketing costs, administration expenses and other operating expenses are analysed as follows:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of properties sold	1,280,820	1,592,588	1,712,158	1,394,847	909,852
Business tax and other levies *(note (a))*	110,993	201,963	212,872	159,427	108,361
Staff costs — excluding directors' emoluments *(note 23)*	99,997	226,876	361,189	176,701	204,291
Advertising costs	49,216	199,239	267,174	117,049	128,933
Sales commissions	—	2,951	34,108	8,645	80,326
Consultancy fee *(note (b))*	—	27,877	257,213	145,369	116,806
Depreciation	9,429	15,026	24,058	12,398	22,453
Amortisation of land use rights	7,953	31,588	17,404	5,645	10,757
Auditors' remuneration	519	1,834	2,442	827	1,546
Donations to governmental charity (included in other operating expenses)	6,147	17,021	24,420	21,440	3,355

(a) ***Business tax***

The group companies with business operation in the PRC are subject to business taxes on their revenue at the following rates:

Category	Rate
Sales of properties	5%
Property construction and decoration	3%
Property management	5%

(b) ***Consultancy fee***

The consultancy fees for the year ended 31 December 2008 and the six months ended 30 June 2008 and 2009 are mainly related to market promotion, planning and consultancy services provided by a real estate consulting firm.

23. Staff costs — excluding directors' emoluments

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Wages and salaries	92,325	205,281	317,524	158,963	171,604
Pension costs — statutory pension *(note 30)*	3,035	5,336	11,893	4,709	9,395
Staff welfare	2,858	4,383	13,792	5,857	7,870
Medical benefits	1,406	3,746	7,206	2,927	4,819
Other allowances and benefits	373	8,130	10,774	4,245	10,603
	99,997	226,876	361,189	176,701	204,291

24. Emoluments for directors and five highest paid individuals

(a) ***Directors' emoluments***

The remuneration of each director of the Company for the year ended 31 December 2006 is set out below:

	Fees	Salary	Contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Dr. Hui	—	—	—	—
Mr. Lin Xiaohui	—	131	2	133
Mr. Huang Xiangui	—	51	2	53
Ms. Wu Jianmei	—	346	—	346
	—	528	4	532

The remuneration of each director of the Company for the year ended 31 December 2007 is set out below:

	Fees	Salary	Contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Dr. Hui	—	—	—	—
Mr. Lin Xiaohui	—	250	11	261
Mr. Huang Xiangui	—	173	8	181
Ms. Wu Jianmei	—	250	18	268
	—	673	37	710

The remuneration of each director of the Company for the year ended 31 December 2008 is set out below:

	Fees	Salary	Contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Dr. Hui	—	—	—	—
Mr. Lin Xiaohui *(note (a))*	—	477	11	488
Mr. Huang Xiangui	—	394	13	407
Ms. Wu Jianmei *(note (a))*	—	—	—	—
Mr. Xia Haijun	—	4,956	—	4,956
Mr. Tam Wai Ying *(note (a))*	—	2,144	75	2,219
Mr. Xu Wen *(note (a))*	—	1,586	24	1,610
Mr. Cai Chunmeng *(note (a))*	—	2,566	11	2,577
Mr. Li Gang	—	5,112	21	5,133
Mr. Lai Lixin	—	1,554	19	1,573
Mr. Don Lim Jung Chiat	—	—	—	—
Mr. Wong Man Hoi	—	—	—	—
Mr. Timothy Joseph Grady	—	—	—	—
Mr. Tommy Cheung	—	—	—	—
Mr. Lionel Soh	—	—	—	—
	—	18,789	174	18,963

(a) These directors resigned in the year ended 31 December 2008.

The remuneration of each director of the Company for the six months ended 30 June 2009 is set out below:

	Fees	Salary	Contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Dr. Hui	—	—	—	—
Mr. Huang Xiangui	—	299	7	306
Mr. Xia Haijun	—	2,174	—	2,174
Mr. Li Gang	—	2,280	11	2,291
Mr. Lai Lixin	—	838	10	848
Mr. Don Lim Jung Chiat	—	—	—	—
Mr. Wong Man Hoi	—	—	—	—
Mr. Timothy Joseph Grady	—	—	—	—
Mr. Tommy Cheung	—	—	—	—
Mr. Lionel Soh	—	—	—	—
	—	5,591	28	5,619

The remuneration of each director of the Company for the six months ended 30 June 2008 is set out below:

	Fees	Salary	Contribution to pension scheme	Total
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)
Dr. Hui	—	—	—	—
Mr. Lin Xiaohui	—	325	5	330
Mr. Huang Xiangui	—	194	7	201
Ms. Wu Jianmei *(note (a))*	—	—	—	—
Mr. Xia Haijun	—	2,824	—	2,824
Mr. Tam Wai Ying	—	1,286	38	1,324
Mr. Xu Wen *(note (a))*	—	901	12	913
Mr. Cai Chunmeng *(note (a))*	—	2,566	11	2,577
Mr. Li Gang	—	2,896	11	2,907
Mr. Timothy Joseph Grady	—	—	—	—
Mr. Tommy Cheung	—	—	—	—
Mr. Lionel Soh	—	—	—	—
	—	10,992	84	11,076

(a) These directors resigned in the six months ended 30 June 2008.

No emoluments were paid to any independent non-executive directors during the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2008 and 2009.

(b) *Five highest paid individuals*

During the years ended 31 December 2006 and 2007, none of the five highest paid individuals is director of the Company. During the year ended 31 December 2008 and the six months ended 30 June 2008 and 2009, the five highest paid individuals include 4, 4 and 2 directors, respectively. The aggregate amounts of emoluments of the five highest paid individuals for the years ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2008 and 2009 are set out below:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Salaries and other benefits	3,135	6,864	16,698	10,497	8,293
Retirement scheme contributions	6	73	131	71	95
	3,141	6,937	16,829	10,568	8,388

The emoluments fell within the following bands:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
Nil to RMB 2,000,000	5	4	1	1	3
RMB 2,000,000 to RMB 4,000,000	—	1	2	4	2
RMB 4,000,000 to RMB 6,000,000	—	—	2	—	—

(c) During the years ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2008 and 2009, no emolument was paid by the group entities to any of the above directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

25. Finance (costs)/income, net

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Exchange gain/(loss)	26,032	274,310	201,944	191,565	(4,204)
Interest expenses:					
— bank borrowings wholly repayable within five years	(154,202)	(413,857)	(1,232,297)	(593,695)	(529,644)
— liability component of the Convertible Preferred Shares	(45,715)	(519,089)	—	—	—
Less: interest capitalised	118,076	777,401	1,216,873	586,110	521,540
	(81,841)	(155,545)	(15,424)	(7,585)	(8,104)
	(55,809)	118,765	186,520	183,980	(12,308)

26. Income tax expenses/(credit)

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Current income tax					
— Hong Kong profits tax	—	—	—	—	—
— PRC enterprise income tax	75,540	282,671	232,510	98,628	14,391
— PRC land appreciation tax	64,445	199,667	332,518	282,877	59,538
Deferred income tax					
— PRC enterprise income tax *(note 18)*	125,089	(44,572)	(231,070)	(77,025)	(86,637)
	265,074	437,766	333,958	304,480	(12,708)

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the group entities as follows:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Profit before income tax	590,533	1,516,870	966,388	1,165,044	509,652
Calculated at PRC enterprise income tax rate	166,714	500,567	229,597	286,961	111,048
Effect of the changes in tax rate	—	(128,837)	—	—	—
PRC land appreciation tax deductible for PRC corporate income tax purposes	(21,267)	(65,890)	(83,130)	(70,719)	(14,885)
Income not subject to tax *(note (a))*	—	(304,605)	(208,202)	(205,636)	(108,613)
Reversal of provision of deferred tax liabilities of land use right having obtained invoice *(note 21(b))*	—	—	—	—	(67,807)
Expenses not deductible for tax purposes	55,182	225,299	50,759	8,079	4,327
Tax losses for which no deferred income tax asset was recognised	—	11,565	12,416	2,918	3,684
PRC enterprise income tax	200,629	238,099	1,440	21,603	(72,246)
PRC land appreciation tax	64,445	199,667	332,518	282,877	59,538
Taxation	265,074	437,766	333,958	304,480	(12,708)

(a) Income not subject to tax for the six months ended 30 June 2009 mainly comprised the additional gain from disposal of 40% equity interests in a subsidiary (note 21(b)), gain from partial repurchase of the Structured Secured Loan (note 21(c)) and reversal of provision for financial guarantee liabilities (note 31(b)).

Income not subject to tax for the year ended 31 December 2008 mainly comprised the exchange gains in the offshore group companies and the gain derived from the cooperative arrangements with a related party of one of the Company's shareholders of RMB 474,465,000 (note 21(a)).

Income not subject to tax for the year ended 31 December 2007 mainly comprised the gain from disposal of 40% equity interests in a Success Will Group Limited of approximately RMB 760,382,000 and the exchange gains in the offshore group companies (note 21(b)).

The weighted average applicable tax rate for the years ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2008 and 2009 are 28%, 33%, 24%, 25% and 22%, respectively.

Hong Kong profits tax

No Hong Kong profits tax has been provided for as there is no business operation that are subject to Hong Kong profits tax during the Relevant Periods.

PRC enterprise income tax

The income tax provision of the Group in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for each of the Relevant Periods, based on the existing legislation, interpretations and practices in respect thereof.

For each of the years ended 31 December 2006 and 2007, PRC corporate income tax is provided at the rate of 33% of the profits for the PRC statutory financial reporting purposes, adjusted for those items, which are not assessable or deductible for the PRC corporate income tax purpose.

On 16 March 2007, the National People's Congress approved the Corporate Income Tax Law of the People's Republic of China (the "new CIT Law"), which is effective from 1 January 2008. Under the new CIT Law, the corporate income tax rate applicable to the Group's subsidiaries located in Mainland China from 1 January 2008 is 25%, replacing the applicable tax rate of 33%.

Since the deferred income tax assets and liabilities shall be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, the change in the applicable tax rate will affect the determination of the carrying values of deferred tax assets and liabilities of the Group's subsidiaries located in the PRC. In these Financial Information, deferred tax assets and liabilities of certain subsidiaries to be realised after 1 January 2008 has been adjusted to the amounts calculated basing on corporate income tax rate of 25% with a credit of RMB 128,837,000 to income tax expenses for the year ended 31 December 2007.

PRC land appreciation tax

PRC land appreciation tax is levied at progressive rate ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including lease charges of land use rights and all property development expenditures.

27. Earnings per share

Earnings per share information for each of the years ended 31 December 2006 and 2007 is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganisation and the basis of preparation of the Financial Information as disclosed in note 1 above.

The calculation of earnings per share for the year ended 31 December 2008 and six months ended 30 June 2008 and 2009 are calculated by dividing the profits attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year/period.

	Year ended 31 December	Six months ended 30 June	
	2008	2008	2009
	RMB'000	RMB'000 (unaudited)	RMB'000
Profit attributable to shareholders of the Company	524,760	759,883	500,172
Weighted average number of ordinary shares in issue (thousands)	2,524,403	2,271,958	2,774,104
Basic earnings per share (RMB per share)	0.21	0.33	0.18

No diluted earnings per share are presented as there were no potential dilutive shares in issue during the year ended 31 December 2008 and six months ended 30 June 2008 and 2009.

28. Dividends

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note (a))		*(note 14(f))*	(unaudited)	
Dividends	493,518	—	125,651	125,651	—

(a) The dividends were declared and paid by the group companies to their then equity holders prior to the Reorganisation.

29. Cash (used in)/generated from operating activities

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Profit for the year/period	325,459	1,079,104	632,430	860,564	522,360
Adjustments for:					
Income tax expense/(credit)	265,074	437,766	333,958	304,480	(12,708)
Interest income from bank deposits	(6,846)	(27,875)	(34,495)	(8,977)	(12,351)
Interest expense	81,841	155,545	15,424	7,585	8,104
Interest income from non-current receivables	—	—	(13,168)	—	(8,502)
Exchange (gain)/loss	(26,032)	(274,310)	(201,944)	(191,565)	4,204
Gain on partial disposal of a subsidiary	—	(760,382)	—	—	(98,800)
Gain on the disposal of available for sale investments	(10,800)	—	—	—	—
Gain on repurchase of loan	—	—	—	—	(172,475)
Depreciation	9,429	15,026	24,058	12,398	22,453
Fair value gain on investment properties	(300,103)	(657,067)	(77,415)	(107,912)	(299,657)
Loss on disposal of property and equipment *(note a)*	5,736	824	4,481	2,854	8,886
Fair value change on embedded financial derivatives	2,515	562,684	—	—	—
Provisions/(reversals) of financial guarantees	—	—	65,997	32,315	(146,341)
Changes in working capital:					
Properties under development and completed properties held for sale	(115,213)	(2,145,587)	(5,903,962)	(3,035,651)	(2,836,764)
Land use rights	4,317	(5,447,746)	(1,914,744)	(218,330)	(1,595,117)
Restricted cash	125,145	(750,636)	157,418	(507,813)	(960,695)
Trade and other receivables and prepayments	(1,317,852)	(2,881,013)	848,223	630,900	658,833
Trade and other payables and receipt in advance from customers	(466,446)	3,666,767	2,025,177	(460,069)	7,735,879
Cash (used in)/generated from operations	(1,423,776)	(7,026,900)	(4,038,562)	(2,679,221)	2,817,309

(a) Loss on disposal of property and equipment during the years ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2008 and 2009 represented the net book value of the property and equipment disposed.

(b) Non-cash transactions

The principal non-cash transactions during the years ended 31 December 2006, 2007 and 2008 and six months ended 30 June 2008 and 2009 is the restructure of Convertible Preferred Shares as disclosed in note 17.

30. Pensions — defined contribution plans

Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

Details of the retirement scheme contributions for the employees, which have been dealt with in the consolidated income statements of the Group for the Relevant Periods, are as follows:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Gross scheme contributions	3,035	5,336	11,893	4,709	9,395

The Group also participates in a pension scheme under the rules and regulations of the MPF Scheme for all employees in Hong Kong. The contributions to the MPF Scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income.

31. Financial guarantees

The Group had the following financial guarantees as at the end of the Relevant Periods:

(a) ***Guarantees in respect of mortgage facilities for purchasers of the Group's property units***

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantees in respect of mortgage facilities for certain purchasers of the Group's property units	1,073,910	1,464,222	2,086,980	5,677,510

The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees terminate upon the earlier of (i) issue of the real estate ownership certificate which will generally be available within an average period of two to three years upon the completion of guarantee registration; or (ii) the satisfaction of mortgaged loan by the purchasers of properties.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates of grant of the mortgages. The directors consider that the likelihood of default in payments by purchasers is minimal and therefore the financial guarantees measured at fair value is immaterial.

(b) ***Other financial guarantees***

The Group have provided the following financial guarantees for the obligations of Xin Xin and Dr. Hui.

	Financial guarantee liability in relation to the restructure of Convertible Preferred Shares *(note (i))*	Financial guarantee liability in relation to share subscription *(note (ii))*	Total
	RMB'000	RMB'000	RMB'000
Initial recognition of financial guarantee liability	23,228	108,178	131,406
Charged to the income statement	56,388	9,609	65,997
As at 31 December 2008	79,616	117,787	197,403
Credited to the income statement	(59,024)	(87,317)	(146,341)
As at 30 June 2009	20,592	30,470	51,062
Unaudited			
Initial recognition of financial guarantee liability	23,228	108,178	131,406
Charged to the income statement	32,315	—	32,315
As at 30 June 2008	55,543	108,178	163,721

(i) The Company has provided guarantee and pledge of shares of certain of its subsidiaries for the obligation of Xin Xin in relation to the SI Loan (note 17).

Pursuant to the SI Loan agreements, the Financial Investors have the right to require Xin Xin to repay all or a portion of the loan in cash at any time after the occurrence of any events of default, which include: i) the QIPO does not occur by 31 October 2009 (as extended to 31 March 2010); and ii) any event of default or breach occurs under any document in relation to the Structured Secured Loan (note 16(b)), the partial disposal of Success Will Group Limited (note 21(b)), the New Investment (note 14(e)), the SI Loan or the cooperative agreements in respect of two property development projects (note 21(a)). The guarantee will be released upon the consummation of the QIPO.

(ii) The Company has provided guarantee and pledge of shares of certain of its subsidiaries for the obligation of Xin Xin and Dr. Hui in relation to the New Investment (note 14(e)).

Pursuant to the New Investment agreements, the investors have a right to put all subscribed shares to Xin Xin, the controlling shareholder of the Company, when there is no QIPO and the put option of the Structured Secured Loan is exercised or due for repayment upon its maturity (note 16(b)). The guarantee will be released upon the consummation of the QIPO.

The fair value and provisions of the Group's financial guarantees have been assessed by Real Actuarial Consulting Limited, an independent qualified valuer.

32. Commitments

(a) *Operating leases commitments*

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Property and equipment:				
Not later than one year	5,574	27,962	30,742	28,880
Later than one year and not later than five years	4,955	84,576	71,749	45,263
Later than five years	812	7,262	7,141	6,196
	11,341	119,800	109,632	80,339

(b) *Commitments for property development expenditure*

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted but not provided for	1,720,171	8,561,556	12,776,257	14,278,488

(c) *Commitments for land expenditure*

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted but not provided for	1,627,454	5,701,475	10,235,592	11,615,701

33. Business combinations

On 1 January 2007, the Group acquired 90.4% of the equity interest of 廣州市越秀住宅建設有限公司 (Guangzhou Yuexiu Property Construction Company Limited), a company being principally engaged in provision of construction services for the property development enterprises. The acquired business contributed revenues of RMB 43,970,000 and net profit of RMB 1,941,000 to the Group for the year ended 31 December 2007.

Details of net assets acquired and goodwill are as follows:

	RMB'000
Purchase consideration paid	41,348
Fair value of net assets acquired	(41,348)
Goodwill	—

The assets and liabilities as of 1 January 2007 arising from the acquisition are as follows:

	Fair value	Acquiree's carrying amount
Cash and cash equivalents	2,012	2,012
Property and equipment *(note 6)*	10,897	10,897
Trade and other receivables	76,596	76,596
Trade and other payables	(35,783)	(35,783)
Borrowings	(8,000)	(8,000)
Net assets	45,722	45,722
Minority interests (9.6%)	(4,374)	
Net assets acquired	41,348	
Purchase consideration settled in cash		41,348
Cash and cash equivalents in subsidiary acquired		(2,012)
Cash outflow on acquisition		39,336

34. Related party transactions

(a) *Name and relationship with related parties*

Name	Relationship
許家印先生 Dr. Hui Ka Yan ("Dr. Hui")	The ultimate controlling shareholder and also the director of the Company
廣州恒大實業集團有限公司 Guangzhou Hengda Industrial Group Company Limited	Controlled by Dr. Hui and his associates
Xin Xin (BVI) Limited	The controlling shareholder of the Company
廣州市金碧大世界飲食娛樂有限公司 Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited	Controlled by Mrs. Hui

(b) *Transactions with related parties*

During the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2008 and 2009, the Group had the following significant transactions with related parties:

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Rental income *(note (i))*:					
Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited	3,000	8,606	2,617	1,309	1,309

(i) The rental fees were charged in accordance with the terms of the underlying agreements.

(c) *Key management compensation*

	Year ended 31 December			Six months ended 30 June	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Salaries and other short-term employee benefits	3,005	8,652	28,832	16,702	17,126
Retirement scheme contributions	21	118	317	159	245
	3,026	8,770	29,149	16,861	17,371

(d) *Balances with related parties*

As at 31 December 2006, 2007 and 2008 and 30 June 2009, the Group had the following significant trade and non-trade balances with related parties:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts due from related parties				
Included in trade receivables:				
Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited	—	2,682	2,537	3,805
Included in other receivables *(note (i)):*				
Xin Xin (BVI) Limited *(note (ii))*	125,000	125,000	91	522
Others	—	—	877	400
	125,000	125,000	968	922
	125,000	127,682	3,505	4,727

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts due to related parties				
Included in trade payables:				
Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited	—	—	850	—

(i) Amounts due from related parties are unsecured, interest-free and have no fixed terms of repayment, which are cash advances in nature.

(ii) The amount due from Xin Xin as at 31 December 2007 was offset against the dividends paid out of the Company's share premium in 2008 (note 14(f)).

(e) *Borrowing from related party*

As at 31 December 2006, 2007 and 2008 and 30 June 2009, the Group had the following entrusted bank loans from a related party:

	31 December			30 June
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Guangzhou Hengda Industrial Group Company Limited *(note 16(a))*	211,071	225,508	240,933	249,036

The loan will be settled before [●].

35. Accounting adjustments under common control combination

The following is a reconciliation of the effect arising from the common control combination on the consolidated balance sheets.

The consolidated balance sheets as at 30 June 2009:

	The Company	The Operating Group	Adjustments	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in the Operating Group	2	—	(2)	—
Other assets — net	6,405,103	2,601,588	—	9,006,691
Net assets	6,405,105	2,601,588	(2)	9,006,691
Share capital	209,332	829,813	(829,813)	209,332
Share premium	6,000,560	—	—	6,000,560
Merger reserve	—	(1,816,285)	829,811	(986,474)
(Accumulated losses)/retained earnings	(819,323)	2,981,634	—	2,162,311
Other reserves	1,014,536	361,775	—	1,376,311
Minority interests	—	244,651	—	244,651
	6,405,105	2,601,588	(2)	9,006,691

The consolidated balance sheets as at 31 December 2008:

	The Company	The Operating Group	Adjustments	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in the Operating Group	2	—	(2)	—
Other assets — net	6,141,159	2,441,972	—	8,583,131
Net assets	6,141,161	2,441,972	(2)	8,583,131
Share capital	209,332	829,813	(829,813)	209,332
Share premium	6,000,560	—	—	6,000,560
Merger reserve	—	(1,816,285)	829,811	(986,474)
(Accumulated losses)/retained earnings	(1,083,267)	2,745,406	—	1,662,139
Other reserves	1,014,536	361,775	—	1,376,311
Minority interests	—	321,263	—	321,263
	6,141,161	2,441,972	(2)	8,583,131

The consolidated balance sheets as at 31 December 2007:

	The Company	The Operating Group	Adjustments	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in the Operating Group	2	—	(2)	—
Other (liabilities)/assets — net	(850,658)	1,701,931	—	851,273
Net (liabilities)/assets	(850,656)	1,701,931	(2)	851,273
Share capital	125,000	829,813	(829,813)	125,000
Merger reserve	—	(1,816,285)	829,811	(986,474)
(Accumulated losses)/retained earnings	(975,656)	2,128,801	—	1,153,145
Other reserves	—	346,009	—	346,009
Minority interests	—	213,593	—	213,593
	(850,656)	1,701,931	(2)	851,273

The consolidated balance sheets as at 31 December 2006:

	The Company	The Operating Group	Adjustments	Consolidated
	RMB'000	RMB'000	RMB'000	RMB'000
Investment in the Operating Group	1	—	(1)	—
Other assets/(liabilities) — net	69,540	(577,874)	—	(508,334)
Net assets/(liabilities)	69,541	(577,874)	(1)	(508,334)
Share capital	125,000	829,812	(829,812)	125,000
Merger reserve	—	(1,816,285)	829,811	(986,474)
(Accumulated losses)/retained earnings	(55,459)	166,440	—	110,981
Other reserves	—	242,159	—	242,159
	69,541	(577,874)	(1)	(508,334)

36. Contingency

On 8 January 2008, the Group entered into a land grant contract with Guangzhou State-owned Land Bureau to acquire a land located in Tianhe District of Guangzhou at a consideration of approximately RMB 4.1 billion. The land was originally designated for residential use, but has since been re-designated by Guangzhou city government as a result of its planned re-zoning of the area as part of a newly established financial district in Guangzhou city. The Group is in negotiation with the government with respect to the amendments to the terms of the land grant contract, including the use of the land and payment terms, but the result is pending as at the date of the accountants' report. The Group has paid a deposit of RMB 130 million but has not paid the remaining land premium which was due in July 2008 according to the original land grant contract. However, The Group has not received any notice from relevant government authorities for violation of the terms of the land grant contract.

Should the Group be unable to reach an agreement in its favour, the Group may be subject to forfeiture of the deposit of RMB 130 million and penalty for delay payment of the land premium in accordance with the original land grant contract. The directors of the Company consider, based on their best estimation of the result of negotiation with the government, that the risk of forfeiture of the deposit and penalty of late payment would be low and therefore has not made any provision for the forfeiture of the deposit and penalty of late payment.

37. Subsequent events

(i) In July 2009, the Group entered into a sale and purchase agreement with four independent third parties to acquire entire interest in Jiangxi Hongji Investment Company Limited ("Jiangxi Hongji") from these four parties at an aggregate consideration of RMB 615,380,000. Jiangxi Hongji was established on 19 April 2004. As at 30 June 2009, the paid-in capital of Jiangxi Hongji was RMB 6,000,000.

Jiangxi Hongji has not carried out any significant business transactions since its establishment other than acquisition of five pieces of lands in Jiangxi Province. As at 30 June 2009, the carrying value of the lands amounted to RMB 108,414,000.

(ii) In July 2009, the Group has entered into a sale and purchase agreement with two independent third parties to acquire the entire interest in Changsha Xinlin Property Company Limited ("Changsha Xinlin") from these parties at an aggregate consideration of RMB 600,000,000. Changsha Xinlin was established on 9 April 2003. As at 30 June 2009, the paid-in capital of Changsha Xinlin was RMB 8,000,000. Changsha Xinlin has not carried out any significant business transactions since its establishment other than acquisition of a piece of land in Changsha City. As at 30 June 2009, the carrying value of the land amounted to RMB 216,294,000.

(iii) In July 2009, the Group has entered into a sale and purchase agreement with an independent third party, pursuant to which the Group will acquire a piece of land through acquisition of the entire interest in Taiyuan Mingdu Real Estate Development Company Limited ("Taiyuan Mingdu") set up by the independent third party to hold this land at an aggregate consideration of RMB 445,000,000.

(iv) In August 2009, the Group entered into a sale and purchase agreement with two independent third parties to acquire entire interest in Jiangxi Cuilin Shanzhuang Limited ("Jiangxi Cuilin") from these two parties at an aggregate consideration of RMB 620,000,000. Jiangxi Cuilin was established on 7 July 2003. As at 30 June 2009, the paid-in capital of Jiangxi Cuilin was RMB 24,793,800. Jiangxi Cuilin has not carried out any significant business transactions since its establishment other than acquisition of a piece of land in Jiangxi Province. As at 30 June 2009, the carrying value of the land amounted to RMB 55,507,000.

(v) In August 2009, the Group has entered into an agreement with Shijiazhuang State-owned Land Bureau to acquire a piece of land at a consideration of approximately RMB 1.9 billion.

(vi) In September 2009, the Group entered into a sale and purchase agreement with two independent third parties to acquire entire interest in Anhui Sanlin Property Limited ("Anhui Sanlin") from these two parties at an aggregate consideration of RMB 447,740,000. Anhui Sanlin was established on 2 November 2001. As at 30 June 2009, the paid-in capital of Anhui Sanlin was RMB 100,000,000. Anhui Sanlin has not carried out any significant business transactions since its establishment other than acquisition of a piece of land in Anhui Province. As at 30 June 2009, the carrying value of the land amounted to RMB 138,878,000.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared for the Company and its subsidiaries in respect of any period subsequent to 30 June 2009. In addition, no dividend or distribution has been declared, made or paid by the Company or its subsidiaries in respect of any period subsequent to 30 June 2009.

Yours faithfully
PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

The following is the text of a letter, summary of values and valuation certificate prepared for the purpose of incorporation in this document received from CB Richard Ellis Limited, an independent valuer, in connection with their valuations as at September 30, 2009 of our property interests.

CBRE
CB RICHARD ELLIS
世邦魏理仕

34/F Central Plaza
18 Harbour Road
Wanchai, Hong Kong
T 852 2820 2800
F 852 2810 0830

香港灣仔港灣道十八號中環廣場三十四樓
電話 852 2820 2800 傳真 852 2810 0830

www.cbre.com.hk

October 22, 2009

The Board of Directors
Evergrande Real Estate Group Ltd.
Suite 1201, Two Pacific Place,
No. 88 Queensway
Hong Kong

Dear Sirs,

In accordance with your instruction to us to value the property interests held by Evergrande Real Estate Group Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") in the People's Republic of China (the "PRC") and Hong Kong, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of such property interests as at September 30, 2009 (the "date of valuation").

Our valuation is our opinion of Market Value which is defined by the HKIS Valuation Standards on Properties to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Unless otherwise stated, our valuation is prepared in accordance with the "First Edition of The HKIS Valuation Standards on Properties" published by The Hong Kong Institute of Surveyors (the "HKIS"). We have also complied with all the requirements contained in Paragraph 34(2), (3) of Schedule 3 of the Companies Ordinance (Cap. 32), Chapter 5, Practice Note 12 and Practice Note 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

For the purpose of area measurement in our valuation, Saleable Gross Floor Areas (Saleable GFAs) refer to the floor areas exclusively allocated to various units including balconies and other similar features plus common areas such as staircases, lift shafts, lobbies and communal toilets. Non-saleable Gross Floor Areas (Non-saleable GFAs) refer to the floor areas of certain public ancillary facilities, including, among others, power distribution houses, guard houses and connecting corridors between apartment buildings, etc. The Gross Floor Areas (GFAs) of a project or a phase of a project include Saleable and Non-saleable GFAs and area for underground carparks.

Our valuation has been made on the assumption that the owner sells the properties on the open market without any benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the values of the property interests.

Unless otherwise stated, all the property interests are valued by the direct comparison method on the assumption that each property can be sold with the benefit of vacant possession. Comparison is based on prices realized on actual transactions or asking prices of comparable properties. Comparable properties with similar sizes, characters and locations are analyzed, and carefully weighted against all respective advantages and disadvantages of each property in order to arrive at a fair comparison of value.

For the property interests in Group I, which are held by the Group for investment, we have valued each of those property interests by the direct comparison approach assuming sales of each of these property interests in its existing state with the benefit of vacant possession and making references to comparable sale transactions as available in the relevant markets. We have also valued the property interests by the capitalization approach taking into account the current rents passing of the property interests and the reversionary potentials of the tenancies.

In valuing of the property interests in Group II, which are held by the Group for sale and occupation in the PRC, we have valued each of these property interests by the direct comparison approach assuming sale of each of these property interests in its existing state with the benefit of vacant possession and making references to comparable sales transactions as available in the relevant markets.

In our valuation, completed real estate developments are those the Construction Works Completion Certified Reports or Realty Title Certificate(s)/Building Ownership Certificate(s) of the buildings thereof has (have) been issued by the relevant local authority. These also include those property interests which have been contracted to be sold, but the formal assignment procedures of which have not yet been completed.

In valuing the property interests in Group III, which are held by the Group for development in the PRC, we have valued the property interests on the basis that the property will be or can be developed and completed in accordance with the Group's latest development schemes provided to us. We have assumed that approvals from relevant authorities for such schemes have been obtained. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to comparable sales evidence as available in the relevant market to arrive at the capital value of the property as if the property were completed at the date of valuation and have also taken into account of the development costs already spent and to be

spent to reflect the quality of the completed development. The "capital value of the property as if completed" represents our opinion of the aggregate selling prices of the property assuming that it would have been completed at the date of valuation. For those property interests contracted to be sold, but the formal assignment procedures of which not yet completed, we have valued this portion of property interests by taking the contract prices.

In our valuation, the properties for development are those in which the Construction Works Completion Certified Reports have not been issued while the State-owned Land Use Rights Certificates have been obtained.

For the property interests in Group IV, which are other property interests contracted to be held by the Group in the PRC, as for which the Group has entered into agreements with relevant owner of the property or government authority or entered into share transfer agreements, but for which the Group has not yet obtained the State-owned Land Use Rights Certificates and/or the payment of the land premium has not yet been fully settled as at the date of valuation, we have ascribed no commercial value to the property interests.

In valuing the property interests in Group V and Group VI, which are rented by the Group in the PRC and Hong Kong respectively, we considered they have no commercial value primarily due to the prohibition against assignment or sub-letting and/or due to the lack of substantial profit rent.

In the course of our valuation for the property interests in the PRC, we have relied on the legal opinion provided by the Group's PRC legal advisor, Commerce & Finance Law Offices (the "PRC Legal Opinion"). We have been provided with extracts from title documents relating to such property interests. We have not, however, searched the original documents to verify ownership or any amendment which did not appear on the copies handed to us. All documents have been used for reference only.

We have relied to a considerable extent on information given by the Group, in particular, but not limited to, the sales records, the records of unsold units, planning approvals, development schemes, outstanding development costs, statutory notices, easements, tenancies and gross floor areas. No on-site measurement has been taken. Dimensions, measurements and areas included in the valuation certificates are only approximations. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries. We have no reason to doubt the truth and accuracy of the information provided to us by the Group, which is material to the valuation. We were also advised by the Group that no material facts have been omitted from the information provided to us.

We have inspected the properties to such extent as for the purpose of this valuation. In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey or any tests on the building services. Therefore, we are not able to report whether the properties are free of rot, infestation or any other structural defects. We have not carried out investigations on the site to determine the suitability of the ground conditions and the services etc. for any future development.

No allowance has been made in our valuation neither for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free of encumbrances, restrictions and outgoings of onerous nature which could affect their values.

Unless otherwise stated, all monetary amounts are stated in Renminbi ("RMB"). The prevailing exchange rate as at the date of valuation is RMB 1 = Hong Kong Dollars (HKD) 1.1346.

We enclose herewith a summary of values and our valuation certificate.

Yours faithfully,
For and on behalf of
CB Richard Ellis Limited

Leo M Y LO
MHKIS MRICS
Director
Valuation & Advisory Services

Note: Mr. Lo is a member of Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors. He has over 6 years' valuation experience in the PRC and Hong Kong.

SUMMARY OF VALUES

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
Group I — Property interests held by the Group for investment in the PRC				
1.	Various retail shop units and car parking spaces in the completed groups of Jinbi Garden No. 1, No. 821 South of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	100,300,000	100%	100,300,000
2.	Various retail shop units and car parking spaces in Jinbi Garden No. 2, opposite to No. 45 high school, south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	35,758,000	100%	35,758,000
3.	Various retail shop units and car parking spaces in Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC	71,400,000	100%	71,400,000
4.	Jinbi Big World in the completed groups of Jinbi Garden No. 1, No. 701 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	341,000,000	100%	341,000,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
5.	Various retail shop units and car parking spaces in Jinbi City Plaza (Phases 6 & 7 of Jinbi Garden No. 1), No. 821 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	353,000,000	100%	353,000,000
6.	Various retail shop units and car parking spaces in the completed groups of Jinbi Palace, Huacheng Road, Pearl River New City, Tianhe District, Guangzhou City, Guangdong Province, the PRC	140,000,000	100%	140,000,000
7.	Various commercial units and car parking spaces in Jinbi Emerald Court, Longkou East Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC	221,500,000	100%	221,500,000
8.	Various retail shop units and car parking spaces in the completed groups of Jinbi New City Garden, Huangshi Road South, Shi Jing Town, Baiyun District, Guangzhou City, Guangdong Province, the PRC	282,000,000	100%	282,000,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
9.	Various retail shop units and car parking spaces in Jinbi Century Garden, Zhongshan Avenue North, Huangpu District, Guangzhou City, Guangdong Province, the PRC	263,000,000	100%	263,000,000
10.	Various car parking spaces in the completed groups of Jinbi Bay Garden, Gexin Road, Haizhu District, Guangzhou City, Guangdong Province, the PRC	43,100,000	100%	43,100,000
11.	Various car parking spaces in the completed groups of Jinbi Atrium, New Guangcong Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC	125,000,000	100%	125,000,000
12.	Various car parking spaces, Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District, Guangzhou City, Guangdong Province, the PRC	79,050,000	100%	79,050,000
13.	A portion of retail shops in hotel and various car parking spaces in the completed groups of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	93,000,000	60%	55,800,000
			Group I Sub-total:	**2,110,908,000**

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
Group II — Property interests held by the Group for sale and occupation in the PRC				
14.	Various apartment units in the completed groups of Jinbi Garden No. 1, No. 821 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	14,800,000	100%	14,800,000
15.	Various apartment units in the completed groups of Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC	2,300,000	100%	2,300,000
16.	Various apartment units in the completed groups of Jinbi Century Garden, Zhongshan Avenue North, Huangpu District, Guangzhou City, Guangdong Province, the PRC	5,360,000	100%	5,360,000
17.	Various apartment units in the completed groups of Jinbi Palace, Huacheng Road, Pearl River New City, Tianhe District, Guangzhou City, Guangdong Province, the PRC	18,500,000	100%	18,500,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
18.	Various apartment units and car parking spaces in the completed groups of Jinbi New City Garden, Huangshi Road South, Shi Jing Town, Baiyun District, Guangzhou City, Guangdong Province, the PRC	11,400,000	100%	11,400,000
19.	Various apartment units and a retail shop unit in the completed groups of Jinbi Atrium, New Guangcong Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC	3,790,000	100%	3,790,000
20.	Various apartment units in the completed groups of Jinbi Bay Garden, Gexin Road, Haizhu District, Guangzhou City, Guangdong Province, the PRC	1,960,000	100%	1,960,000
21.	Various apartment units in Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District, Guangzhou City, Guangdong Province, the PRC	44,700,000	100%	44,700,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
22.	Various apartment units, villas and hotel portion in the completed groups of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	1,480,000,000	60%	888,000,000
23.	Various apartment units in the completed groups of Evergrande Scenic Garden, Beiyingling, Tuanjie Village, Zhongxin Town, Zengcheng City of Guangzhou, Guangdong Province, the PRC	19,600,000	100%	19,600,000
24.	Various apartment units in the completed groups of Evergrande Oasis Chengdu, south of Chenglong Road, Longquanyi District, Chengdu City, Sichuan Province, the PRC	258,000,000	100%	258,000,000
25.	Various apartment units in the completed groups of Evergrande Palace Chongqing, The New Northern Zone, Chongqing City, the PRC	58,000,000	100%	58,000,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
26.	Various apartment units in the completed groups of Evergrande Splendor Chongqing, Shuangfu Industrial Park of Jiangjin City of Chongqing, the PRC	502,000,000	100%	502,000,000
27.	Various apartment units in the completed groups of Evergrande Palace Wuhan, Dong Hu Development District, Wuhan City, Hubei Province, the PRC	357,000,000	100%	357,000,000
28.	Various apartment units in the completed groups of Evergrande City Chongqing, Ba'nan District, Chongqing City, the PRC	200,000,000	100%	200,000,000
29.	Various apartment units in the completed groups of Evergrande City Chengdu, Chengnan Economic Zone, Liucheng Town, Wenjiang District, Chengdu City, Sichuan Province, the PRC	633,000,000	100%	633,000,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
30.	Various villas in the completed groups of Evergrande Splendor Kunming, Puhe Village, Lianran Town, Anning City, Kunming, Yunnan Province, the PRC	35,900,000	100%	35,900,000
31.	Various apartment units in the completed groups of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang City, Liaoning Province, the PRC	363,000,000	100%	363,000,000
32.	Various apartment units in the completed groups of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC	529,000,000	100%	529,000,000
33.	Various villas in the completed groups of Evergrande Splendor E'zhou, Huarong District, E'zhou City, Hubei Province, the PRC	42,000,000	100%	42,000,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
34.	Various villas in the completed groups of Evergrande Splendor Tianjin, Shi Fo Village North, Guan Zhuang Town, Ji County, Tianjin City, the PRC	1,370,000	100%	1,370,000
35.	Various villas in the completed groups of Evergrande Splendor Nanjing, Wolong Avenue, Yongyang Town, Lishui County, Nanjing City, Jiangsu Province, the PRC	43,000,000	100%	43,000,000
			Group II Sub-total:	**4,032,680,000**

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
Group III — Property interests held by the Group for development in the PRC				
36.	The developing groups of Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District, Guangzhou City, Guangdong Province, the PRC	111,400,000	100%	111,400,000
37.	The developing groups and reserved land of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	9,027,200,000	60%	5,416,320,000
38.	The developing groups and reserved land of Evergrande Scenic Garden, Beiyingling, Tuanjie Village, Zhongxin Town, Zengcheng City of Guangzhou, Guangdong Province, the PRC	1,672,100,000	100%	1,672,100,000
39.	The developing groups and reserved land of Evergrande Splendor Qingyuan, Longjin Town, Qingxin County, Qingyuan City, Guangdong Province, the PRC	5,559,600,000	100%	5,559,600,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
40.	The developing groups and reserved land of Evergrande Metropolis Foshan, Zhou Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	6,144,600,000	100%	6,144,600,000
41.	The developing groups and reserved land of Evergrande Oasis Guangzhou, Ju Zhu Xin Cheng South East, Jin Sha Zhou, Baiyun District, Guangzhou City, Guangdong Province, the PRC	4,344,000,000	100%	4,344,000,000
42.	The developing groups and reserved land of Evergrande Splendor Tianjin, Shi Fo Village North, Guan Zhuang Town, Ji County, Tianjin City, the PRC	1,454,900,000	100%	1,454,900,000
43.	The developing groups and reserved land of Evergrande Oasis Taiyuan, West of Dayun Road, North of Kangning Street, Taiyuan City, Shanxi Province, the PRC	3,962,500,000	100%	3,962,500,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
44.	The developing groups and reserved land of Evergrande Palace Baotou, Jiuyuan District, Baotou City, Inner Mongolia Autonomous Region, the PRC	4,489,600,000	100%	4,489,600,000
45.	The developing groups and reserved land of Evergrande Splendor Chongqing, Shuangfu Industrial Park of Jiangjin City of Chongging, the PRC	660,800,000	100%	660,800,000
46.	The developing groups and reserved land of Evergrande Palace Chongqing, The New Northern Zone, Chongqing City, the PRC	1,258,900,000	100%	1,258,900,000
47.	The developing groups and reserved land of Evergrande City Chongqing, Ba'nan District, Chongqing City, the PRC	2,450,600,000	100%	2,450,600,000
48.	The reserved land of Evergrande Oasis Chongqing, Da Yang Shi Street, Jiu Long Po District, Chongqing City, the PRC	580,200,000	100%	580,200,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
49.	The developing groups and reserved land of Evergrande Metropolis Chongqing, Shiyou Road, Yuzhong District, Chongqing City, the PRC	913,900,000	100%	913,900,000
50.	The developing groups of Evergrande City Chengdu, Chengnan Economic Zone, Liucheng Town, Wenjiang District, Chengdu City, Sichuan Province, the PRC	1,534,400,000	100%	1,534,400,000
51.	The developing groups and reserved land of Evergrande Oasis Chengdu, South of Chenglong Road, Longquanyi District, Chengdu City, Sichuan Province, the PRC	1,132,300,000	100%	1,132,300,000
52.	The developing groups and reserved land of Evergrande Splendor Pengshan, Lianhua Village Wuyang Town, Pengshan County, Sichuan Province, the PRC	2,172,800,000	100%	2,172,800,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
53.	The developing groups and reserved land of Evergrande Metropolis Xi'an, West of Jiushi Road, South of Xin Fang Village, Xi'an City, Shaanxi Province, the PRC	978,900,000	100%	978,900,000
54.	The developing groups and reserved land of Evergrande Oasis Xi'an, Cao Nan Village, Baqiao District, Xi'an City, Shaanxi Province, the PRC	1,691,200,000	65%	1,099,280,000
55.	The developing groups and reserved land of Evergrande City Xi'an, Xi'an City, Shaanxi Province, the PRC	1,428,000,000	60%	856,800,000
56.	The developing groups and reserved land of Evergrande Splendor Kunming, Puhe Village, Lianran Town, Anning City, Kunming, Yunnan Province, the PRC	1,030,400,000	100%	1,030,400,000
57.	The developing groups and reserved land of Evergrande Palace Changsha, Yuelu District, Changsha City, Hunan Province, the PRC	1,512,000,000	51%	771,120,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
58.	The developing groups and reserved land of Evergrande Metropolis Changsha, South of Chang Shi Tie Road, north of Xing Cheng Auenve, east of farmer reconstruction area, Changsha City, Hunan Province, the PRC	1,612,800,000	100%	1,612,800,000
59.	The developing groups and reserved land of Evergrande Oasis Guiyang, Nanhu New District, Baiyun District, Guiyang City, Guizhou Province, the PRC	613,800,000	100%	613,800,000
60.	The reserved land of Evergrande Oasis Nanning, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC	1,512,000,000	80.05%	1,210,356,000
61.	The developing groups and reserved land of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC	1,892,800,000	100%	1,892,800,000
62.	The developing groups and reserved land of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang City, Liaoning Province, the PRC	2,956,800,000	100%	2,956,800,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
63.	The developing groups and reserved land of Evergrande Oasis Wuhan, Caidian District, Wuhan City, Hubei Province, the PRC	1,062,900,000	100%	1,062,900,000
64.	The developing groups and reserved land of Evergrande City Wuhan, Han Kou District, Wuhan City, Hubei Province, the PRC	1,512,000,000	100%	1,512,000,000
65.	The developing groups and reserved land of Evergrande Palace Wuhan, Dong Hu Development District, Wuhan City, Hubei Province, the PRC	1,892,800,000	100%	1,892,800,000
66.	The developing groups and reserved land for Evergrande Splendor Qidong, Southeast outside of Yin Xing Ken District, Yin Yang Town, Qidong City, Jiangsu Province, the PRC	30,200,000,000 *(Note xix)*	100%	30,200,000,000 *(Note xix)*
67.	The developing groups of Evergrande Palace Hefei, Weiwu Road, Political and Cultural New District, Hefei City, Anhui Province, the PRC	1,000,200,000	100%	1,000,200,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
68.	The developing groups and reserved land of Evergrande Splendor E'zhou, Huarong District, E'zhou City, Hubei Province, the PRC	1,753,900,000	100%	1,753,900,000
69.	The developing groups and reserved land of Evergrande Splendor Nanjing, Wolong Avenue, Yongyang Town, Lishui County, Nanjing City, Jiangsu Province, the PRC	2,385,600,000	100%	2,385,600,000
70.	The developing groups and reserved land of Evergrande Oasis Nanjing, No.158 Qingshuiting Road East, Jiangning Development Zone, Nanjing City, Jiangsu Province, the PRC	1,198,400,000	100%	1,198,400,000
71.	The developing groups and reserved land of Evergrande Oasis Luoyang, Chanhe District, Luoyang City, Henan Province, the PRC	1,411,200,000	100%	1,411,200,000
72.	The developing group and reserved land of Evergrande Oasis Changsha, Li Tuo County, Yu Hua District, Changsha City, Wunan Province, the PRC	1,591,400,000	100%	1,591,400,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
73.	The reserved land of Evergrande City Changsha, Niu Tou Village, Dong Jing Town, Yu Hua District, Changsha City Wunan Province, the PRC	2,857,100,000	51%	1,457,121,000
74.	The developing groups and reserved land of Evergrande Oasis Nanchang, Sliver Triangle Industrial Zone, Hero Economic Development District, Nanchang City, Jiangxi Province, the PRC	1,019,200,000	100%	1,019,200,000
75.	The reserved land of Evergrande City Nanchang, North of Fushan Xiashan Road North, West of Jinshajiang Road, Nanchang City, Jiangxi Province, the PRC	2,688,000,000	51%	1,370,880,000
76.	The developing groups and reserved land of Evergrande City Hefei, Wanggang Village, Longgang Development District, Feidong County, Hefei City, Anhui Province, the PRC	1,198,400,000	60%	719,040,000

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
77.	The developing group of Evergrande City Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC	375,200,000	100%	375,200,000
78.	The developing group and reserved land of Evergrande Splendor Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC	1,144,600,000	85%	972,910,000
			Group III Sub-total:	**106,804,727,000**
				(Note xx)

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
Group IV — Property interests contracted to be held by the Group in the PRC				
79.	The reserved land of Commercial Plaza of Jinbi Garden No. 2, opposite to No. 45 high school, south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC			No Commercial Value *(Note i)*
80.	The reserved land of Phase 5 of Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC			No Commercial Value *(Note ii)*
81.	The reserved land in Plot Juan Ma Factory, Yuan Cun Er Heng Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC			No Commercial Value *(Note iii)*
82.	The reserved land of Evergrande Oasis Taiyuan, West of Dayun Road, North of Kangning Street, Taiyuan City, Shanxi Province, the PRC			No Commercial Value *(Note iv)*

	Property Interests	Capital Value in existing state as at 30 September 2009	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009
		(RMB)		(RMB)
83.	The reserved land of Evergrande Palace Chongqing, the New Northern Zone, Chongqing City, the PRC			No Commercial Value *(Note v)*
84.	The reserved land of Evergrande Oasis Chongqing, Da Yang Shi Street, Jiu Long Po District, Chongqing City, the PRC			No Commercial Value *(Note vi)*
85.	The reserved land of Evergrande Metropolis Chongqing, Shi You Road, Yuzhong District, Chongqing City, the PRC			No Commercial Value *(Note vii)*
86.	The reserved land of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC			No Commercial Value *(Note viii)*
87.	The reserved land of Phase II of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang, Liaoning Province, the PRC			No Commercial Value *(Note ix)*
88.	The reserved land of Evergrande Oasis Wuhan, Caidian District, Wuhan City, Hubei Province, the PRC			No Commercial Value *(Note x)*

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
89.	The reserved land of Evergrande City Wuhan, Han Kou District, Wuhan City, Hubei Province, the PRC			No Commercial Value *(Note xi)*
90.	The reserved land of Evergrande Palace Hefei, Weiwu Road, Political and Cultural New District, Hefei City, Anhui Province, the PRC			No Commercial Value *(Note xii)*
91.	The reserved land in Lujiazui, No.1 Yuanshen Road, Pudong New District, Shanghai City, the PRC			No Commercial Value *(Note xiii)*
92.	The reserved land for Evergrande Oasis Zhengzhou, Economic and Technique Development Zone, Zhengzhou City, Henan Province, the PRC			No Commercial Value *(Note xiv)*
93.	The reserved land of Evergrande Oasis Luoyang, Chanhe District, Luoyang City, Henan Province, the PRC			No Commercial Value *(Note xv)*

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
94.	The reserved land of Evergrande Metropolis Taiyuan, North side of Bei Jian River, Jiancaoping District, Taiyuan City, Shanxi Province, the PRC			No Commercial Value *(Note xvi)*
95.	The reserved land of Evergrande City Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC			No Commercial Value *(Note xvii)*
96.	The reserved land of Evergrande Oasis Nanchang Sliver Triangle Industrial Zone, Hero Economic Development District, Nanchang City, Jiangxi Province, the PRC			No Commercial Value *(Note xviii)*
			Group IV Sub-total:	No Commercial Value *(Note b)*
Group V — Property interests rented by the Group in the PRC				
97.	Various properties leased by the Group in various cities in the PRC			No Commercial Value
			Group V Sub-total:	No Commercial Value

	Property Interests	Capital Value in existing state as at 30 September 2009 (RMB)	Interests attributable to the Group	Capital Value attributable to the Group as at 30 September 2009 (RMB)
Group VI — Property interests rented by the Group in Hong Kong				
98.	Suites 1201–1201, Two Pacific Place, 88 Queensway, Hong Kong			No Commercial Value
			Group VI Sub-total:	No Commercial Value
			Grand Total:	**112,948,315,000**
				(Note xx)
				(Note a)

Note a: The grand total capital value attributable to the Group is RMB 112,948,315,000 equivalent to HKD 128,151,158,199 as at the date of valuation.

Note b: Had the Group obtain all State-owned Land Use Rights Certificate(s) or equivalent, the Sub-total of Group IV is estimated to be in total of RMB 31,700,817,000 attributable to the Group.

Note i: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 269,100,000 (100% interests attributable to the Group: RMB 269,100,000). Please refer to page 245 for the details of this property.

Note ii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 564,700,000 (100% interests attributable to the Group: RMB 564,700,000). Please refer to page 246 for the details of this property.

Note iii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 5,469,200,000 (100% interests attributable to the Group: RMB 5,469,200,000). Please refer to page 247 for the details of this property.

Note iv: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 1,462,500,000 (100% interests attributable to the Group: RMB 1,462,500,000). Please refer to page 249 for the details of this property.

Note v: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 112,700,000 (100% interests attributable to the Group: RMB 112,700,000). Please refer to page 251 for the details of this property.

Note vi: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 887,800,000 (100% interests attributable to the Group: RMB 887,800,000). Please refer to page 252 for the details of this property.

Note vii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 1,644,500,000 (100% interests attributable to the Group: RMB 1,644,500,000). Please refer to page 254 for the details of this property.

Note viii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 153,000,000 (100% interests attributable to the Group: RMB 153,000,000). Please refer to page 256 for the details of this property.

Note ix: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 4,853,000,000 (100% interests attributable to the Group: RMB 4,853,000,000). Please refer to page 257 for the details of this property.

Note x: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 627,900,000 (100% interests attributable to the Group: RMB 627,900,000). Please refer to page 258 for the details of this property.

Note xi: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 388,700,000 (100% interests attributable to the Group: RMB 388,700,000). Please refer to page 259 for the details of this property.

Note xii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 448,500,000 (100% interests attributable to the Group: RMB 448,500,000). Please refer to page 260 for the details of this property.

Note xiii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 2,215,200,000 (100% interests attributable to the Group: RMB 2,215,200,000). Please refer to page 262 for the details of this property.

Note xiv: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 5,834,000,000 (80.05% interests attributable to the Group: RMB 4,670,117,000). Please refer to page 264 for the details of this property.

Note xv: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 4,151,500,000 (100% interests attributable to the Group: RMB 4,151,500,000). Please refer to page 266 for the details of this property.

Note xvi: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent or completed the share transfer procedure, the capital value of the property is estimated to be RMB 1,114,400,000 (100% interests attributable to the Group: RMB 1,114,400,000). Please refer to page 268 for the details of this property.

Note xvii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 2,070,000,000 (100% interests attributable to the Group: RMB 2,070,000,000). Please refer to page 269 for the details of this property.

Note xviii: Had the Group obtain a State-owned Land Use Rights Certificate(s) or equivalent, the capital value of the property is estimated to be RMB 598,000,000 (100% interests attributable to the Group: RMB 598,000,000). Please refer to page 270 for the details of this property.

Note xix: This value is derived on the basis that the land is transferable but subject to further approval from the relevant government authorities and payment of additional land premium. Please refer to note no. 3 on page IV-213 for the details.

Note xx: RMB30,200,000,000 of this total value is derived from Property No. 66, which is valued on the basis that the land is transferable but subject to further approval from the relevant government authorities and payment of additional land premium. Please refer to note no. 3 on page IV-213 for the details.

VALUATION CERTIFICATE

Group I — Property interests held by the Group for investment in the PRC

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
1.	Various retail shop units and car parking spaces in the completed groups of Jinbi Garden No. 1, No. 821 South of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 12 retail shop units with a total gross floor area of approximately 667.29 sq.m. and 375 car parking spaces. Jinbi Garden No. 1 ("the Development") (of which the property, Property 4 and Property 14 set out in this property valuation form part) occupies a site with an area of approximately 63,544 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 341,683 sq.m.. The property was completed in about 2005. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 17 July 1997, 10 May 1998, 10 April 1999 and 8 September 2000 respectively.	Rental shop portions of the property with a total gross floor area of approximately 600.89 sq.m. are rented by various tenants at a total monthly rental of RMB 36,561 exclusive of management fee for terms with the latest expiry date on 31 March 2014. The remaining portions of the property are currently vacant.	100,300,000 (100% interests attributable to the Group: RMB 100,300,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total Site area of approximately 72,479 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 66,595,330.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [1997] 256	17 July 1997	12,073
No. 1 Supplemental agreement	27 May 2003	
Sui Guo Di Chu He [1998] 152	13 May 1998	18,657
No. 1 Supplemental agreement	31 July 1998	
No. 2 Supplemental agreement	26 September 2000	
Sui Guo Di Chu He [1999] 165	16 April 1999	18,696
No. 1 Supplemental agreement	N/A	
Sui Guo Di Chu He [1999] 646	8 November 1999	23,053
No. 1 Supplemental agreement	11 July 2007	
	Total:	72,479

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 63,544 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Site Area (sq.m.)	Date of Issuance	Land Use and Date of Expiry
Sui Fu Guo Yong [2001] Zi Di Te 233	11,799	9 December 2001	Residential: 16 July 2067 Commercial, Tourism and Recreational: 16 July 2037 Others: 16 July 2047
Sui Fu Guo Yong [1998] Zi Di Te 063	17,503.93	6 June 1998	Residential: 9 May 2068 Commercial, Tourism and Recreational: 9 May 2038 Others: 9 May 2048
Sui Fu Guo Yong [1999] Zi Di Te 235	15,489	24 November 1999	Residential: 10 April 2069 Commercial, Tourism and Recreational: 10 April 2039
Sui Fu Guo Yong [2000] Zi Di Te 065	18,752	15 May 2000	Residential: 7 September 2070 Commercial, Tourism and Recreational: 7 September 2040 Others: 7 September 2050
Total:	63,544		

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the Development with a total gross floor area of approximately 103,827.39 sq.m., in which portion of the property comprising the retail shop units is located, has been granted to the Group.

Real Estate Title and Rights Certificate Number	Date of Issuance	Owner	Gross Floor Area (sq.m.)
2002 Deng 109112	31 July 2002	Hengde Real Estate Group Company Limited	69,823.33
2002 Deng 109113	31 July 2002	Hengde Real Estate Group Company Limited	29,620.53
05 Deng Ji Zi 21382	14 April 2005	Hengde Real Estate Group Company Limited	4,383.53
		Total:	103,827.39

4. Pursuant to 324 Guangzhou City Realty Title Certificates (房地產權證) issued by Municipal Government of Guangdong Province and a Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of portion of the property comprising 375 car parking spaces has been granted to the Group.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

iii. The following portions of the Development are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
294 Carparks under Block 21–25, Phase 5 of Jinbi No. 1 Garden & First floor of No. 48, 58, 68, 76 of Jinbi Yi Street, 180 Carparks in underground of Phase 6 and Underground First and Second Floor of No. 80 Jinbi Yi Street	N/A	23 March 2006	China Construction Bank — Guangzhou Yuexiu Branch
294 Carparks under Block 21–25, Phase 5 of Jinbi No. 1 Garden & First floor of No. 48, 58, 68, 76 of Jinbin Yi Street, 180 Carparks in underground of Phase 6 and Underground First and Second Floor of No. 80 Jinbi Yi Street	N/A	11 September 2006	China Construction Bank — Guangzhou Yuexiu Branch
54 unsold retail shop units, carparks and apartment units	Guarantee Contract No. YB8210200828003201	N/A	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch
13 unsold retail shop units	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch
First floor of No. 6 and No. 14 of Jinbi Yi Street, Second floor of No. 38 and No. 48 of Jinbi Yi Street	Realty Maximum Amount Mortgage Contract No. ZBED82000900067001, Maximum Amount Guarantee Contract No. ZBED82000900067001	24 June 2009	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch

iv. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties.

v. Some of the tenancy agreements abovementioned in Note 5.iv. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
2.	Various retail shop units and car parking spaces in Jinbi Garden No. 2, opposite to No. 45 high school, south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 17 retail shop units with a total gross floor area of approximately 900.69 sq.m. and 88 car parking spaces. Jinbi Garden No. 2 ("the Development") occupies a site with an area of approximately 45,349 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 275,521 sq.m.. The property was completed in September 2003. The land use rights of the property are held under two State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 14 July 1998 and 19 August 2002 respectively.	Portions of retail shop units of the property with a total gross floor area of approximately 820.43 sq.m. are rented by various tenants at a total monthly rental of RMB 33,253 exclusive of management fee for terms with the latest expiry date on 14 May 2012. The remaining portions of the property are currently vacant.	35,758,000 (100% interests attributable to the Group: RMB 35,758,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreements, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total Site area of approximately 61,099 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 53,013,606.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [1998] 218	24 June 1998	53,225
Sui Guo Di Chu He [1998] 218-1	21 August 2000	
Supplemental agreement on Sui Guo Di Chu He (1998) 218	19 April 2006	
Sui Guo Di Chu He [2002] 199	19 August 2002	7,874
Supplemental agreement on Sui Guo Di Chu He (2002) 199	21 October 2003	
	Total:	61,099

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 45,349 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong [1998] Zi Di Te 121	18 August 1998	37,475	Residential: 13 July 2068 Commercial, Tourism and Recreational: 13 July 2038 Others: 13 July 2048
Sui Fu Guo Yong [2002] Zi Di Te 148	30 August 2002	7,874	Residential: 18 August 2072 Commercial, Tourism and Recreational: 18 August 2042 Others: 18 August 2052
	Total:	45,349	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 95,315.40 sq.m., in which portion of the property comprising retail shop units is located, has been granted to the Group.

Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area (sq.m.)
02 Deng Ji Zi 159781	14 November 2002	Hengde Real Estate Group Company Limited	25,121.54
03 Deng Ji Zi 142965	18 November 2003	Hengde Real Estate Group Company Limited	69,306.94
05 Deng Ji Zi 59817	25 July 2005	Hengde Real Estate Group Company Limited	886.92
		Total:	95,315.40

4. Pursuant to a Guangzhou City Realty Title Certificate (房地產權證) No. Yue Fang Di Zheng Zi Di C2120078 issued by Guangdong Province People's Government and various Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the property comprising 88 car parking spaces has been granted to the Group.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

iii. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
58 Carparks under Block F	N/A	23 March 2006	China Construction Bank — Guangzhou Yuexiu Branch
58 Carparks under Block F	N/A	11 September 2006	China Construction Bank — Guangzhou Yuexiu Branch

iv. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

v. Some of the tenancy agreements abovementioned in Note 5.iv. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
3.	Various retail shop units and car parking spaces in Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 6 retail shop units with a total gross floor area approximately 1,137.06 sq.m. and 189 car parking spaces. Jinbi Garden No. 3 ("the Development") (of which the property and Property 15 set out in this property valuation report form part) occupies a site with an area of approximately 119,388.42 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 380,778 sq.m.. The property was completed in about 2007. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 3 March 2003, 27 April 2004 and 30 November 2005 respectively.	Portions of retail shop units of the property with a total gross floor area of approximately 437.48 sq.m. are rented by various tenants at a total monthly rental of RMB 10,754 exclusive of management fee for terms with the latest expiry date on 15 July 2015. The remaining portions of the property are currently vacant.	71,400,000 (100% interests attributable to the Group: RMB 71,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreements, the land use rights of the Site ("the Site"), where the Development is located therein, with a total site area of approximately 119,388 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 78,113,530.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2003] 028	30 January 2003	78,128
No. 2 Supplemental agreement	31 July 2006	
Sui Guo Di Chu He [2003] 423	25 December 2003	19,610
No. 1 Supplemental agreement	7 November 2005	
Sui Guo Di Chu He [2004] 209	31 August 2004	21,650
No. 1 Supplemental agreement	2 March 2006	
	Total:	119,388

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 119,388.42 sq.m., have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong [2006] Zi Di 01100073	21 July 2006	19,904.06	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong [2006] Zi Di 01100072	1 August 2006	29,675.29	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong [2006] Zi Di 01100071	7 July 2006	28,549.07	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong [2006] Zi Di 011000075	14 August 2006	19,610	Residential: 26 April 2074 Commercial, Tourism and Recreational: 26 April 2044 Others: 26 April 2054
Sui Guo Yong [2006] Di 1100022	25 May 2006	21,650	Residential: 2 November 2075 Commercial, Tourism and Recreational: 2 November 2045 Others: 2 November 2055
	Total:	119,388.42	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 315,359.1 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area (sq.m.)
07 Deng Ji 01801360	16 August 2007	Hengda Real Estate Group Co. Ltd.	34,262.19
07 Deng Ji 01801456	14 August 2007	Hengda Real Estate Group Co. Ltd.	100,180.12
05 Deng Ji Zi 2357	4 February 2005	Hengda Real Estate Group Co. Ltd.	99,354.20
07 Deng Ji 01801361	16 August 2007	Hengda Real Estate Group Co. Ltd.	40,036.51
07 Deng Ji 1805001	26 December 2007	Hengda Real Estate Group Co. Ltd.	4,347.38
07 Deng Ji 01802442	26 September 2007	Hengda Real Estate Group Co., Ltd.	37,178.70
		Total:	315,359.1

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

iv. Some of the tenancy agreements abovementioned in Note 4.iii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
4.	Jinbi Big World in the completed groups of Jinbi Garden No. I, No. 701 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises an 8-storey shop unit with a total gross floor area of approximately 15,172.2514 sq.m.. Jinbi Garden No. 1 ("the Development") (of which the property, Property 1 and Property 14 set out in this property valuation form part) occupies a site with an area of approximately 63,544 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 341,683 sq.m.. The property was completed in about 2001. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for commercial use, 40 years for commercial, tourism and recreational use and 50 years for other use from 17 July 1997, 10 May 1998, 10 April 1999 and 8 September 2000 respectively.	Portions of the property with a total gross floor area of approximately 2,618 sq.m. are rented by various tenants at a total monthly rental of RMB 260,000 exclusive of management fee for terms with the latest expiry date on 30 June 2020. The remaining portion of the property is currently vacant.	341,000,000 (100% interests attributable to the Group: RMB 341,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreements, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total Site area of approximately 72,479 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 66,595,330.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [1997] 256	17 July 1997	12,073
No. 1 Supplemental agreement	27 May 2003	
Sui Guo Di Chu He [1998] 152	13 May 1998	18,657
No. 1 Supplemental agreement	31 July 1998	
No. 2 Supplemental agreement	26 September 2000	
Sui Guo Di Chu He [1999] 165	16 April 1999	18,696
No. 1 Supplemental agreement	N/A	
Sui Guo Di Chu He [1999] 646	8 November 1999	23,053
No. 1 Supplemental agreement	8 July 2002	
	Total:	72,479

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 63,544 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Site Area (sq.m.)	Date of Issuance	Land Use and Date of Expiry
Sui Fu Guo Yong [2001] Zi Di Te 233	11,799	9 December 2001	Residential: 16 July 2067 Commercial, Tourism and Recreational: 16 July 2037 Others: 16 July 2047
Sui Fu Guo Yong [1998] Zi Di Te 063	17,503.93	6 June 1998	Residential: 9 May 2068 Commercial, Tourism and Recreational: 9 May 2038 Others: 9 May 2048
Sui Fu Guo Yong [1999] Zi Di Te 235	15,489	24 November 1999	Residential: 10 April 2069 Commercial, Tourism and Recreational: 10 April 2039
Sui Fu Guo Yong [2000] Zi Di Te 065	18,752	15 May 2000	Residential: 7 September 2070 Commercial, Tourism and Recreational: 7 September 2040 Others: 7 September 2050
Total:	63,544		

3. Pursuant to 6 Realty Title Certificates (Yue Fang Di Zheng Zi Nos. C1945001–C1945005 and C1947800) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the property with a total gross floor area of approximately 15,172.2514 sq.m. has been granted to the Group.

4. Portion of property with a total gross floor area of approximately 2,348 sq.m. has been rented to Guangzhou Jinbi Dashijie Catering and Entertainment Company Limited, a connected party of the Group, for a lease term from 1 July 2007 to 30 June 2020 at a current monthly rent of RMB211,400.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   ii. The Group legally owns the building ownership of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties.

   iii. Some of the tenancy agreements abovementioned in Note 5.ii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
5.	Various retail shop units and car parking spaces in Jinbi City Plaza (Phases 6 & 7 of Jinbi Garden No. 1), No. 821 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 61 retail shop units with a total gross floor area of approximately 12,004.34 sq.m. and 190 car parking spaces. Jinbi City Plaza (Phases 6 & 7 of Jinbi Garden No. 1) ("the Development") occupies a site with an area of approximately 21,073 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 118,483 sq.m.. The property was completed in about 2006. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential, 40 years for commercial, tourism and recreational use and 50 years for other use from 25 April 2001 and 8 July 2003 respectively.	Portions of retail shop units of the property with a total gross floor area of approximately 10,688.7 sq.m. are rented by various tenants at a total monthly rental of RMB 1,135,337 exclusive of management fee for terms with the latest expiry date on 14 April 2024. The remaining portions of the property are currently vacant.	353,000,000 (100% interests attributable to the Group: RMB 353,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreements, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 37,270 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 27,550,546.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2001] 135	25 April 2001	21,277
No. 1 Supplemental agreement	13 October 2004	
Sui Guo Di Chu He [2003] 160	23 May 2003	15,993
No. 1 Supplemental agreement	11 July 2007	
	Total:	37,270

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 21,073 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong (2006) 01100166	4 January 2007	21,073	Residential: 24 April 2071 Commercial, Tourism and Recreational: 24 April 2041 Others: 24 April 2051
	Total:	21,073	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 35,547.25 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area (sq.m.)
07 Deng Ji Zi 01061717	4 June 2007	Hengda Real Estate Group Company Limited	27,300.38
07 Deng Ji Zi 01116934	31 October 2007	Hengda Real Estate Group Company Limited	8,246.87
		Total:	35,547.25

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

   iv. Some of the tenancy agreements abovementioned in Note 4.iii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
6.	Various retail shop units and car parking spaces in the completed groups of Jinbi Palace, Huacheng Road, Pearl River New City, Tianhe District, Guangzhou City, Guangdong Province, the PRC	The property comprises 4 retail shop units with a total gross floor area of approximately 581.04 sq.m. and 307 car parking spaces. Jinbi Palace ("the Development") (of which the property and Property 17 set out in this property valuation form part) occupies a site with an area of approximately 26,686 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 137,399 sq.m.. The property was completed in about 2004. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 21 January 2001.	Retail shop portions of the property with a total gross floor area of approximately 556.85 sq.m. are rented by various tenants at a total monthly rental of RMB 69,428 exclusive of management fee with terms with the latest expiry date on 6 July 2015. The remaining portions of the property are currently vacant.	140,000,000 (100% interests attributable to the Group: RMB 140,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 26,686.88 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 303,500,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2000] 450	25 December 2000	26,686.88
No. 1 Supplemental agreement	30 December 2002	
	Total:	26,686.88

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 26,686 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Date of Expiry
Sui Fu Guo Yong (2001) Zi Di Te 019	28 February 2001	26,686	Residential: 21 January 2071 Commercial, Tourism and Recreational: 21 January 2041 Others: 21 January 2051
	Total:	26,686	

3. Pursuant to various Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) Nos. 05 Deng Ji Zi 2349, 05 Deng Ji Zi 2350 and various Realty Title Certificates (房地產權證) Nos. Yue Fang Di Zheng Zi Di C4644806, 4644822-26, 4819210, 4819219-25, 4816290-92, 4816294-96, 4816298-300, 4816307-310 and Yue Fang Di Zheng Zi Di C2676349 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the property has been granted to the Group.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
7.	Various commercial units and car parking spaces in Jinbi Emerald Court, Longkou East Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC	The property comprises 40 commercial units with total gross floor area of approximately 8,371.24 sq.m. and 141 car parking spaces. Jinbi Emerald Court ("the Development") occupies a site with an area of approximately 5,409 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 53,453 sq.m.. The property was completed in about 2006. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 3 July 2000.	Various portions of the property with a total gross floor area of approximately 3,583.03 sq.m. are rented by various tenants at a total monthly rental of RMB 237,989 exclusive of management fee with terms with the latest expiry date on 18 October 2012. The remaining portions of the property are currently vacant.	221,500,000 (100% interests attributable to the Group: RMB 221,500,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreements, the land use rights of, *inter alia*, the Site, where the Development located therein, with a total site area of approximately 6,619 sq.m., have been contracted to be granted to the Group at a total consideration of RMB 28,328,017.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2000] 270	3 July 2000	6,619
No. 1 Supplemental agreement	25 April 2005	
No. 2 Supplemental agreement	28 February 2007	
	Total:	6,619

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 5,409 sq.m. has been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong (2000) Zi Di Te 195	15 December 2000	5,409	Residential: 2 July, 2070 Commercial, Tourism and Recreational: 2 July, 2040 Others: 2 July, 2050
	Total:	5,409	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 16,258.78 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificate Number	Date of Issuance	Owner	Gross Floor Area (sq.m.)
07 Deng Ji Zi 01034388	13 April 2007	Guangzhou Tongruida Real Estate Company Limited	16,258.78
		Total:	16,258.78

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

   iv. Some of the tenancy agreements abovementioned in Note 4.iii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

   v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
18 unsold retail shop units and offices	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
8.	Various retail shop units and car parking spaces in the completed groups of Jinbi New City Garden, Huangshi Road South, Shi Jing Town, Baiyun District, Guangzhou City, Guangdong Province, the PRC	The property comprises 9 retail shop units with a total gross floor area of approximately 3,497.52 sq.m. and 1,287 car parking spaces. Jinbi New City Garden ("the Development") (of which the property and Property 18 set out in this property valuation form part) occupies a site with an area of approximately 120,240 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 428,003 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 7 May 2003.	Various portions of retail shop units of the property with a total gross floor area approximately 600.88 sq.m. are rented by various tenants at a total monthly rental of RMB 32,014 exclusive of management fee with terms with the latest expiry date on 9 April 2015. The remaining portions of the property are currently vacant.	282,000,000 (100% interests attributable to the Group: RMB 282,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreements, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 120,240 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 95,032,108.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2003] 97	10 April 2003	120,240
No. 1 Supplemental agreement	7 November 2005	
No. 2 Supplemental agreement	9 May 2007	
	Total:	120,240

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 120,240 sq.m. has been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Sui Fu Guo Yong [2006] 01100100	4 September 2006	120,240	Residential: 6 May 2073 Commercial, Tourism and Recreational: 6 May 2043 Others: 6 May 2053
	Total:	120,240	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 157,941.82 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area
			(sq.m.)
07 Deng Ji 01804998	29 December 2007	Evergrande Real Estate Group Company Limited	8,749.71
06 Deng Ji Zi 01148650	8 January 2007	Evergrande Real Estate Group Company Limited	6,352.22
07 Deng Ji 01801411	2 August 2007	Evergrande Real Estate Group Company Limited	66,960.05
09 Deng Ji 01811066	30 June 2009	Evergrande Real Estate Group Company Limited	75,879.84
		Total:	157,941.82

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

   iv. Some of the tenancy agreements abovementioned in Note 4.iii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
2 unsold retail shop units	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch
Carparks No. 001-139 at -1/F and Carpark No. 101 at -1/F of No. 191 Jinxin Er Street	Realty Maximum Amount Mortgage Contract No. ZBED82000900067001, Maximum Amount Guarantee Contract No. ZBED82000900067001	24 June 2009	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
9.	Various retail shop units and car parking spaces in Jinbi Century Garden, Zhongshan Avenue North, Huangpu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 21 retail shop units with a total gross floor area of approximately 792.94 sq.m. and 1,251 car parking spaces. Jinbi Century Garden ("the Development") (of which the property and Property 16 set out in this property valuation form part) occupies a site with an area of approximately 138,116 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 413,021 sq.m.. The property was completed in about 2008. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 15 December 2003.	Various portions of retail shop units of the property with a total gross floor area of approximately 531.46 sq.m. are rented by various tenants at a total monthly rental of RMB 66,917.71 exclusive of management fee with terms with the latest expiry date on 31 July 2013. The remaining portions of the property are currently vacant.	263,000,000 (100% interests attributable to the Group: RMB 263,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 138,116 sq.m. has been contracted to be granted to the Group at a total consideration of RMB 67,143,640.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Sui Guo Di Chu He [2003] 380	25 November 2003		138,116
		Total:	138,116

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 138,116 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Sui Fu Guo Yong [2003] Di 385	10 December 2003	51,978	Residential: 14 December 2073 Commercial, Tourism and Recreational: 14 December 2043 Others: 14 December 2053
Sui Guo Yong [2004] Di 283	21 October 2004	86,138	Residential: 14 December 2073 Commercial, Tourism and Recreational: 14 December 2043 Others: 14 December 2053
	Total:	138,116	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 263,042.4658 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area
			(sq.m.)
07 Deng Ji 01801430	23 August 2007	Guangzhou Junhui Real Estate Development Company Limited	81,624.77
07 Deng Ji 01801551	16 September 2007	Guangzhou Junhui Real Estate Development Company Limited	99,752.75
07 Deng Ji Zi 01001861	23 August 2007	Guangzhou Junhui Real Estate Development Company Limited	12,302.50
08 Deng Ji 01808912	2008	Guangzhou Junhui Real Estate Development Company Limited	69,362.4458
		Total:	263,042.4658

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The Group legally owns the building ownership of the portion of the property that is leased to various tenants and hence the corresponding tenancy agreements are legal, valid and binding on both parties and are enforceable.

   iv. Some of the tenancy agreements abovementioned in Note 4.iii. have not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, tenancy agreements shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreements.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
16 unsold retail shop units and a carparking space	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
10.	Various car parking spaces in the completed groups of Jinbi Bay Garden, Gexin Road, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 196 car parking spaces. Jinbi Bay Garden ("the Development") (of which the property and Property 20 set out in this property valuation form part) occupies a site with an area of approximately 20,403 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 89,323 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 28 April 2003.	The property is currently operated as carpark.	43,100,000 (100% interests attributable to the Group: RMB 43,100,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 42,310 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 171,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Sui Guo Di Chu He (2002) 327	11 December 2002		42,310
		Total:	42,310

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 20,403 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2006) Di 01100152	15 November 2006	20,403	Residential: 27 April 2073 Commercial, Tourism and Recreational: 27 April 2043 Others: 27 April 2053
	Total:	20,403	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) 07 Deng Ji 01801295 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total area of approximately 9,704.58 sq.m., in which the property is located, has been granted to the Group.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant agreement is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Carparking spaces Nos. 001-195 at UG/F of No. 1 Jinwan Street	Realty Maximum Amount Mortgage Contract No. ZDED82000900067001, Maximum Amount Guarantee Contract No. ZBED82000900067001	24 June 2009	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
11.	Various car parking spaces in the completed groups of Jinbi Atrium, New Guangcong Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC	The property comprises 779 car parking spaces. Jinbi Atrium ("the Development") (of which the property and Property 19 set out in this property valuation form part) occupies a site with an area of approximately 54,930 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 209,005 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 21 July 2004.	The property is currently operated as carpark.	125,000,000 (100% interests attributable to the Group: RMB 125,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of part of the Site, where the Development in located therein, with a total site area of approximately 48,989 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 39,668,282.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He (2004) 48	12 March 2004	48,989
No. 1 Supplemental agreement	28 August 2007	
	Total:	48,989

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 54,929.557 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Sui Guo Yong (2004) Di 188	22 July 2004	54,929.557	Residential: 20 July 2074 Commercial, Tourism and Recreational: 20 July 2044 Others: 20 July 2054
	Total:	54,929.557	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) 07 Deng Ji 01805796 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership with a total gross floor area of approximately 28,872.11 sq.m., in which the property is located, has been granted to the Group.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
2 Carparks	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009 (RMB)
12.	Various car parking spaces, Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 465 car parking spaces. Jinbi Junhong Garden (the "Development") (of which the property, Property 21 and Property 36 set out in this property valuation form part) occupies a site with an area of approximately 36,357 sq.m. (the "Site") and has been and will be developed with a total gross floor area of approximately 197,013 sq.m.. The property was completed in about 2008. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various land use terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 13 January 2006.	The property is currently operated as carpark.	79,050,000 (100% interest attributable to the Group: RMB 79,050,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 44,258 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 45,964,038.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area (sq.m.)
Sui Guo Di Chu He (2004) 290	31 August 2004	44,258
No. 1 Supplemental agreement	8 December 2005	
	Total:	44,258

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 36,357 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2005) Zi Di 362	16 January 2006	36,357	Residential: 12 January 2076 Commercial, Tourism and Recreational: 12 January 2046 Others: 12 January 2056
	Total:	36,357	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) No. 08 Deng Ji 01804018 (08登記01804018號) dated 7 August 2008, the ownership of part of the Development, in which the property is located, has been granted to the Group.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Units 101–102 & –102 of Block D1–D6, Units 01–08, 2/F to 6/F of Block D3–D6, Units 01–08, 7/F to 11/F of Block D3–D6	N/A	23 March 2006	China Construction Bank — Guangzhou Yuexiu Branch
Units 101–102 & –102 of Block D1–D6, Units 01–08, 2/F to 6/F of Block D3–D6, Units 01–08, 7/F to 11/F of Block D3–D6	N/A	11 September 2006	China Construction Bank — Guangzhou Yuexiu Branch

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
13.	A portion of retail shops in hotel and various car parking spaces in the completed groups of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	The property comprises a portion of the retail shops in hotel with a total gross floor area of approximately 2,500 sq.m. and 276 car parking spaces. Evergrande Royal Scenic Peninsula ("the Development") (of which the property, Property 22 and Property 37 set out in this property valuation form part) occupies a site with an area of approximately 543,528.79 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,073,147 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms from 25 May 2004 and 19 June 2003 respectively to 27 October 2063 for mixed residential use.	The retail shops portion of the property with a total gross floor area approximately 2,500 sq.m. is rented at a monthly rental of about RMB 250,000 exclusive of management fee for a term with an expiry date on 29 March 2018 The remaining portion of the property is currently vacant.	93,000,000 (60% interests attributable to the Group: RMB 55,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 543,546 sq.m. have been contracted to be granted to Nanhai City Property Group at a total consideration of RMB 16,306,398.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Nan Guo Chu Rang Zi [1993] Jia Di 018	18 March 1993		543,546
		Total:	543,546

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 543,528.79 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Nan Fu Guo Yong [2004] Di Te 050016	25 May 2004	179,525.99	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050017	25 May 2004	152,832.59	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050015	25 May 2004	173,993.83	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2003] Di Te 050061	19 June 2003	37,176.38	Mixed Residential: 27 October 2063
	Total:	543,528.79	

3. Pursuant to the following Realty Title Certificate (房地產權證) and Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Foshan City Property Bureau, the building ownership with a total gross floor area of approximately 34,553.10 sq.m., in which the property is located, has been granted to the Group.

Realty Title Certificate or Real Estate Title and Rights Certificates Number	Date of Issuance	Owner	Gross Floor Area
			(sq.m.)
Yue Fang Di Zheng Zi C7159294	19 January 2009	Foshan Nan Hai Xin Zhong Jian Real Estate Development Limited	26,252.2
(2009-174)	30 June 2009	Foshan Nan Hai Xin Zhong Jian Real Estate Development Limited	3,781.18
(2009-175)	30 June 2009	Foshan Nan Hai Xin Zhong Jian Real Estate Development Limited	4,519.72
		Total:	34,553.10

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease, mortgage or otherwise dispose of the property.

   iii. The Group legally owns the building ownership of the property that is leased to a tenant and hence the corresponding tenancy agreement is legal, valid and binding on both parties and enforceable.

   iv. The tenancy agreement abovementioned in Note 4.iv. has not been registered. Pursuant to the relevant City Property Tenancy Management Guidance, the tenancy agreement shall have to be registered, however, non-compliance of such registration requirement will not affect the legality and validity of the tenancy agreement.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 200928	27 March 2009	Lishui Credit Community
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 2009 Nian 48, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 2009 Nian 49, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 200947	23 June 2009	Lishui Credit Community
Nan Fu Guo Yong (2003) Di Te 050061	Mortgage Contract No. Gong Dan Di Zi No. 99032009293203, Guarantee Contract No. Gong Dan Bao Zi No. 99032009293203	26 June 2009	China Minsheng Bank — Guangzhou Branch
Nan Fu Guo Yong (2004) Di Te 050016 (Site area: 26,487.4 sq.m.)	Maximum Amount Mortgage Contract No. 2009 Nian Li Di Zi No. 010	25 August 2009	Industrial and Commercial Bank of China — Fushan Dali Branch

VALUATION CERTIFICATE

Group II — Property interests held by the Group for sale and occupation in the PRC

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
14.	Various apartment units in the completed groups of Jinbi Garden No. 1, No. 821 south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 12 residential units with a total gross floor area of approximately 2,874 sq.m.. Jinbi Garden No. 1 ("the Development") (of which the property, Property 1 and Property 4 set out in this property valuation form part) occupies a site with an area of approximately 63,544 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 341,683 sq.m.. The property was completed in about 2005. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 17 July 1997, 10 May 1998, 10 April 1999 and 8 September 2000 respectively.	The property is currently vacant.	14,800,000 (100% interests attributable to the Group: RMB 14,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 72,479 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 66,595,330.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He (1997) 256	17 July 1997	12,073
No. 1 Supplemental agreement	27 May 2003	
Sui Guo Di Chu He (1998) 152	13 May 1998	18,657
No. 1 Supplemental agreement	31 July 1998	
No. 2 Supplementary agreement	26 September 2000	
Sui Guo Di Chu He (1999) 165	16 April 1999	18,696
No. 1 Supplemental agreement	N/A	
Sui Guo Di Chu He (1999) 646	8 November 1999	23,053
No. 1 Supplemental agreement	8 July 2002	
	Total:	72,479

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 63,544 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Sui Fu Guo Yong (2001) Zi Di Te 233	9 December 2001	11,799	Residential: 16 July 2067 Commercial, Tourism and Recreational: 16 July 2037 Others: 16 July 2047
Sui Fu Guo Yong (1998) Zi Di Te 063	6 June 1998	17,503.93	Residential: 9 May 2068 Commercial, Tourism and Recreational: 9 May 2038 Others: 9 May 2048
Sui Fu Guo Yong (1999) Zi Di Te 235	24 November 1999	15,489	Residential: 10 April 2069 Commercial, Tourism and Recreational: 10 April 2039
Sui Fu Guo Yong (2000) Zi Di Te 065	15 May 2000	18,752	Residential: 7 September 2070 Commercial, Tourism and Recreational: 7 September 2040 Others: 7 September 2050
	Total:	63,544	

3. Pursuant to the following Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the Development with a total gross floor area of approximately 198,392.08 sq.m., in which the property is located, has been granted to the Group.

Real Estate Title and Rights Certificate Number	Date of Issuance	Owner	Gross Floor Area
			(sq.m.)
2002 Deng 109112	31 July 2002	Hengde Real Estate Group Company Limited	69,823.33
2002 Deng 109113	31 July 2002	Hengde Real Estate Group Company Limited	29,620.53
2002 Deng Ji 84409	23 October 2002	Hengde Real Estate Group Company Limited	35,869.83
2002 Deng Ji 84410	23 October 2002	Hengde Real Estate Group Company Limited	63,078.39
		Total:	198,392.08

4. Portion of the property with a gross floor area of approximately 1,863 sq.m. has been contracted to be sold for the total purchase price of RMB 5,767,730. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchaser. The Group has to transfer the building ownership to the purchaser for the purchaser's occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreement. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchaser's approval and termination of the relevant sale and purchase agreement.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

6. A summary of major certificates/approvals is shown as follows.

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
15.	Various apartment units in the completed groups of Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 2 residential units with a total gross floor area of approximately 206 sq.m.. Jinbi Garden No. 3 ("the Development") (of which the property and Property 3 set out in this property valuation form part) occupies a site with an area of approximately 119,388.42 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 380,778 sq.m.. The property was completed in about 2007. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 3 March 2003, 27 April 2004 and 30 November 2005 respectively.	The property is currently vacant.	2,300,000 (100% interests attributable to the Group: RMB 2,300,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreements, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 119,388 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 78,113,530.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2003] 028	30 January 2003	78,128
No. 2 Supplemental agreement	31 July 2006	
Sui Guo Di Chu He [2003] 423	25 December 2003	19,610
No. 1 Supplemental agreement	7 November 2005	
Sui Guo Di Chu He [2004] 209	31 August 2004	21,650
No. 1 Supplemental agreement	2 March 2006	
	Total:	119,388

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 119,388.42 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong (2006) Zi Di 01100073	21 July 2006	19,904.06	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong (2006) Zi Di 01100072	1 August 2006	29,675.29	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong (2006) Zi Di 01100071	7 July 2006	28,549.07	Residential: 2 March 2073 Commercial, Tourism and Recreational: 2 March 2043 Others: 2 March 2053
Sui Fu Guo Yong (2006) Zi Di 011000075	14 August 2006	19,610	Residential: 26 April 2074 Commercial, Tourism and Recreational: 26 April 2044 Others: 26 April 2054
Sui Guo Yong (2006) Di 1100022	25 May 2006	21,650	Residential: 2 November 2075 Commercial, Tourism and Recreational: 2 November 2045 Others: 2 November 2055
	Total:	119,388.42	

3. The property with a total gross floor area of approximately 206 sq.m. has been contracted to be sold for the total purchase price of RMB 1,518,083. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iii. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

5. A summary of major certificates/approvals is shown as follows.

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
16.	Various apartment units in the completed groups of Jinbi Century Garden, Zhongshan Avenue North, Huangpu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 4 apartment units with a total gross floor area of approximately 611 sq.m.. Jinbi Century Garden ("the Development") (of which the Property and Property 9 set out in this property valuation form part) occupies a site with an area of approximately 138,116 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 413,021 sq.m.. The property was completed in about 2008. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 15 December 2003.	The property is currently vacant.	5,360,000 (100% interests attributable to the Group: RMB 5,360,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 138,116 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 67,143,640.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Sui Guo Di Chu He (2003) 380	25 November 2003		138,116
		Total:	138,116

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 138,116 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong (2003) Di 385	10 December 2003	51,978	Residential: 14 December 2073 Commercial, Tourism and Recreational: 14 December 2043 Others: 14 December 2053
Sui Guo Yong (2004) Di 283	21 October 2004	86,138	Residential: 14 December 2073 Commercial, Tourism and Recreational: 14 December 2043 Others: 14 December 2053
	Total:	138,116	

3. The property with a total gross floor area of approximately 611 sq.m. has been contracted to be sold for the total purchase price of RMB 5,364,327. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iii. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
17.	Various apartment units in the completed groups of Jinbi Palace, Huacheng Road, Pearl River New City, Tianhe District, Guangzhou City, Guangdong Province, the PRC	The property comprises 2 apartment units with a total gross floor area of approximately 886 sq.m.. Jinbi Palace ("the Development") (of which the property and Property 6 set out in this property valuation form part) occupies a site with an area of approximately 26,686 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 137,399 sq.m.. The property was completed in about 2004. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 21 January 2001.	The property is currently vacant.	18,500,000 (100% interests attributable to the Group: RMB 18,500,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 26,686.88 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 303,500,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He (2000) 450, No. 1 Supplemental agreement	25 December 2000 30 December 2002	26,686.88
	Total:	26,686.88

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 26,686 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Fu Guo Yong (2001) Zi Di Te 019	28 February 2001	26,686	Residential: 21 January 2071 Commercial, Tourism and Recreational: 21 January 2041 Others: 21 January 2051
	Total:	26,686	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) No. 04 Deng Ji Zi 5778 dated 5 April 2004 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the Development, in which the property is located, has been granted to the Group.

4. Portion of the property with a total gross floor area of approximately 159 sq.m. has been contracted to be sold for the total purchase price of RMB 1,233,432. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchaser. The Group has to transfer the building ownership to the purchaser for the purchaser's occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreement. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchaser's approval and termination of the relevant sale and purchase agreement.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
18.	Various apartment units and car parking spaces in the completed groups of Jinbi New City Garden, Huangshi Road South, Shi Jing Town, Baiyun District, Guangzhou City, Guangdong Province, the PRC	The property comprises 17 apartment units with a total gross floor area of approximately 1,355.5 sq.m. and 3 car parking spaces. Jinbi New City Garden ("the Development") (of which the property and Property 8 set out in this property valuation form part) occupies a site with an area of approximately 120,240 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 428,003 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 7 May 2003.	The property is currently vacant.	11,400,000 (100% interests attributable to the Group: RMB 11,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreements, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 120,240 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 95,032,108.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2003] 97,	10 April 2003	120,240
No. 1 Supplemental agreement	7 November 2005	
No. 2 Supplemental agreement	9 May 2007	
	Total:	120,240

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 120,240 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Sui Fu Guo Yong (2006) 01100100	4 September 2006	120,240	Residential: 6 May 2073 Commercial, Tourism and Recreational: 6 May 2043 Others: 6 May 2053
	Total:	120,240	

3. Portion of the property with a total gross floor area of approximately 110 sq.m. has been contracted to be sold for the total purchase price of RMB 890,719. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
19.	Various apartment units and a retail shop unit in the completed groups of Jinbi Atrium, New Guangcong Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC	The property comprises 7 apartment units with a total gross floor area of approximately 586.55 sq.m. and a retail shop unit with a total gross floor area of approximately 44.54 sq.m.. Jinbi Atrium ("the Development") (of which the property and Property 11 set out in this property valuation form part) occupies a site with an area of approximately 54,930 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 209,005 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 21 July 2004.	The property is currently vacant.	3,790,000 (100% interests attributable to the Group: RMB 3,790,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of part of the Site, where the Development is located therein, with a total site area of approximately 48,989 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 39,668,282.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2004] 48	12 March 2004	48,989
No. 1 Supplemental agreement	28 August 2007	
	Total:	48,989

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 54,929.557 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2004) Di 188	22 July 2004	54,929.557	Residential: 20 July 2074 Commercial, Tourism and Recreational: 20 July 2044 Others: 20 July 2054
	Total:	54,929.557	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificates (廣州市房地產權屬證明書) No. 07 Deng Ji 01801593 dated 20 September 2007 and No. 07 Deng Ji 01803506 dated 12 November 2007 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of portion of the property with a gross floor area of approximately 251 sq.m. has been granted to the Group.

4. Portion of the property with a total gross floor area of approximately 380 sq.m. has been contracted to be sold for the total purchase price of RMB 1,693,506. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
20.	Various apartment units in the completed groups of Jinbi Bay Garden, Gexin Road, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 3 apartment units with a total gross floor area of approximately 160 sq.m.. Jinbi Bay Garden ("the Development") (of which the property and Property 10 set out in this property valuation form part) occupies a site with an area of approximately 20,403 sq.m. ("the Site") and has been developed with a total gross floor area of approximately 89,323 sq.m.. The property was completed in about 2007. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 28 April 2003.	The property is currently vacant.	1,960,000 (100% interests attributable to the Group: RMB 1,960,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 42,310 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 171,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Sui Guo Di Chu He [2002] 327	11 December 2002		42,310
		Total:	42,310

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 20,403 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2006) Di 01100152	15 November 2006	20,403	Residential: 27 April 2073 Commercial, Tourism and Recreational: 27 April 2043 Others: 27 April 2053
	Total:	20,403	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) No. 07 Deng Ji Zi 01800869 dated 12 June 2007 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of portion of the property with a gross floor area of approximately 137 sq.m. has been granted to the Group.

4. Portion of the property with a total gross floor area of approximately 23 sq.m. has been contracted to be sold for the total purchase price of RMB 56,775. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchaser. The Group has to transfer the building ownership to the purchaser for the purchaser's occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreement. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchaser's approval and termination of the relevant sale and purchase agreement.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid and binding.

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
21.	Various apartment units in Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District, Guangzhou City, Guangdong Province, the PRC	The property comprises 56 apartment units with a total gross floor area of approximately 5,721 sq.m.. Jinbi Junhong Garden ("the Development") (of which the property, Property 12 and Property 36 set out in this property valuation form part) occupies a site with an area of approximately 36,357 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 197,013 sq.m.. The property was completed in about 2008. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 13 January 2006.	The property is currently vacant.	44,700,000 (100% interests attributable to the Group: RMB 44,700,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 44,258 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 45,964,038.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He (2004) 290	31 August 2004	44,258
No. 1 Supplemental agreement	8 December 2005	
	Total:	44,258

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 36,357 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2005) Zi Di 362	16 January 2006	36,357	Residential: 12 January 2076 Commercial, Tourism and Recreational: 12 January 2046 Others: 12 January 2056
	Total:	36,357	

3. Pursuant to the Guangzhou City Real Estate Title and Rights Certificate (廣州市房地產權屬證明書) No. 08 Deng Ji 0184018 issued by Guangzhou City State-owned Land Resource and Property Bureau, the building ownership of the property with a gross floor area of approximately 5,965 sq.m. has been granted to the Group.

4. Portion of the property with a gross floor area of approximately 754 sq.m. has been contracted to be sold for the total purchase price of RMB 6,805,879. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Units 101–102 & –102 of Block D1–D6, Units 01–08, 2/F to 6/F of Block D3–D6, Units 01–08, 7/F to 11/F of Block D3–D6	N/A	23 March 2006	China Construction Bank — Guangzhou Yuexiu Branch
Units 101–102 & –102 of Block D1–D6, Units 01–08, 2/F to 6/F of Block D3–D6, Units 01–08, 7/F to 11/F of Block D3–D6	N/A	11 September 2006	China Construction Bank — Guangzhou Yuexiu Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Guangzhou City Real Estate Title and Rights Certificate/Realty Title Certificate	Yes

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
22.	Various apartment units, villas and hotel portion in the completed groups of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	The property comprises various apartment units with a total gross floor area of approximately 4,605 sq.m., various villas with a total gross floor area of approximately 40,108 sq.m., a hotel (other than the retail part shown in Property 13) with a total gross floor area of approximately 23,752 sq.m., and a kindergarten and other ancillary building with a total gross floor area of approximately 36,458 sq.m.. Evergrande Royal Scenic Peninsula ("the Development") (of which the property, Property 13 and Property 37 set out in this property valuation form part) occupies a site with an area of approximately 543,528.79 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,073,147 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term from 25 May 2004 and 19 June 2003 respectively to 27 October 2063 for mixed residential use.	The property is currently vacant or occupied by the Group.	1,480,000,000 (60% interests attributable to the Group: RMB 888,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 543,546 sq.m. have been contracted to be granted to Nanhai City Property Group at a total consideration of RMB 16,306,398.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Nan Guo Chu Rang Zi [1993] Jia Di 018	18 March 1993		543,546
		Total:	543,546

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 543,528.79 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Nan Fu Guo Yong [2004] Di Te 050016	25 May 2004	179,525.99	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050017	25 May 2004	152,832.59	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050015	25 May 2004	173,993.83	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2003] Di Te 050061	19 June 2003	37,176.38	Mixed Residential: 27 October 2063
	Total:	543,528.79	

3. Pursuant to the Realty Title Certificate (房地產權證) No. Yue Fang Di Zheng Zi Di C7159294 dated 19 January 2009 issued by Foshan City Property Bureau, the building ownership of the hotel portion (including the retail part shown in property 13 of this valuation report) of the property with a gross floor area of approximately 26,252.2 sq.m. has been granted to the Group.

4. Pursuant to the Realty Title Certificate (房地產權證) No. Yue Fang Di Quan Zheng Fo Zi Di 0200014198, the building ownership of the kindergarten portion of the property with a gross floor area of approximately 1,808.65 sq.m. has been granted to the Group.

5. Portion of the property with a total gross floor area of approximately 6,893 sq.m. has been contracted to be sold for the total purchase price of RMB 130,763,370. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. For those properties that have been granted the Realty Title Certificates, the Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease, mortgage or otherwise dispose of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 200928	27 March 2009	Lishui Credit Community
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 2009 Nian 48, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi Lixin No. 2009 Nian 49, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 200947	23 June 2009	Lishui Credit Community
Nan Fu Guo Yong (2003) Di Te 050061	Mortgage Contract No. Gong Dan Di Zi No. 99032009293203, Guarantee Contract No. Gong Dan Bao Zi No. 99032009293203	26 June 2009	China Minsheng Bank — Guangzhou Branch
Nan Fu Guo Yong (2004) Di Te 050016 (Site area: 26,487.4 sq.m.)	Maximum Amount Mortgage Contract No. 2009 Nian Li Di Zi No. 010	25 August 2009	Industrial and Commercial Bank of China — Fushan Dali Branch

7. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	Part

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
23.	Various apartment units in the completed groups of Evergrande Scenic Garden, Beiyingling, Tuanjie Village, Zhongxin Town, Zengcheng City of Guangzhou, Guangdong Province, the PRC	The property comprises various apartment units with a total gross floor area of approximately 1,541 sq.m. and various villas with a total gross floor area of approximately 1,732 sq.m.. Evergrande Scenic Garden ("the Development") (of which the property and Property 38 set out in this property valuation form part) occupies a site with an area of approximately 536,199 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 751,914 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use expiring on 8 June 2076, 6 March 2077, 8 May 2076 and 5 March 2077 respectively, 40 years for commercial use expiring on 19 April 2047 and 5 March 2047 respectively and 50 years for other use expiring on 5 March 2057.	The property is currently vacant.	19,600,000 (100% interests attributable to the Group: RMB 19,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 536,199.12 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 101,800,000.

State-owned Land Use Rights Grant Contract Number	Site Area	Date of Contract
	(sq.m.)	
Zeng Guo Chu He Zi (2006) Di 62	178,855.0	9 June 2006
Zeng Guo Chu He Zi (2006) Di 61	107,612	9 June 2006
440183-2007-000002	122,666.68	6 March 2007
440183-2009-000001	127,065.32	5 May 2009
Total:	536,199.12	

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 536,199.12 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Use and Date of Expiry
Zeng Guo Yong (2009) Di B0600188	19 June 2009	127,065.32	Residential: 5 March 2077, Commercial: 5 March 2047, Others: 5 March 2057
Zeng Guo Yong (2007) Di B0600151	2007	122,666.68	Residential: 6 March 2077
Zeng Guo Yong (2007) Di B0600153	20 April 2007	148,410.08	Residential: 8 May 2076
Zeng Guo Yong (2007) Di B0600152	20 April 2007	30,444.8	Commercial: 19 April 2047
Zeng Guo Yong (2006) Di B0600139	16 June 2006	107,612.12	Residential: 8 June 2076
	Total:	536,199.12	

3. Portion of the property with a total gross floor area of approximately 3,273 sq.m. has been contracted to be sold for the total purchase price of RMB 19,609,255. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group has obtained the relevant Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the property.

   iii. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Zeng Guo Yong (2009) Di B0600188	Mortgage Contract No. (2009) 000031	24 August 2009	Guangzhou City Village Credit Community — Haizhu Credit Bank
Zeng Guo Yong (2006) Di B0600152	Guarantee Contract No. YB8210200828003201	N/A	Shanghai Pudong Development Bank Guangzhou Dongfeng Branch
A villa in District AB	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank Guangzhou Chengnan Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Part
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
24.	Various apartment units in the completed groups of Evergrande Oasis Chengdu, south of Chenglong Road, Longquanyi District, Chengdu City, Sichuan Province, the PRC	The property comprises various apartment units, commercial premises and other ancillary buildings with a total gross floor area of approximately 56,406 sq.m.. Evergrande Oasis Chengdu ("the Development") (of which the property and Property 51 set out in this property valuation form part) occupies a site with an area of approximately 142,145 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 629,449 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 18 December 2076 and 20 August 2077 respectively for residential use and 18 December 2046 for commercial use and 20 August 2047 for office/commercial use.	The property is currently vacant.	258,000,000 (100% interests attributable to the Group: RMB 258,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts entered into between Longquan Municipal Land Resources Bureau and the Group, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 142,145.33 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 196,563,330.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
2006-00650	22 August 2006	106,287.33
N/A	8 March 2007	35,858.00
Supplemental agreement	8 March 2007	—
	Total:	142,145.33

2. Pursuant to the following State-owned Land Use Rights Certificates issued by Longquan Municipal Land Resources Bureau, the land use rights of the Development, with a total site area of approximately 142,145.49 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Long Guo Yong (2006) Di 72566	N/A	106,287.33	Commercial: 18 December 2046 Residential: 18 December 2076
Long Guo Yong (2007) Di 80356	21 August 2007	35,858.16	Commercial/office: 20 August 2047 Residential: 20 August 2077
	Total:	142,145.49	

3. Portion of the property with a total gross floor area of approximately 10,801 sq.m. has been contracted to be sold for the total purchase price of RMB 61,470,358. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisors, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the property and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has obtained the requisite pre-sale permit of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following parts of the property are subject to mortgages, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Land with site area of 57,362 sq.m. under the Land Use Rights Certificate No. Long Guo Yong (2006) Di 72566	Mortgage Contract No. 51902200700011160	28 March 2007	China Agricultural Bank — Chengdu Zongfu Branch
Long Guo Yong (2006) Di 72566	Mortgage Contract No. 51902200700030892	27 July 2007	China Agricultural Bank — Chengdu Zongfu Branch
Long Guo Yong (2007) Di 80356	Maximum Amount Guarantee Contract No. 2007 Nian Zhi Quan Bao Zi No. 0008	15 November 2007	Industrial and Commercial Bank of China — Chengdu Zhi Xian Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Yes
vii.	Construction Works Completion Certified Report	Part
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
25.	Various apartment units of the completed groups of Evergrande Palace Chongqing, The New Northern Zone, Chongqing City, the PRC	The property comprises various apartment units, clubhouse and other ancillary buildings with a total gross floor area of approximately 18,089 sq.m.. Evergrande Palace Chongqing ("the Development") (of which the property and Property 46 set out in this property valuation form part) occupies a site with an area of approximately 160,369.7 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 353,654 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 14 February 2057 for residential use and 14 February 2047 for commercial use.	The property is currently vacant.	58,000,000 (100% interests attributable to the Group: RMB 58,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 169,812.9 sq.m. have been contracted to be granted to the Group at a consideration of RMB 424,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Yu Di (2007) He Zi (Bei Xin Gao) Di 35	14 February 2007	169,812.9
Supplemental Agreement	—	—
	Total:	169,812.9

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 160,369.7 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Issue Date	Site Area (sq.m.)	Land Use and Expiry Date
Bei Xin Gao 112 Fang Di Zheng 2007 Zi Di 09525	30 September 2007	30,389.8	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2008 Zi Di 00094	10 January 2008	23,560.8	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 02540	16 April 2009	37,455.4	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 09315	9 September 2009	33,658.2	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 09825	9 September 2009	33,277.0	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 05357	29 June 2009	2,028.5	Commercial: 14 February 2047 Residential: 14 February 2057
	Total:	160,369.7	

3. The Group has obtained the Realty Title Certificate (北新區112號房地證) no. 2009 Zi Di 05357 of the clubhouse of the property. The ownership of the clubhouse with a gross floor area of approximately 7,267.37 sq.m. has been granted to the Group.

4. Portion of the property with a total gross floor area of approximately 11,489 sq.m. have been contracted to be sold for the total purchase price of RMB 84,112,294. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisors, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract and supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has obtained the requisite pre-sale permit of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following parts of the property are subject to mortgages, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Bei Xin Gao 112 Fang Di Zheng 2008 Zi Di 00094	Mortgage Contract No. 2008 Nian Heng Da Kai Fa Di Zi No. 0001	10 April 2008	Industrial and Commercial Bank of China — Chongqing Shiqiaopu Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certified Report	Part
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	Part

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
26.	Various apartment units in the completed groups of Evergrande Splendor Chongqing, Shuangfu Industrial Park of Jiangjin City of Chongqing, the PRC	The property comprises various apartment units and other ancillary buildings with a total gross floor area of approximately 97,084 sq.m.. Evergrande Splendor Chongqing ("the Development") (of which the property and Property 45 set out in this property valuation form part) occupies a site with an area of approximately 808,798.8 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 813,432 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various Realty Title Certificates for various terms, expiring between 28 December 2056 and 19 July 2059 for residential use and on 28 December 2046 for commercial use.	The property is currently vacant.	502,000,000 (100% interests attributable to the Group: RMB 502,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts entered into between Jiangjin Municipal Land Resources and Housing Management Bureau and the Group, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 808,798.42 sq.m. have been contracted to granted to the Group at a total consideration of RMB 263,134,940.

State-owned Land Use Rights Grant Contract Number	Date of Issuance	Site Area
		(sq.m.)
Yu Di (Jin) He Zi (2006) Di 149	22 December 2006	228,965.42
Yu Di (Jin) He Zi (2006) Di 159	28 December 2006	124,381.00
Yu Di (2009) He Zi (Jiangjin) Di 028	30 June 2009	171,786.00
Yu Di (2009) He Zi (Jiangjin) Di 029	30 June 2009	139,478.00
Yu Di (2009) He Zi (Jiangjin) Di 030	30 June 2009	144,188.00
	Total:	808,798.42

2. Pursuant to the following State-owned Land Use Rights Certificates issued by Chongqing Municipal Land Resource and Housing Management Bureau, the land use rights of the Development, with a total site area of approximately 808,798.80 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Fang Di Zheng 2007 Zi Di 01772	29 January 2007	35,103.99	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01773	29 January 2007	28,308.01	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01774	29 January 2007	58,211.40	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01775	29 January 2007	21,756.04	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01776	29 January 2007	9,378.58	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01777	29 January 2007	39,445.58	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01778	29 January 2007	22,444.17	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01779	29 January 2007	36,131.51	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01780	29 January 2007	26,010.04	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 02960	27 February 2007	35,904.85	Mixed Residential: 28 December 2056
Fang Di Zheng 2007 Zi Di 02961	27 February 2007	40,652.08	Mixed Residential: 28 December 2056
203 Fang Di Zheng 2009 Zi Di 11100	14 July 2009	84,165.67	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11101	14 July 2009	92,682.88	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11102	14 July 2009	46,795.47	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11103	14 July 2009	112,892.66	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11104	14 July 2009	58,893.78	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11105	14 July 2009	60,022.99	Residential: 19 July 2059
	Total:	808,798.80	

3. Portion of the property with a total gross floor area of approximately 5,596 sq.m. has been contracted to be sold for the total purchase price of RMB 43,907,230. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the property.

iii. The Group has obtained the requisite pre-sale permit of portion of part of the property and has the right to pre-sell the same.

iv Portion of the property has been contracted to be sold but the building ownership of which has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
203 Fang Di Zheng 2007 Zi Di 01775, 203 Fang Di Zheng 2007 Zi Di 01776, 203 Fang Di Zheng 2007 Zi Di 01777, 203 Fang Di Zheng 2007 Zi Di 01778 & Presold Permit of 40 villas under the Jin Guo Tu Fang Guan (2008) Yu Zi No. 046	Maximum Amount Guarantee Contract No. 2009 Nian Jiang Jin Bao Zi No. 0001	19 June 2009	Industrial and Commercial Bank of China — Chongqing Jijiang Branch
203 Fang Di Zheng 2007 Zi Di 01779, 203 Fang Di Zheng 2009 Zi Di 11105, Bei Xin Gao 112 Fang Di Zheng 2008 Zi No. 00094 and Jin Guo Tu Fang Guan 2009 Yu Zi No. 019	N/A	N/A	Sanxia Bank — Yubei Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Part
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
27.	Various apartment units in the completed groups of Evergrande Palace Wuhan, Dong Hu Development District, Wuhan City, Hubei Province, the PRC	The property comprises various apartment units and other ancillary buildings with a total gross floor area of approximately 61,631 sq.m.. Evergrande Palace Wuhan ("the Development") (of which the property and Property 65 set out in this property valuation form part) occupies a site with an area of approximately 284,577 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 564,596 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 29 December 2046 for commercial/office use and 29 December 2076 for residential use.	The property is currently vacant.	357,000,000 (100% interests attributable to the Group: RMB 357,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of part of the Site, where the Development is located therein, with a total site area of approximately 282,245.95 sq.m. have been contracted to be granted to the Group at a consideration of RMB 829,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area (sq.m.)
GF-2000-2601	29 December 2006		282,245.95
		Total:	282,245.95

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 284,576.86 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Wu Xin Guo Yong (2007) Di. 035	9 April 2007	39,932.62	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di. 036	9 April 2007	41,857.83	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 105	25 October 2007	42,358.32	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 125	31 October 2007	28,027.58	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 111	22 October 2007	25,116.97	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 112	22 October 2007	41,560.43	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 113	22 October 2007	26,024.82	Residential: 29 December 2076 Commercial/Office: 29 December 2046
Wu Xin Guo Yong (2007) Di 114	22 October 2007	39,698.29	Residential: 29 December 2076 Commercial/Office: 29 December 2046
	Total:	284,576.86	

3. Portion of the property with a total gross floor area of approximately 20,549 sq.m. has been contracted to be sold for the total purchase price of RMB 134,931,318. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of those portions.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has obtained the requisite pre-sale permit of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership of which has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the Development are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Wu Xin Guo Yong (2007) Di 036	Mortgage Contract No. 4290220070000401	31 May 2007	China Agricultural Bank — Wuhan City Jiangnan Branch
Construction work of Block 37–51	Maximum Amount Guarantee Contract No. 42905200700000066	4 June 2007	China Agricultural Bank — Wuhan City Jiangnan Branch
Wu Xin Guo Yong (2007) No. 105 and construction work of Block 13–28	Mortgage Contract No. 2008GSDK055-DB	8 May 2008	China Construction Bank — Hubei Province Branch
Wu Xin Guo Yong (2007) No. 035	Maximum Amount Mortgage Contract No. 2007 Dong Hu Di Zi 100 Maximum Amount Guarantee Contract No. 2007 Dong Hu Bao 0011	14 June 2007	Industrial and Commercial Bank of China — Wuhan Donghu Development District Branch
Wu Xin Guo Yong (2007) No. 105 and construction work of Block 13–28	Mortgage Contract No. 2007GSDK066-DY001	25 October 2007	China Construction Bank — Hubei Province Branch
Wu Xin Guo Yong (2007) No. 125	Maximum Amount Mortgage Contract No. 2007 Nian Dong Di Zi 1128	N/A	China Merchant's Bank — Wuhan Donghu Branch
Wu Xin Guo Yong (2007) No. 125 (Site area: 28,027.58)	N/A	N/A	China Everbright Bank — Wuhan Branch
Wu Xin Guo Yong (2007) No. 111 to No. 114	Realty Maximum Amount Mortgage Contract	4 March 2009	Shanghai Pudong Development Bank — Wuhan Branch

5. A summary of major certificate/approvals is shown follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certified Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
28.	Various apartment units in the completed groups of Evergrande City Chongqing, Ba'nan District, Chongqing City, the PRC	The property comprises various apartment units and other ancillary buildings with a total gross floor area of approximately 74,851 sq.m. Evergrande City Chongqing ("the Development") (of which the property and Property 47 set out in this property valuation form part) occupies a site with an area of approximately 316,329 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,174,862 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 10 July 2057 for residential use and expiring on 10 July 2047 for commercial use.	The property is currently vacant.	200,000,000 (100% interests attributable to the Group: RMB 200,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 316,760 sq.m. have been contracted to be granted to the Group at a consideration of RMB 459,910,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area (sq.m.)
Yu Di (2007) He Zi (Ba Nan) Di 196	11 July 2007	316,760
	Total:	316,760

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 316,329 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
202D Fang Di Zheng 2008 Zi Di 00137	28 February 2008	198,112	Residential: 10 July 2057 Commercial: 10 July 2047
202D Fang Di Zheng 2009 Zi Di 00228	10 June 2009	118,217	Residential: 10 July 2057 Commercial: 10 July 2047
	Total:	316,329	

3. Portion of the property with a gross floor area of approximately 26,905 sq.m. has been contracted to be sold for the total purchase price of RMB 115,055,375. In arriving at our opinion on the capital value of the property, we have taken into account to he purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
202D Fang Di Zheng 2008 Zi Di 00137 (Site area: 72,956 sq.m.)	Mortgage Contract No. Gong Dan Di Zi No. 99112009296703 Maximum Amount Guarantee Contract No. Gong Gao Bao Zi Di 99112009296679	8 April 2009	China Minsheng Bank — Chongqing Branch
202D Fang Di Zheng 2009 Zi Di 00228 (Site area: 15,000 sq.m.)	Mortgage Contract No. Gong Dan Di Zi No. 99112009294182	18 June 2009	China Minsheng Bank — Chongqing Branch
202D Fang Di Zheng 2008 Zi Di 00137 (Site area: 31,555 sq.m.)	Mortgage Contract No. 55902200900020104 (with consent from China Minsheng Bank Chongqing Branch)	13 July 2009	China Agricultural Bank — Chongqing City Banan Branch
202D Fang Di Zheng 2009 Zi Di 00228 (Site area: 48,217 sq.m.)	Mortgage Contract No. 55902200900020107 (with consent from China Minsheng Bank Chongqing Branch)	13 July 2009	China Agricultural Bank — Chongqing City Banan Branch

5. A summary of major certificate/approvals is shown follows:

i.	Stated–owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
29.	Various apartment units in the completed groups of Evergrande City Chengdu, Chengnan Economic Zone, Liucheng Town, Wenjiang District, Chengdu City, Sichuan Province, the PRC	The property comprises various apartment units with a total gross floor area of approximately 77,751 sq.m. Evergrande City Chengdu ("the Development") (of which the property and Property 50 set out in this property valuation form part) occupies a site with an area of approximately 169,501 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 698,761 sq.m.. The property was completed in about 2009. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms expiring on 31 October 2076 for residential use and 31 October 2046 for commercial use.	The property is currently vacant.	633,000,000 (100% interests attributable to the Group: RMB 633,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Certificate issued by Wenjiang Land Resource Bureau, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 169,501.04 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Gross Floor Area	Land Use and Date of Expiry
		(sq.m.)	
Wen Guo Yong 2007 Di 424	1 June 2007	169,501.04	Residential: 31 October 2076 Commercial: 31 October 2046
	Total:	169,501.04	

2. Portion of the property with a gross floor area of approximately 30,735 sq.m. has been contracted to be sold for the total purchase price of RMB 165,236,043. In arriving at our opinion on the capital value of the property, we have taken into account to the purchase price of such portion.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificate of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

   v. The following parts of the property are subject to mortgages, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	**Encumbrance No.**	**Date of instruments**	**Creditor**
Land with site area of 68,667 sq.m. under the Land Use Rights Certificate No. Wen Guo Yong 2007 Di 424	Mortgage Contract No. 51902200700022120	14 June 2007	China Agricultural Bank — Chengdu Zongfu Branch
Wen Guo Yong 2007 Di 424	N/A	17 September 2009	Bohai Bank — Chengdu Branch

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	No
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
30.	Various villas in the completed groups of Evergrande Splendor Kunming, Puhe Village, Lianran Town, Anning City, Kunming, Yunnan Province, the PRC	The property comprises various villas with a total gross floor area of approximately 8,337 sq.m. Evergrande Splendor Kunming ("the Development") (of which the property and Property 56 set out in this property valuation form part) occupies a site with an area of approximately 660,890.7 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 918,832 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 5 October 2077 for residential use and on 26 December 2047 and 26 December 2077 for commercial use.	The property is currently vacant.	35,900,000 (100% interests attributable to the Group: RMB 35,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 660,890.7 sq.m. have been contracted to be granted to the Group at a consideration of RMB 145,625,892.41.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
An Guo Tu Zi Chu (2007) He Tong Zi Di 348 and its supplemental agreement	25 September 2007	217,278.6
An Guo Tu Zi Chu (2007) He Tong Zi Di 349 and its supplemental agreement	25 September 2007	347,045.1
An Guo Tu Zi Chu (2007) He Tong Zi Di 350 and its supplemental agreement	25 September 2007	96,567.0
	Total:	660,890.7

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 660,890.7 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
An Guo Yong (2008) Di 0004	4 January 2008	217,278.6	Commercial: 26 December 2077
An Guo Yong (2008) Di 0005	4 January 2008	96,567	Commercial: 26 December 2047
An Guo Yong (2007) Di 0480	7 November 2007	347,045.1	Residential: 5 October 2077
	Total:	660,890.7	

3. Portion of the property with a gross floor area of approximately 8,337 sq.m. has been contracted to be sold for the total purchase price of RMB 35,862,952. In arriving at our opinion on the capital value of the property, we have taken into account to the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, inter alia, the following information:

   i. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchaser. The Group has to transfer the building ownership to the purchaser for the purchaser's occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreement. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchaser's approval and termination of the relevant sale and purchase agreement.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

   v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
An Guo Yong (2007) Di 0480	Mortgage Contract No. (Pan) Nong Yin Di Zi 2007 No. 018	29 December 2007	China Agricultural Bank — Kunming City Pan Long Branch
An Guo Yong (2008) Di 0004	Mortgage Contract No. 2008 Nian Gao Xin (Di) Zi 0003 and Guarantee Contract No. 2008 Nian Gao Xin (Bao) Zi 0001	9 April 2008	Industrial and Commercial Bank of China — Kunming Gao Xin Branch

5. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
31.	Various apartment units in the completed groups of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang City, Liaoning Province, the PRC	The property comprises various villas with a total gross floor area of approximately 67,391 sq.m. Evergrande Oasis Shenyang ("the Development") (of which the property and Property 62 set out in this property valuation form part) occupies a site with an area of approximately 290,723.68 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 832,509 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term expiring on 31 December 2056 and 31 December 2057 for residential use.	The property is currently vacant.	363,000,000 (100% interests attributable to the Group: RMB 363,000,000)

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 29 December 2006, the land use rights of, inter alia, the Site, where the Development is located therein, with a total site area of approximately 602,130 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 692,449,500.

2. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 290,723.71 sq.m. have been contracted to be granted to the Group at a consideration of RMB 498,901,993.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
Shen Gui Guo Tu Yu Chu He Zi (2007) 011	17 April 2007	60,707.17
Shen Gui Guo Tu Yu Chu He Zi (2007) 016	25 May 2007	10,565.35
Shen Gui Guo Tu Yu Chu He Zi (2007) 024	18 August 2007	128,222.81
Shen Gui Guo Tu Yu Chu He Zi (2008) 016	20 July 2008	91,228.38
	Total:	290,723.71

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 290,723.68 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Shen Yang Guo Yong (2007) No. YHXC001	17 April 2007	60,707.17	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC002	19 May 2007	10,565.35	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC031	25 September 2007	48,305.10	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC030	25 September 2007	30,508.35	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC032	26 September 2007	22,068.23	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC033	26 September 2007	13,900.06	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC011	28 August 2007	13,441.07	Residential: 31 December 2056
Shen Yang Guo Yong (2008) No. YHXC020	28 July 2008	29,811.81	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC021	28 July 2008	22,627.94	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC022	28 July 2008	9,024.96	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC023	28 July 2008	23,680.81	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC024	28 July 2008	6,082.83	Residential: 31 December 2057
	Total:	290,723.68	

4. Portion of the property with a gross floor area of approximately 27,320 sq.m. has been contracted to be sold for the total purchase price of RMB 130,551,232. In arriving at our opinion on the capital value of the property, we have taken into account to the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the property and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchaser for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Shen Yang Guo Yong (2007) No. YHXC001 and its construction works, Shen Yang Guo Yong (2007) No. YHXC002	Mortgage Contract No. 21902200700002075 Guarantee Contract No. 21901200700001374	18 July 2007	China Agricultural Bank — Shenyang Binhe Branch
Shen Yang Guo Yong (2007) No. YHXC011 and its construction works	Maximum Amount Mortgage Contract No. (2007) Liao 722211071636 Maximum Amount Guarantee Contract No. (2007) Liao Yin Zui Gao Bao 722211071636	8 October 2007	China Citic Bank — Shenyang Branch
Construction works on the site of Shen Yang Guo Yong (2007) No. YHXC030	N/A	12 June 2008	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Shen Yang Guo Yong (2007) No. YHXC030	Mortgage Contract No. 2008 Nian Shenhe (Di) Zi 0001	18 April 2008	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Shen Yang Guo Yong (2007) No. YHXC032	Mortgage Contract No. 33010070-2009 Nian Shenhe (Di) Zi 0002	30 June 2009	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Construction works on the site of Shen Yang Guo Yong (2007) No. YHXC032	Mortgage Contract No. 33010070-2009 Nian Shenhe (Di) Zi 0001	30 June 2009	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Shen Yang Guo Yong (2007) No. YHXC033 and its construction works	N/A	13 January 2009	Shengjing Bank — Shenyang City Yuhong Branch
Shen Yang Guo Yong (2007) No. YHXC023	Mortgage Contract No. Liao Jiao Yin Bei Zhan 2009 Nian Di Zi 012 Guarantee Contract No. Liao Jiao Yin Bei Zhan 2009 Nian Bao Zi 012	17 July 2009	Bank of Communication — Liaoning Province Branch

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Shen Yang Guo Yong (2008) No. YHXC021 (Site are: 22,627.94)	Mortgage Contract No. 09 Di 015, Guarantee Contract No. 09 Di 015	9 September 2009	Bank of Communication — Liaoning Province Branch
Shen Yang Guo Yong (2008) No. YHXC024	N/A	N/A	China Everbright Bank — Jincheng Branch

6. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
32.	Various apartment units in the completed groups of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC	The property comprises various apartment units with a total gross floor area of approximately 114,844 sq.m. Evergrande City Shenyang ("the Development") (of which the property and Property 61 set out in this property valuation form part) occupies a site with an area of approximately 331,097.5 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 842,933 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 7 June 2057 and 23 September 2058 for residential use and expiring on 7 June 2047 and 23 September 2048 for commercial use.	The property is currently vacant.	529,000,000 (100% interests attributable to the Group: RMB 529,000,000)

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 22 December 2006, the land use rights of, inter alia, the Site, where the Development is located therein, with a total site area of approximately 355,000 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 249,920,000.

2. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 331,097.5 sq.m. have been contracted to be granted to the Group at a consideration of RMB 233,332,708.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
Shen Gui Guo Tu Chu He Zi (2007) 0072	7 June 2007	119,864.7
Shen Gui Guo Tu Chu He Zi (2007) 0161	13 December 2007	65,512.5
Shen Gui Guo Tu Chu He Zi (2008) 0089	22 September 2008	97,706.7
2101012009A0024	2 March 2009	48,013.6
	Total:	331,097.5

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 331,097.5 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Shen Yang Guo Yong (2007) No. 0365	19 November 2007	108,625.5	Residential: 7 June 2057 Commercial: 7 June 2047
Shen Yang Guo Yong (2007) No. 0382	19 December 2007	76,751.7	Residential: 7 June 2057 Commercial: 7 June 2047
Shen Yang Guo Yong (2008) No.0199	22 October 2008	25,084	Residential: 23 September 2058 Commercial: 23 September 2048
Shen Yang Guo Yong (2008) No. 0200	22 October 2008	72,622.7	Residential: 23 September 2058 Commercial: 23 September 2048
Shen Yang Guo Yong (2009) No. 0047	12 March 2009	48,013.6	Residential: 23 September 2058
	Total:	331,097.5	

4. Portion of the property with a gross floor area of approximately 86,784 sq.m. has been contracted to be sold for the total purchase price of RMB 388,734,604. In arriving at our opinion on the capital value of the property, we have taken into account to the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Shen Yang Guo Yong (2007) No. 0365 and its construction works	Guarantee Contract No. 21901200700002146	30 November 2007	China Agricultural Bank — Shenyang Binhe Branch
Shen Yang Guo Yong (2008) No. 0200, Shen Yang Guo Yong (2009) No. 0047, Shen Yang Guo Yong (2008) No. 0199, the construction works and construction works spilt land of Shen Yang Guo Yong (2007) No. 0382	Shengjing Bank Mortgage Contract No. 0323012009200003	27 April 2009	Shengjing Bank Shenyang City Yuhong Branch

6. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
33.	Various villas in the completed groups of Evergrande Splendor E'zhou, Huarong District, E'zhou City, Hubei Province, the PRC	The property comprises various villas and kindergarten with a total gross floor area of approximately 10,790 sq.m. Evergrande Splendor E'Zhou ("the Development") (of which the property and Property 68 set out in this property valuation form part) occupies a site with an area of approximately 765,073.1 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 858,257 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 20 March 2047 and 20 March 2077 for residential use.	The property is currently vacant.	42,000,000 (100% interests attributable to the Group: RMB 42,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 765,073 sq.m. have been contracted to be granted to the Group at a consideration of RMB 136,263,600.

State-owned Land Use Right Grant Contacts Number	Date of Contract		Site Area
			(sq.m.)
N/A	21 March 2007		765,073
		Total:	765,073

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 765,073.10 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
E Zhou Guo Yong (2007) No. 2-67	30 September 2007	35,241.7	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-68	30 September 2007	25,299.2	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-69	30 September 2007	30,256.8	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-70	30 September 2007	115,420.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-71	30 September 2007	96,695.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-72	30 September 2007	157,551.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-30	20 April 2007	67,137.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-46	18 July 2007	27,777.6	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-47	18 July 2007	22,528.9	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-48	18 July 2007	34,688.2	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-49	18 July 2007	24,236.1	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-50	18 July 2007	33,499.8	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-51	18 July 2007	3,507.6	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-52	18 July 2007	9,000	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-53	18 July 2007	24,154.9	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-54	18 July 2007	58,078,1	Residential: 20 March 2047
	Total:	765,073.10	

3. Portion of the property with a gross floor area of approximately 6,698 sq.m. has been contracted to be sold for the total purchase price of RMB 32,994,566. In arriving at our opinion on the capital value of the property, we have taken into account to the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. For those properties that has been granted the Realty Title Certificates the Group legally owns the building ownership of the property and is entitled to occupy, use, transfer, lease and mortgage the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchaser. The Group has to transfer the building ownership to the purchaser for the purchaser's occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreement. Before the aforesaid transfer, the building

ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchaser's approval and termination of the relevant sale and purchase agreement.

iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
E zhou Guo Yong (2007) No. 2-30, Construction work of 1#–18# Building, E zhou Guo Yong (2007) No. 2-46, E zhou Guo Yong (2007) No. 2-47, E zhou Guo Yong (2007) No. 2-48, E zhou Guo Yong (2007) No. 2-49, E zhou Guo Yong (2007) No. 2-50, E zhou Guo Yong (2007) No. 2-51, E zhou Guo Yong (2007) No. 2-52, E zhou Guo Yong (2007) No. 2-53, E zhou Guo Yong (2007) No. 2-54	Mortgage Contract No. (Guo mao) Nong Yin (2007) Guo Di Zi 2007-001 Maximum Amount Guarantee Contract No. 429052007000000169	3 December 2007	China Agricultural Bank — E'zhou, Guo mao Branch

vi. The Group legally owns the building ownership of the kindergarten of the property and is entitled to occupy, use, transfer, lease and mortgage the same.

5. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	Part

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
34.	Various villas in the completed groups of Evergrande Splendor Tianjin, Shi Fo Village North, Guan Zhuang Town, Ji County, Tianjin City, the PRC	The property comprises various villas with a total gross floor area of approximately 304 sq.m. Evergrande Splendor Tianjin ("the Development") (of which the property and Property 42 set out in this property valuation form part) occupies a site with an area of approximately 854,165.4 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 512,650 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 12 February 2077, 23 September 2079 and 24 September 2079 for residential use and 12 February 2047 for commercial use.	The property is currently vacant.	1,370,000 (100% interests attributable to the Group: RMB 1,370,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 854,165.4 sq.m. have been contracted to be granted to the Group at a consideration of RMB 165,600,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
Jin Ji (Gua) 2006-025	5 February 2007	235,605.6
Jin Ji (Gua) 2006-017	5 February 2007	431,061.1
Jin Ji (Gua) 2009-12	2 September 2009	82,203.6
Jin Ji (Gua) 2009-13	2 September 2009	45,757
Jin Ji (Gua) 2009-14	2 September 2009	59538.1
	Total:	854,165.4

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 854,165.4 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Ji Dan Guo Yong (2007) 005	27 March 2007	99,224.3	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 006	27 March 2007	61,443.6	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 007	27 March 2007	191,440	Commercial: 12 February 2047
Ji Dan Guo Yong (2007) 010	27 March 2007	78,953.2	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 008	27 March 2007	68,534.5	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 009	27 March 2007	167,071.1	Residential: 12 February 2077
Fang Di Zheng Ji Zi No. 125050908672	25 September 2009	82,203.6	Residential: 23 September 2079
Fang Di Zheng Ji Zi No. 125050908675	25 September 2009	45,757	Residential: 24 September 2079
Fang Di Zheng Ji Zi No. 125050908673	25 September 2009	59538.1	Residential: 23 September 2079
	Total:	854,165.4	

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to occupy, use, transfer, lease and mortgage the property.

iii. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Construction works in District D, E, H	N/A	29 October 2007	Industrial and Commercial Bank of China — Tianjin Hebei Branch
The land use rights of District B, C and the construction works in District F, G, I	Maximum Amount Mortgage Contract No. 12906200700000527, 12906200700000528, 12906200700000529, 12906200700000530 Maximum Amount Guarantee Contract No. 12905200700000427	29 December 2007	China Agricultural Bank — Tianjin Ji Xian Branch

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
35.	Various villas in the completed groups of Evergrande Splendor Nanjing, Wolong Avenue, Yongyang Town, Lishui County, Nanjing City, Jiangsu Province, the PRC	The property comprises various villas with a total gross floor area of approximately 6,791 sq.m. Evergrande Splendor Tianjin ("the Development") (of which the property and Property 69 set out in this property valuation form part) occupies a site with an area of approximately 983,033.10 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,133,523 sq.m.. The property was completed in about 2009. The land use rights of the property are held under various State-owned Land Use Certificates for various terms, expiring on 30 May 2077 for residential use and 30 May 2047 for commercial use.	The property is currently vacant.	43,000,000 (100% interests attributable to the Group: RMB 43,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 982,713.7 sq.m. have been contracted to be granted to the Group at a consideration of RMB 296,300,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
Li Guo Tu Zi Rang He [2007] 63	10 April 2007	316,788.2
Li Guo Tu Zi Rang He [2007] 61	10 April 2007	348,484.5
Li Guo Tu Zi Rang He [2007] 62	10 April 2007	317,441
	Total:	982,713.7

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 983,033.1 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Ning Li Guo Yong (2007) Di. 1710	31 May 2007	120,279.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1713	31 May 2007	12,917.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1711	31 May 2007	8,470.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1712	31 May 2007	19,413.8	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1709	31 May 2007	13,045.6	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1708	31 May 2007	147,999.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3407	18 September 2007	16,246.6	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 4053	12 November 2007	4,179.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 4054	12 November 2007	94,680.4	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3611	15 October 2007	10,105.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3612	15 October 2007	68,325.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3613	15 October 2007	15,792.5	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3614	15 October 2007	87,470.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00075	4 January 2008	26,262.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00076	4 January 2008	21,617.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00077	4 January 2008	19,994.2	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00078	4 January 2008	34,973.7	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00079	4 January 2008	40,329.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00680	18 March 2008	38,018.7	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00081	4 January 2008	15,479.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) No. 3408	18 September 2007	98,085.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) No. 3409	18 September 2007	67,195.5	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) No. 00586	12 March 2008	433.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) No. 00667	18 March 2008	1,715.3	Residential: 30 May 2077 Commercial: 30 May 2047
	Total:	983,033.1	

3. Portion of the property with a gross floor area of approximately 6,557 sq.m. has been contracted to be sold for the total purchase price of RMB 41,077,351. In arriving at our opinion on the capital value of the property, we have taken into account othe purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the property and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for the purchasers' occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   iv. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

   v. The following portions of the property are subject to mortgages, and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	**Encumbrance No.**	**Date of instruments**	**Creditor**
Ning Li Guo Yong (2007) No. 1709, 1711, 4053, 00075, 00076, 00078, 00079, 00081, construction works of 147 villas, 314 apartment units and a hotel	State-owned Land Use Rights Mortgage Contract No. 2007106, 2007107, 2007108, 2007109, 2007110	29 October 2007	China Agricultural Bank — Lishui xian Branch
Construction works on the Site of Ning Li Guo Yong (2007) No. 3409, 3408, 1708	State-owned Land Use Rights Mortgage Contract No. 2007115, 2007116, 2007117	15 November 2007	Industrial and Commercial Bank of China — Nanjing Xuanwu Branch
Construction works of 288 apartment units	Maximum Amount Mortgage Contract	August 2009	Nanjing City Liuhe District Village Credit Community

5. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Yes
vii.	Construction Works Completion Certificate Report	Yes
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	No

VALUATION CERTIFICATE

Group III — Property interests held by the Group under development in the PRC

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
36.	The developing groups of Jinbi Junhong Garden, Guangshen Road South, Wenchong Village, Dasha Town, Huangpu District Guangzhou City, Guangdong Province, the PRC	Upon completion, the developing portions of the property will comprise various commercial premises with a total gross floor area of approximately 39,438 sq.m.. Jinbi Junhong Garden ("the Development") (of which the property, Property 12 and Property 21 set out in this property valuation form part) occupies a site with an area of approximately 36,357 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 197,013 sq.m.. The property is expected to be completed in about 2010. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 13 January 2006.	The property is currently under development.	111,400,000 (100% interests attributable to the Group: RMB 111,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 44,258 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 45,964,038.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He (2004) 290	31 August 2004	44,258
No. 1 Supplemental agreement	8 December 2005	
	Total:	44,258

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 36,357 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Sui Guo Yong (2005) Zi Di 362	16 January 2006	36,357	Residential: 12 January 2076 Commercial, Tourism and Recreational: 12 January 2046 Others: 12 January 2056
	Total:	36,357	

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant Land Use Rights Certificates and the relevant effective construction approval in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

4. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
37.	The developing groups and reserved land of of Evergrande Royal Scenic Peninsula, Caochang Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units, villas and retail units and various car parking spaces with a total gross floor area of approximately 796,205 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 13,292 sq.m.. Evergrande Royal Scenic Peninsula ("the Development") (of which the property, Property 13 and Property 22 set out in this property valuation form part) occupies a site with an area of approximately 543,528.79 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,073,147 sq.m.. The property is expected to be completed in about 2013. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term from 25 May 2004 and 19 June 2003 respectively to 27 October 2063 for mixed residential use.	Portions of the property are currently under development, while the remaining portions are currently vacant.	9,027,200,000 (60% interests attributable to the Group: RMB 5,416,320,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 543,546 sq.m. has been contracted to be granted to Nanhai City Property Group at a total consideration of RMB 16,306,398.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Nan Guo Chu Rang Zi [1993] Jia Di 018	18 March 1993		543,546
		Total:	543,546

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 543,528.79 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Nan Fu Guo Yong [2004] Di Te 050016	25 May 2004	179,525.99	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050017	25 May 2004	152,832.59	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2004] Di Te 050015	25 May 2004	173,993.83	Mixed Residential: 27 October 2063
Nan Fu Guo Yong [2003] Di Te 050061	19 June 2003	37,176.38	Mixed Residential: 27 October 2063
	Total:	543,528.79	

3. Portion of the property with a total gross floor area of approximately 278,634 sq.m. has been contracted to be sold for the total purchase price of RMB 2,617,380,297. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iii. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 200928	27 March 2009	Lishui Credit Community
Yue Fang Di Zheng Zi Di C7159294, Nan Fu Guo Yong (2004) Di Te 050017	Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 2009 Nian 48, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 2009 Nian 49, Maximum Amount Mortgage Contract No. Nong Xin Gao Di Zi (Lixin) No. 200947	23 June 2009	Lishui Credit Community
Nan Fu Guo Yong (2003) Di Te 050061	Mortgage Contract No. Gong Dan Di Zi No. 99032009293203, Guarantee Contract No. Gong Dan Bao Zi No. 99032009293203	26 June 2009	China Minsheng Bank — Guangzhou Branch
Nan Fu Guo Yong (2004) Di Te 050016 (Site area: 26,487.4 sq.m.)	Maximum Amount Mortgage Contract No. 2009 Nian Li Di Zi No. 010	25 August 2009	Industrial and Commercial Bank of China — Fushan Dali Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
38.	The developing groups and reserved land of Evergrande Scenic Garden, Beiyingling, Tuanjie Village, Zhongxin Town, Zengcheng City of Guangzhou, Guangdong Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment units, a hotel and various car parking spaces with a total gross floor area of approximately 598,588 sq.m. while the reserved land portion of the property will have a total expected gross floor area of approximately 75,440 sq.m.. Evergrande Scenic Garden ("the Development") (of which the property and Property 23 set out in this property valuation form part) occupies a site with an area of approximately 536,199 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 751,914 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use expiring on 8 June 2076, 6 March 2077, 8 May 2076 and 5 March 2077 respectively, 40 years for commercial use expiring on 19 April 2047 and 5 March 2047 respectively and 50 years for other use expiring 5 March 2057.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,672,100,000 (100% interests attributable to the Group: RMB 1,672,100,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 536,199.12 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 101,800,000.

State-owned Land Use Rights Grant Contract Number	Site Area	Date of Contract
	(sq.m.)	
Zeng Guo Chu He Zi (2006) Di 62	178,855.0	9 June 2006
Zeng Guo Chu He Zi (2006) Di 61	107,612	9 June 2006
440183-2007-000002	122,666.68	6 March 2007
440183-2009-000001	127,065.32	5 May 2009
Total:	536,199.12	

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 536,199.12 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Use and Date of Expiry
Zeng Guo Yong (2009) Di B0600188	19 June 2009	127,065.32	Residential: 5 March 2077, Commercial: 5 March 2047, Others: 5 March 2057
Zeng Guo Yong (2007) Di B0600151	2007	122,666.68	Residential: 6 March 2077
Zeng Guo Yong (2007) Di B0600153	20 April 2007	148,410.08	Residential: 8 May 2076
Zeng Guo Yong (2007) Di B0600152	20 April 2007	30,444.8	Commercial: 19 April 2047
Zeng Guo Yong (2006) Di B0600139	16 June 2006	107,612.12	Residential: 8 June 2076
	Total:	536,199.12	

3. Portion of the property with a gross floor area of approximately 160,304 sq.m. has been contracted to be sold for the total purchase price of RMB 651,091,881. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Zeng Guo Yong (2009) Di B0600188	Mortgage Contract No. (2009) 000031	24 August 2009	Guangzhou City Village Credit Community — Haizhu Credit Bank
Zeng Guo Yong (2006) Di B0600152	Guarantee Contract No. YB8210200828003201	N/A	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch
A villa in District AB	Maximum Amount Guarantee Contract No. 44905200900000560	20 March 2009	China Agricultural Bank — Guangzhou Chengnan Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
39.	The developing groups and reserved land of Evergrande Splendor Qingyuan, Longjin Town, Qingxin County, Qingyuan City, Guangdong Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment units, townhouses, a hotel and other ancillary buildings with a total gross floor area of approximately 1,546,480 sq.m., while the reserved land portion of the property will have a total expected gross floor area of approximately 1,257,101 sq.m.. Evergrande Splendor Qingyuan ("the Development") occupies a site with an area of approximately 1,801,408.52 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 2,803,581 sq.m.. The property is expected to be completed in about 2020. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 29 December 2058 and 8 January 2057 respectively for mixed-use.	Portions of the property are currently under development while the remaining portions are currently vacant.	5,559,600,000 (100% interests attributable to the Group: RMB 5,559,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Transfer Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 1,801,407.9 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 204,995,879.

State-owned Land Use Rights Transfer Contract Number	Date of Contract	Site Area
		(sq.m.)
N/A	28 December 2007	420,986.88
GF-2000-2601	17 April 2007	681,867.34
N/A	28 December 2007	698,553.68
	Total:	1,801,407.9

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 1,801,408.52 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Qin Xin Guo Yong (2007) Di 195071	29 December 2007	356,260.18	Mixed-use: 29 Decemer 2058
Qin Xin Guo Yong (2007) Di 195072	29 December 2007	64,726.70	Mixed-use: 29 December 2058
Qin Xin Guo Yong (2007) Di 195073	29 December 2007	334,693.50	Mixed-use: 29 December 2058
Qin Xin Guo Yong (2007) Di 195074	29 December 2007	363,860.80	Mixed-use: 29 December 2058
Qin Xin Guo Yong (2008) Di 160541	30 January 2008	181,581.06	Mixed-use: 8 January 2057
Qin Xin Guo Yong (2008) Di 160542	30 January 2008	173,621.43	Mixed-use: 8 January 2057
Qin Xin Guo Yong (2008) Di 160543	30 January 2008	131,895.02	Mixed-use: 8 January 2057
Qin Xin Guo Yong (2008) Di 160544	30 January 2008	72,749.76	Mixed-use: 8 January 2057
Qin Xin Guo Yong (2008) Di 160545	30 January 2008	122,020.07	Mixed-use: 8 January 2057
	Total:	1,801,408.52	

3. Portion of the property with a total gross floor area of approximately 271,434 sq.m. has been contracted to be sold for the total purchase price of RMB 873,195,680. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Transfer Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval of the property in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building

ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Qin Xin Guo Yong (2007) No. 195071, Qin Xin Guo Yong (2007) No. 195072, Qin Xin Guo Yong (2008) No. 160545	Mortgage Contract No. (2009) 000025	24 August 2009	Guangzhou City Village Credit Community — Haizhu Credit Bank
63 low-rise apartment units	Realty Mortgage Contract No. ZB8210200928002901, Guarantee Contract No. ZB8210200928002901	22 June 2009	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch
25 Blocks with 750 apartment units under the land Qin Xin Guo Yong 2008 Di 160544	Realty Maximum Amount Mortgage Contract No. ZB8210200828002201, Maximum Amount Guarantee Contract No. ZB8210200828002201	16 October 2008	Shanghai Pudong Development Bank — Guangzhou Dongfeng Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Part
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
40.	The developing groups and reserved land of Evergrande Metropolis Foshan, Zhou Village, Lishui Town, Nanhai District, Foshan City, Guangdong Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment units and various carpark spaces with a total gross floor area of approximately 221,487 sq.m. while the reserved land portion of the property will have a total expected gross floor area of approximately 640,410 sq.m.. Evergrande Metropolis Foshan ("the Development") occupies a site with an area of approximately 171,868.8 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 861,897 sq.m.. The property is expected to be completed in about 2014. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term expiring on 11 August 2064.	Portions of the property are currently under development while the remaining portions are currently vacant.	6,144,600,000 (100% interests attributable to the Group: RMB 6,144,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Transfer Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 171,868.78 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 87,653,078.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area (sq.m.)
Nil	4 December 2007	45,800.46
Nil	4 December 2007	36,869
Nil	4 December 2007	60,368.32
Nil	4 December 2007	28,831
	Total:	171,868.78

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 171,868.8 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Date of Expiry
Fo Fu Nan Guo Yong (2008) Di 0800008	7 January 2008	60,368.3	11 August 2064
Fo Fu Nan Guo Yong (2008) Di 0800010	7 January 2008	36,869	11 August 2064
Fo Fu Nan Guo Yong (2008) Di 0800007	7 January 2008	28,831	11 August 2064
Fo Fu Nan Guo Yong (2008) Di 0800009	7 January 2008	45,800.5	11 August 2064
	Total:	171,868.8	

3. Pursuant to a co-development agreement on 30 April 2008 entered into between the Group and a subsidiary ("NWS") of Chow Tai Fook Enterprise Limited, the Group and NWS has agreed to co-develop the property. Under the co-development agreement, the Group provided the land use rights to the project whereas NWS would contribute to the development costs of the project and manage its development. NWS has also extended a loan in the amount of not exceeding RMB 483 million to the Group. Under the co-development agreement, the sale proceeds from the sale and/or pre-sale of the properties in the Development, after deducting costs, expenses and management fee, will be shared between NWS and the Group in the proportion of 60% and 40%.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid land transfer fee in respect of the Site in full. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. Pursuant to a co-development agreement on 30 April 2008 entered into between, *inter alia*, the Group and a subsidiary ("NWS") of Chow Tai Fook Enterprise Limited, the Group and NWS has agreed to co-develop the property. Under the co-development agreement, the Group provided the development and management rights whereas NWS would contribute to the development costs. NWS has also extended a loan in the amount of not exceeding RMB 483 million to the Group. Under the co-development agreement, the sale proceeds from the sale and/or pre-sale of the properties in the Development, after deducting costs, expenses and management fee, will be shared between NWS and the Group in the proportion of 60% and 40%. The said agreement, as far as governed by PRC law, is legal, valid, binding and enforceable.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

v. The following portions of the property are subject to mortgages and the transfer, lease and mortgage such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Fo Fu Nan Guo Yong (2008) Di 0800007–0800010	Yue Guo Tu Zi Nan Ta Xiang (2008) No. 0585-0588	N/A	Guangzhou Chenggao Real Estate Development Company Limited

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Transfer Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
41.	The developing groups and reserved land of Evergrande Oasis Guangzhou, Ju Zhu Xin Cheng South East, Jin Sha Zhou, Baiyun District, Guangzhou City, Guangdong Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment units and various carpark space with a total gross floor area of approximately 483,656 sq.m., while the reserved land portion of the property will have a total expected gross floor area of approximately 1,263 sq.m.. Evergrande Oasis Guangzhou ("the Development") occupies a site with a site area of approximately 111,048 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 484,919 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms, 70 years for residential use, 40 years for commercial, tourism and recreational use and 50 years for other use from 12 September 2008.	Portions of the property are currently under development while the remaining portions are currently vacant.	4,344,000,000 (100% interests attributable to the Group: RMB 4,344,000,000)

Notes:

1. Pursuant to the State-owned Land Use Rights Transfer Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 111,048 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 372,500,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
440111-2008-000002	25 September 2008		111,048
		Total:	111,048

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 111,048 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Date of Commencement	Land Use and Term
		(sq.m.)		
Sui Fu Guo Yong (2008) Di 000030	23 June 2009	111,048	12 September 2008	Residential: 70 years Commercial, Tourism and Recreational: 40 years Others: 50 years
	Total:	111,048		

3. Portion of the property with a total gross floor area of approximately 110,273 sq.m. has been contracted to be sold for the total purchase price of RMB 1,141,933,134. In among at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The land premium in respect of the Site has been paid in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid and binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Block 1-10, 321 apartment units in total located at the land Sui Fu Guo Yong (2008) Di 01000030	Maximum Amount Mortgage Contract No. Gao Xin 2009 Nian Fang Zong Di Zi No. 008	24 June 2009	Industrial and Commercial Bank of China — Guangzhou Gaoxin Technology Development District Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
42.	The developing groups and reserved land of Evergrande Splendor Tianjin, Shi Fo Village North, Guan Zhuang Town, Ji County, Tianjin City, the PRC	Upon completion, the developing portions of the property will comprise various residential units and ancillary facilities with a total gross floor area of approximately 418,926 sq.m., while the reserved land portion of the property will have a total gross floor area of approximately 43,825 sq.m.. Evergrande Splendor Tianjin ("the Development") (of which the property and Property 34 set out in the property valuation form part) occupies a site with an area of approximately 854,165.4 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 512,650 sq.m.. The property is expected to be completed in about 2010. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 12 February 2077, 23 September 2079 and 24 September 2079 for residential use and 12 February 2047 for commercial use.	Portions of the property is currently under development while the remaining portions are currently vacant.	1,454,900,000 (100% interests attributable to the Group: RMB 1,454,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contacts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 854,165.4 sq.m. have been contracted to be granted to the Group at a consideration of RMB 165,600,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Jin Ji (Gua) 2006-025	5 February 2007	235,605.6
Jin Ji (Gua) 2006-017	5 February 2007	431,061.1
Jin Ji (Gua) 2009-12	2 September 2009	82,203.6
Jin Ji (Gua) 2009-13	2 September 2009	45,757
Jin Ji (Gua) 2009-14	2 September 2009	59,538.1
	Total:	854,165.4

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a site area of approximately 854,165.4 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Use and Date of Expiry
Ji Dan Guo Yong (2007) 005	27 March 2007	99,224.3	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 006	27 March 2007	61,443.6	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 007	27 March 2007	191,440	Commercial: 12 February 2047
Ji Dan Guo Yong (2007) 010	27 March 2007	78,953.2	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 008	27 March 2007	68,534.5	Residential: 12 February 2077
Ji Dan Guo Yong (2007) 009	27 March 2007	167,071.1	Residential: 12 February 2077
Fang Di Zheng Ji Zi No. 125050908672	25 September 2009	82,203.6	Residential: 23 September 2079
Fang Di Zheng Ji Zi No. 125050908675	25 September 2009	45,757	Residential: 24 September 2079
Fang Di Zheng Ji Zi No. 125050908673	25 September 2009	59,538.1	Residential: 23 September 2079
	Total:	854,165.4	

3. Portion of the property with a total gross floor area of approximately 157,227 sq.m. has been contracted to be sold for the total purchase price of RMB 915,524,798. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Construction works in District D, E, H	N/A	29 October 2007	Industrial and Commercial Bank of China — Tianjin Hebei Branch
The land use rights of District B, C and the construction works in District F, G, I	Maximum Amount Mortgage Contract No. 12906200700000527, 12906200700000528, 12906200700000529, 12906200700000530, Maximum Amount Guarantee Contract No. 12905200700000427	29 December 2007	China Agricultural Bank — Tianjin Ji Xian Branch

5. A summary of major certificate/approvals is shown follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
43.	The developing groups and reserved land of Evergrande Oasis Taiyuan, West of Dayun Road, North of Kangning Street, Taiyuan City, Shanxi Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units, retails units and other ancillary buildings with a total gross floor area of approximately 928,857 sq.m.. while the reserved land portion of the property will have a total gross floor area of approximately 3,422 sq.m.. Evergrande Oasis Taiyuan ("the Development") occupies a site with an area of approximately 439,210.65 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 932,279 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring in November 2057 for residential use and expiring in November 2047 for business and financial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	3,962,500,000 (100% interests attributable to the Group: RMB 3,962,500,000)

Notes:

1. Pursuant to the following Stated-owned Land Use Rights Grant Contract and supplemental agreements, the land use rights of *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 691,796.93 sq.m have been contracted to be granted to the Group at a consideration of RMB 1,219,810,937.

Stated-owned Land Use Rights Grant Contract	Date of Contract		Site Area
			(sq.m.)
20070032	14 November 2007		—
Supplemental agreement	14 November 2007		—
Supplemental agreement	11 December 2008		691,796.93
		Total:	691,796.93

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a site area of approximately 439,210.65 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Use and Date of Expiry
Bing Zheng Di Guo Yong (2008) No. 00161	July 2008	72,974.84	Residential: November 2057
Bing Zheng Di Guo Yong (2008) No. 00162	July 2008	82,900.78	Residential: November 2057
Bing Zheng Di Guo Yong (2008) No. 00163	July 2008	93,628.60	Residential: November 2057
Bing Zheng Di Guo Yong (2009) No. 00034	12 March 2009	22,605.55	Business and Financial: November 2047
Bing Zheng Di Guo Yong (2009) No. 00035	12 March 2009	86,843.63	Residential: November 2057
Bing Zheng Di Guo Yong (2009) No. 00176	August 2009	51,661.15	Business and Financial: November 2047
Bing Zheng Di Guo Yong (2009) No. 00177	August 2009	28,596.1	Business and Financial: November 2047
	Total:	439,210.65	

3. Portion of the property with a total gross floor area of approximately 401,174 sq.m. has been contracted to be sold for the total purchase price of RMB 2,043,879,313. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreements are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval of the property in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following parts of the property are subject to mortgages:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Bing Zheng Di Guo Yong (2009) No. 00176 (Site area: 51,661.15 sq.m.), Bing Zheng Di Guo Yong (2009) No. 00177 (Site area: 28,896 sq.m.)	Mortgage Contract No. 2009 Nian Bei Ying (Di) Zi No. 0205, Guarantee Contract No. 2009 Nian Bei Ying (Bao) Zi No. 0002	29 August 2009	Industrial and Commercial Bank of China Taiyuan Yingbin Road Branch

viii. Portion of the property is subject to mortgage, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
44.	The developing groups and reserved land of Evergrande Palace Baotou, Jiuyuan District, Baotou City, Inner Mongolia Autonomous Region, the PRC	Upon completion, the developing portions of the property will comprise various residential units, retails units and other ancillary buildings with a total gross floor area of approximately 304,656 sq.m., while the reserved land portion of the property will have a total gross floor area of approximately 1,361,569 sq.m.. Evergrande Palace Baotou ("the Development") occupies a site with an area of approximately 437,925 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 1,666,225 sq.m.. The property is expected to be completed in about 2017. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, 70 years for residential use and 40 years for commercial use from 28 September 2008.	Portions of the property are currently under development while the remaining portions are currently vacant.	4,489,600,000 (100% interests attributable to the Group: RMB 4,489,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Transaction Confirmation Letter between Baotou Longyu Real Estate Development Co., Ltd. and Land Resource Administrator Bureau of Baotou City, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 476,138.09 sq.m. have been contracted to be granted to Baotou Longyu Real Estate Development Co., Ltd. at a consideration of RMB 64,920,780.

State-owned Land Use Transaction Confirmation Letter Number	Date of Letter	Site Area
		(sq.m.)
(2007) 401 Hao	31 May 2007	476,138.09
	Total:	476,138.09

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a site area of approximately 437,925.36 sq.m. have been granted to the Group.

State-owned Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Bao Guo Yong (2008) Di 700093	28 September 2008	78,831.15	Commercial: 40 years Residential: 70 years
Bao Guo Yong (2008) Di 700094	28 September 2008	27,332.02	Commercial: 40 years Residential: 70 years
Bao Guo Yong (2008) Di 700095	28 September 2008	68,929.48	Commercial: 40 years Residential: 70 years
Bao Guo Yong (2008) Di 700096	28 September 2008	262,832.71	Commercial: 40 years Residential: 70 years
	Total:	437,925.36	

3. Portion of the property with a total gross floor area of approximately 100,272 sq.m. has been contracted to be sold for the total purchase price of RMB 623,803,884. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The State-owned Land Use Rights Transaction Confirmation Letter is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in according to the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following parts of the property are subject to mortgages:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Bao Guo Yong (2008) Di 700096	N/A	N/A	Bank of China Baotou Branch
Bao Guo Yong (2008) Di 700096, Bao Guo Yong (2008) Di 700093, Bao Guo Yong (2008) Di 700094, Bao Guo Yong (2008) Di 700095	N/A	N/A	China Agricultural Bank Qingshan Branch

viii. Portion of the property is subject to mortgage, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Transaction Confirmation Letter	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Part
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
45.	The developing groups and reserved land of Evergrande Splendor Chongqing, Shuangfu Industrial Park of Jiangjin City of Chongqing, the PRC	Upon completion, the property will comprise various residential units with a total gross floor area of approximately 683,903 sq.m. while the reserved land portion of the property will have a total expected gross floor area of approximately 16,157 sq.m. Evergrande Splendor Chongqing ("the Development") (of which the property and Property 26 set out in this property valuation form part) occupies a site with an area of approximately 808,798.8 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 813,432 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various Realty Title Certificates for various terms expiring between 28 December 2056 and 19 July 2059 for residential use and on 28 December 2046 for commercial use.	Portions of the property are currently under development while the remaining of portions are currently vacant.	660,800,000 (100% interests attributable to the Group: RMB 660,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts entered into between Jiangjin Municipal Land Resources and Housing Management Bureau and the Group, the land use rights of the Site, where the Development is located therein, with total site area of approximately 808,798.42 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 263,134,940.

State-owned Land Use Rights Grant Contract Number	Date of Issuance	Site Area
		(sq.m.)
Yu Di (Jin) He Zi (2006) Di 149	22 December 2006	228,965.42
Yu Di (Jin) He Zi (2006) Di 159	28 December 2006	124,381.00
Yu Di (2009) He Zi (Jiangjin) Di 028	30 June 2009	171,786.00
Yu Di (2009) He Zi (Jiangjin) Di 029	30 June 2009	139,478.00
Yu Di (2009) He Zi (Jiangjin) Di 030	30 June 2009	144,188.00
	Total:	808,798.42

2. Pursuant to the following State-owned Land Use Rights Certificates issued by Chongqing Municipal Land Resource and Housing Management Bureau, the land use rights of the Development, with a total site area of approximately 808,798.80 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Fang Di Zheng 2007 Zi Di 01772	29 January 2007	35,103.99	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01773	29 January 2007	28,308.01	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01774	29 January 2007	58,211.40	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01775	29 January 2007	21,756.04	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01776	29 January 2007	9,378.58	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01777	29 January 2007	39,445.58	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01778	29 January 2007	22,444.17	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01779	29 January 2007	36,131.51	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 01780	29 January 2007	26,010.04	Residential: 28 December 2056 Commercial: 28 December 2046
Fang Di Zheng 2007 Zi Di 02960	27 February 2007	35,904.85	Mixed Residential: 28 December 2056
Fang Di Zheng 2007 Zi Di 02961	27 February 2007	40,652.08	Mixed Residential: 28 December 2056
203 Fang Di Zheng 2009 Zi Di 11100	14 July 2009	84,165.67	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11101	14 July 2009	92,682.88	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11102	14 July 2009	46,795.47	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11103	14 July 2009	112,892.66	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11104	14 July 2009	58,893.78	Residential: 19 July 2059
203 Fang Di Zheng 2009 Zi Di 11105	14 July 2009	60,022.09	Residential: 19 July 2059
	Total:	808,798.80	

3. Portion of the property with a gross floor area of approximately 164,913 sq.m. has been contracted to be sold for the total purchase price of RMB 716,819,793. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty

Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

iii. The Group did not commence construction according to the requisite time table for phase 1 of the Development. However, the Group's PRC legal advisor is of the opinion that there is no risk that the Group will be subject to penalty for such delayed construction as the Group has since obtained the construction permits and commenced construction.

iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid and binding and enforceable.

vii. Since the Group has obtained all the construction permits and commenced construction, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

viii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	**Encumbrance No.**	**Date of instruments**	**Creditor**
203 Fang Di Zheng 2007 Zi Di 01775, 203 Fang Di Zheng 2007 Zi Di 01776, 203 Fang Di Zheng 2007 Zi Di 01777, 203 Fang Di Zheng 2007 Zi Di 01778 & Presold Permit of 40 villas under the Jin Guo Tu Fang Guan (2008) Yu Zi No. 046	Maximum Amount Guarantee Contract No. 2009 Nian Jiang Jin Bao Zi No. 0001	19 June 2009	Industrial and Commercial Bank of China Chongqing Jijiang Branch
203 Fang Di Zheng 2007 Zi Di 01779, 203 Fang Di Zheng 2009 Zi Di 11105, Bei Xin Gao 112 Fang Di Zheng 2008 Zi No. 00094 and Jin Guo Tu Fang Guan 2009 Yu Zi No. 019	N/A	N/A	Sanxia Bank Yubei Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
46.	The developing groups and reserved land of Evergrande Palace Chongqing, The New Northern Zone, Chongqing City, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 161,732 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 121,833 sq.m. Evergrande Palace Chongqing ("the Development") (of which the property and Property 25 set out in this property valuation form part) occupies a site with an area of approximately 160,369.7 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 353,654 sq.m.. The property is expected to be completed in about 2013. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 14 February 2057 for residential use and 14 February 2047 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,258,900,000 (100% interests attributable to the Group: RMB 1,258,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *Inter alia*, the Site, where the Development is located therein, with a total site area of approximately 169,812.9 sq.m. have been contracted to be granted to the Group at a consideration of RMB 424,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Yu Di (2007) He Zi (Bei Xin Gao) Di 35	14 February 2007		169,812.9
Supplemental agreement	—		—
		Total:	169,812.9

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 160,369.7 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Issue Date	Site Area (sq.m.)	Land Use and Expiry Date
Bei Xin Gao 112 Fang Di Zheng 2007 Zi Di 09525	30 September 2007	30,389.8	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2008 Zi Di 00094	10 January 2008	23,560.8	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 02540	16 April 2009	37,455.4	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 09315	9 September 2009	33,658.2	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 09825	9 September 2009	33,277	Commercial: 14 February 2047 Residential: 14 February 2057
Bei Xin Gao 112 Fang Di Zheng 2009 Zi Di 05357	29 June 2009	2,028.5	Commercial: 14 February 2047 Residential: 14 February 2057
	Total:	160,369.7	

3. Portion of the property with a gross floor area of approximately 67,011 sq.m. has been contracted to be sold for total purchase price of RMB 410,558,843. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract and supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   v. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   vi. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vii. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid and binding and enforceable.

viii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Bei Xin Gao 112 Fang Di Zheng 2008 Zi Di 00094, 39 apartment units in Block 14, 15, 20 and 21 under the presold permit of Yu Guo Tu Fang Guan 2008 Yu Zi No. 253	Mortgage Contract No. 2008 Nian Heng Da Kai Fa Di Zi No. 0001	10 April 2008	Industrial and Commercial Bank of China — Chongqing Shiqiaopu Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
47.	The developing groups and reserved land of Evergrande City Chongqing, Ba'nan District, Chongqing City, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 395,407 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 625,136 sq.m.. Evergrande City Chongqing ("the Development") (of whch the property and Property 28 set out in this property valuation form part) occupies a site with an area of approximately 316,329 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,174,862 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 10 July 2057 for residential use and expiring on 10 July 2047 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	2,450,600,000 (100% interests attributable to the Group: RMB 2,450,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 316,760 sq.m. have been contracted to be granted to the Group at a consideration of RMB 459,910,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Yu Di (2007) He Zi (Ba Nan) Di 196	11 July 2007		316,760
		Total:	316,760

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 316,329 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
202D Fang Di Zheng 2008 Zi Di 00137	28 February 2008	198,112	Residential: 10 July 2057 Commercial: 10 July 2047
202D Fang Di Zheng 2009 Zi Di 00228	10 June 2009	118,217	Residential: 10 July 2057 Commercial: 10 July 2047
	Total:	316,329	

3. Portion of the property with a gross floor area of approximately 234,959 sq.m. has been contracted to be sold for the total purchase price of RMB 934,106,176. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee.:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
202D Fang Di Zheng 2008 Zi Di 00137 (Site area: 72,956 sq.m.)	Mortgage Contract No. Gong Dan Di Zi No. 99112009296703, Maximum Amount Guarantee Contract No. Gong Gao Bao Zi 99112009296679	8 April 2009	China Minsheng Bank — Chongqing Branch
202D Fang Di Zheng 2009 Zi Di 00228 (Site area: 15,000 sq.m.)	Mortgage Contract No. Gong Dan Di Zi No. 99112009294182	18 June 2009	China Minsheng Bank — Chongqing Branch
202D Fang Di Zheng 2008 Zi Di 00137 (Site area: 31,555 sq.m.)	Mortgage Contract No. 55902200900020104 (with consent from China Minsheng Bank Chongqing Branch)	13 July 2009	China Agricultural Bank — Chongqing City Banan Branch
202D Fang Di Zheng 2009 Zi Di 00228 (Site area: 48,217 sq.m.)	Mortgage Contract No. 55902200900020107 (with consent from China Minsheng Bank Chongqing Branch)	13 July 2009	China Agricultural Bank — Chongqing City Banan Branch

5. A summary of major certificate/approvals is shown follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
48.	The developing groups and reserved land of Evergrande Oasis Chongqing, Da Yang Shi Street, Jiu Long Po District, Chongqing City, the PRC	Upon completion, the developing portions of the property will comprises various residential units with a total gross floor area of approximately 125,155 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 26,559 sq.m.. Evergrande Oasis Chongqing ("the Development") occupies a site with an area of approximately 36,314.5 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 151,714 sq.m.. The property is expected to be completed in about 2010. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring in October 2047 for commercial use and expiring in October 2057 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	580,200,000 (100% interests attributable to the Group: RMB 580,200,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 91,928 sq.m. have been contracted to be granted to the Group at a consideration of RMB 902,152,524.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Yu Di (2007) He Zi (Jiu Qu) Di 256	17 October 2007	91,928
Supplemental agreement	20 January 2009	—
	Total:	91,928

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with total site area of approximately 36,314.5 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
105D Fang Di Zheng 2009 Zi Di 00115	7 September 2009	9,094	Commercial: October 2047 Residential: October 2057
105D Fang Di Zheng 2011 Zi Di 00116	7 September 2009	19,658.8	Commercial: October 2047 Residential: October 2057
105D Fang Di Zheng 2009 Zi Di 00117	7 September 2009	7,561.7	Commercial: October 2047 Residential: October 2057
	Total:	36,314.5	

3. Portion of the property with a gross floor area of approximately 30,135 sq.m. has been contract to be sold for the total purchase price of RMB 186,789,563. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisors, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has paid the land premium according to the Land Use Rights Grant Contract and the supplmental agreement and has already commenced construction. Based on that, the Group's PRC legal advisor is of the opinion that there is no risk that the Group will be subject to idle land fee, forfeiture of the Site or the land deposit by the local government authority. As the Group has obtained the construction permits, the Group's PRC legal advisor is of the opinion that there is no risk that the Group will be imposed any fine for its having commenced construction without construction permits.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   v. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   vi. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
49.	The development groups and reserved land of Evergrande Metropolis Chongqing, Shiyou Road, Yuzhong District, Chongqing City, the PRC	Upon completion, the developing portions of the property will comprises various residential units with a total gross floor area of approximately 208,725 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 463 sq.m.. Evergrande Metropolis Chongqing ("the Development") occupies a site with an area of approximately 35,548 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 209,188 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms expiring on 17 October 2057 for residential use and expiring on 17 October 2047 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	913,900,000 (100% interests attributable to the Group: RMB 913,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 191,400 sq.m. have been contracted to be granted to the Group at a consideration of RMB 1,627,847,476.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
Yu Di (2007) He Zi (Jiu Qu) Di 255	17 October 2007		191,400
Supplemental agreement	20 January 2009		—
		Total:	191,400

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 35,548 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
101 Fang Di Zheng D2009 Zi Di 00076	28 August 2009	8,874.40	Commercial: 17 October 2047 Residential: 17 October 2057
101 Fang Di Zheng D2009 Zi Di 00073	28 August 2009	18,981.1	Commercial: 17 October 2047 Residential: 17 October 2057
101 Fang Di Zheng D2009 Zi Di 00074	28 August 2009	7,692.5	Commercial: 17 October 2047 Residential: 17 October 2057
	Total:	35,548	

3. Portion of the property with a gross floor area of approximately 58,914 sq.m. has been contract to be sold for the total purchase price of RMB 341,834,176. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site according to the Land Use Rights Grant Contract and the supplemental agreement. Based on that, the Group's PRC legal advisor is of the opinion that there is no risk that the Group will be subject to land idle fee, forfeiture of the Site or the land deposit by the local government authority.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
284 apartment units in Block No. 8, 26–27 and a land with a land area of 15,003.4 sq.m.	N/A	N/A	China Everbright Bank
254 apartment units in Block No. 1-6 and 26 retail units	Mortgage Contract No. Yu San Yin DY Zi 0103200920014	10 August 2009	Chongqing San Xia Bank — Yubei Branch

5. A summary of major certificates/approvals is shown as follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
50.	The developing groups of Evergrande City Chengdu, Chengnan Economic Zone, Liucheng Town, Wenjiang District, Chengdu City, Sichuan Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment blocks, retail units and ancillary facilities with a gross floor area of approximately 558,124 sq.m.. Evergrande City Chengdu ("the Development") (of which the property and Property 29 set out in this property valuation form part) occupies a site with an area of approximately 169,501 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 698,761 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms expiring on 31 October 2076 for residential use and 31 October 2046 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,534,400,000 (100% interests attributable to the Group: RMB 1,534,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Certificate issued by Wenjiang Land Resource Bureau, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 169,501.04 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Wen Guo Yong 2007 Di 424	1 June 2007	169,501.04	Residential: 31 October 2076 Commercial: 31 October 2046
	Total:	169,501.04	

2. Portion of the property with a gross floor area of approximately 109,896 sq.m. has been contracted to be sold for the total purchase price of RMB 408,664,192. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Group has obtained the relevant State-owned Land Use Rights Certificate of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificate and the relevant effective construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iii. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

   vi. The following parts of the property are subject to mortgages:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	**Encumbrance No.**	**Date of instruments**	**Creditor**
Land with site area of 68,667 sq.m. under the Land Use Rights Certificate No. Wen Guo Yong 2007 Di 424	Mortgage Contract No. 51902200700022120	14 June 2007	China Agricultural Bank — Chengdu Zongfu Branch
Wen Guo Yong 2007 Di 424	N/A	17 September 2009	Bohai Bank Chengdu Branch

   vii. The property is subject to mortgage, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee.

4. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	No
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
51.	The developing groups and reserved land of Evergrande Oasis Chengdu, South of Chenglong Road, Longquanyi District, Chengdu City, Sichuan Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 316,728 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 154,179 sq.m.. As advised by the Group, Evergrande Oasis Chengdu ("the Development") (of which the property and Property 24 set out in this property valuation form part) occupies a site with an area of approximately 142,145.49 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 629,449 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 18 December 2076 and 20 August 2077 respectively for residential use and 18 December 2046 for commercial use and 20 August 2047 for office/commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,132,300,000 (100% interests attributable to the Group: RMB 1,132,300,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts entered into between Longquan Municipal Land Resources Bureau and the Group, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 142,145.33 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 196,563,330.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
2006-00650	22 August 2006	106,287.33
N/A	8 March 2007	35,858
Supplemental agreement	8 March 2007	—
	Total:	142,145.33

2. Pursuant to the following State-owned Land Use Rights Certificates issued by Longquan Municipal Land Resources Bureau, the land use rights of the Development, with a total site area of approximately 142,145.49 sq.m. are held by the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Long Guo Yong (2006) Di 72566	N/A	106,287.33	Commercial: 18 December 2046 Residential: 18 December 2076
Long Guo Yong (2007) Di 80356	21 August 2007	35,858.16	Commercial/Office: 20 August 2047 Residential: 20 August 2077
	Total:	142,145.49	

3. Portion of the property with a gross floor area of approximately 117,482 sq.m. has been contracted to be sold for the total purchase price of RMB 460,709,048. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   v. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   vi. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vii. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

viii. The following parts of the Development are subject to mortgages:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Land with site area of 57,362 sq.m. under the Land Use Rights Certificate No. Long Guo Yong (2006) Di 72566	Mortgage Contract No. 51902200700011160	28 March 2007	China Agricultural Bank — Chengdu Zongfu Branch
Long Guo Yong (2006) Di 72566	Mortgage Contract No. 51902200700030892	27 July 2007	China Agricultural Bank — Chengdu Zongfu Branch
Long Guo Yong (2007) Di 80356	Maximum Amount Guarantee Contract No. 2007 Nian Zhi Quan Bao Zi No. 0008	15 November 2007	Industrial and Commercial Bank of China — Chengdu Zhi Xian Branch

ix. Portion of the property is subject to mortgage, and the transfer, lease and mortgage of such property shall be subject to the prior consent from the mortgagee.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
52.	The developing groups and reserved land of Evergrande Splendor Pengshan, Lianhua Village Wuyang Town, Pengshan County, Sichuan Province, the PRC	Upon completion, the developing portions of the Development will comprise various residential units with a total gross floor area of approximately 667,097 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 461,373 sq.m.. Evergrande Splendor Chengdu ("the Development") occupies a site with an area of approximately 1,205,932.24 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 1,128,470 sq.m.. The property is expected to be completed in 2013. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 18 June 2077 and 21 July 2079 for residential use and on 18 June 2047 for commercial use.	Portion of the property is currently under development while the remaining portions are currently vacant.	2,172,800,000 (100% interests attributable to the Group: RMB 2,172,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract entered into between Pengshan Municipal Land Resources Bureau and the Group, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 1,205,985.3 sq.m. have been contracted to be granted to the Group at a total consideration of RMB 274,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area
			(sq.m.)
2007-01640	19 June 2007		439,315.30
Supplemental agreement	19 June 2007		—
1205200900298	21 July 2009		766,670
		Total:	1,205,985.3

2. Pursuant to the following State-owned Land Use Rights Certificates issued by Pangshan County People's Government, the land use rights of the Development, with a total site area of approximately 1,205,932.24 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Peng Guo Yong (2008) No. 01714	9 September 2008	144,526.67	Residential: 18 June 2077 Commercial: 18 June 2047
Peng Guo Yong (2008) No. 01715	9 September 2008	39,961.98	Residential: 18 June 2077 Commercial: 18 June 2047
Peng Guo Yong (2008) No. 01716	9 September 2008	51,815.67	Residential: 18 June 2077 Commercial: 18 June 2047
Peng Guo Yong (2008) No. 01717	9 September 2008	203,010.15	Residential: 18 June 2077 Commercial: 18 June 2047
Peng Guo Yong (2009) No. 02274	5 August 2009	227,073.30	Residential: 21 July 2079
Peng Guo Yong (2009) No. 02641	26 August 2009	268,393.26	Residential: 21 July 2079
Peng Guo Yong (2009) No. 03213	27 September 2009	238,270.80	Residential: 21 July 2079
Peng Guo Yong (2009) No. 03281	29 September 2009	32,880.41	Residential: 21 July 2079
		1,205,932.24	

3. Portion of the property with a gross floor area of approximately 295,904 sq.m. has been contracted to be sold for the total purchase price of RMB 1,382,589,879. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisors, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Peng Guo Yong (2009) No. 02274	Mortgage Contract No. 51902200900055017, Guarantee Contract No. 51901200900033157	21 September 2009	China Agricultural Bank — Chengdu Zongfu Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
53.	The developing groups and reserved land of Evergrande Metropolis Xi'an, West of Jiushi Road, South of Xin Fang Village, Xi'an City, Shaanxi Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 303,816 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 5,263 sq.m.. Evergrande Metropolis Xi'an ("the Development") occupies a site with an area of approximately 78,573.5 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 309,079 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term expiring on 17 August 2076 for residential use.	Portions of the property are currently under development, while the remaining portions are currently vacant.	978,900,000 (100% interests attributable to the Group: RMB 978,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts dated the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 83,105.8 sq.m. have been contracted to be granted to the Group at a consideration of RMB 124,130,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Xi Chu Tu Chu (Gua) Zi (2006) 07	18 August 2006	57,068.0
Xi Chu Tu Chu (Gua) Zi (2006) 09	19 August 2006	26,037.8
	Total:	83,105.8

2. Pursuant to Supplemental Agreement on Xi'an State-owned Land Use Rights Grant Contract dated 13 December 2007, the granted site areas stated in Note 1 have been changed to approximately 55,352 sq.m. and 23,221.5 sq.m. respectively.

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 78,573.5 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Xi Wei Guo Yong (2007 Chu) Di. 1078	28 December 2007	55,352.0	Residential: 17 August 2076
Xi Wei Guo Yong (2007 Chu) Di. 1079	29 December 2007	23,221.5	Residential: 17 August 2076
	Total:	78,573.5	

4. Portion of the property with a gross floor area of approximately 186,041 sq.m. has been contracted to be sold for the total purchase price of RMB 823,730,742. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations. Upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iii. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Xi Wei Guo Yong (2007 Chu) Di 1079 and its construction works	Mortgage Contract No. Jian Shan Xin Dan Bao (2008) 9-1, Guarantee Contract No. Jian Shan Xin Dan Bao (2008) 9-2	29 August 2008	China Construction Bank Xian Xin Cheng Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
54.	The developing groups and reserved land of Evergrande Oasis Xi'an, Cao Nan Village, Baqiao District, Xi'an City, Shaanxi Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 273,199 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 356,871 sq.m.. Evergrande Oasis Xi'an ("the Development") occupies a site with an area of approximately 207,175.3 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 630,070 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term expiring on 24 August 2074 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,691,200,000 (65% interests attributable to the Group: RMB 1,099,280,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 235,828.50 sq.m. have been contracted to be granted to the Group at a consideration of RMB 34,054,107.

State-owned Land Use Rights Grant Contract Number	Date of Contract		Site Area (sq.m.)
GF-2000-2601	26 August 2004		235,828.50
		Total	235,828.50

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 207,175.3 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Xi Ba Guo Yong (2006 Chu) Di 1027	6 November 2006	10,410.0	Residential: 26 August 2074
Xi Ba Guo Yong (2006 Chu) Di 1028	6 November 2006	55,531.0	Residential: 26 August 2074
Xi Ba Guo Yong (2007 Chu) Di 289	29 April 2007	38,585.1	Residential: 25 August 2074
Xi Ba Guo Yong (2007 Chu) Di 290	29 April 2007	102,649.2	Residential: 25 August 2074
	Total	207,175.3	

3. Portion of the property with a gross floor area of approximately 137,579 sq.m. has been contracted to be sold for the total purchase price of RMB 706,587,958. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, binding and enforceable.

vii. The following portions the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Xi Ba Guo Yong (2006 Chu) Di 1028, Xi Ba Guo Yong (2007 Chu) Di 290 and its construction works	N/A	15 January 2008	China Citic Bank Xian Branch
Xi Ba Guo Yong (2006 Chu) Di 1028, Xi Ba Guo Yong (2007 Chu) Di 290 and its construction works	N/A	15 April 2008	China Citic Bank Xian Branch
Xi Ba Guo Yong (2006 Chu) Di 1028, Xi Ba Guo Yong (2007 Chu) Di 290 and its construction works	Mortgage Contract No. (2008) Xin Yin Xi Nan Di Zi No. 06	19 June 2008	China Citic Bank Xian Branch
Xi Ba Guo Yong (2006 Chu) Di 1027	Mortgage Contract No. Jian Shan Xin Dan Bao (2009) 03-1	20 April 2009	China Construction Bank Xian Xin Cheng Branch
Xi Ba Guo Yong (2007 Chu) Di 289 and its construction works	N/A	N/A	China Construction Bank Xian Xin Cheng Branch
Xi Ba Guo Yong (2007 Chu) Di 289 and its construction works	N/A	N/A	China Construction Bank Xian Xin Cheng Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Part
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
55.	The developing groups and reserved land of Evergrande City Xi'an, Xi'an City, Shaanxi Province, the PRC	Upon completion, the developing portions of the property will comprises various residential units with a total gross floor area of approximately 133,667 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 556,672 sq.m.. Evergrande City Xi'an ("the Development") occupies a site with an area of approximately 162,471.1 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 690,339 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term, expiring on 30 March 2076 for residential use.	Portion of the property is currently under development while the remaining portions are currently vacant.	1,428,000,000 (60% interests attributable to the Group: RMB 856,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 162,471.1 sq.m. have been contracted to be granted to the Group at a consideration of RMB 217,129,543.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
20007-1	25 July 2008	150,939.9
20007-2	25 July 2008	11,531.2
	Total:	162,471.1

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 162,471.1 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Date of Expiry
Xi Yan Guo Yong (2008 Chu) Di 556	28 September 2008	11,531.2	Residential: 30 March 2076
Xi Yan Guo Yong (2008 Chu) Di 557	28 September 2008	150,939.9	Residential: 30 March 2076
	Total:	162,471.1	

3. Portion of the property with a gross floor area of approximately 117,738 sq.m. has been contract to be sold for the total purchase price of RMB 647,511,779. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. According to the Group, the Group has paid the land premium in respect of the Site. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
The land with a site area of 86.342 mu and its construction works	N/A	N/A	China Citic Bank — Xian Xin Cheng Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
56.	The developing groups and reserved land of Evergrande Splendor Kunming, Puhe Village, Lianran Town, Anning City, Kunming, Yunnan Province, the PRC	Upon completion, the developing portions of the property will comprise various villas, apartment units and other ancillary facilities with a total gross floor area of approximately 882,159 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 17,436 sq.m.. Evergrande Splendor Kunming ("the Development") (of which the property and Property 30 set out in this property valuation form part) occupies a site with an area of approximately 660,890.7 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 918,832 sq.m.. The property is expected to be completed in about 2014. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 5 October 2077 for residential use and on 26 December 2047 and 26 December 2077 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,030,400,000 (100% interests attributable to the Group: RMB 1,030,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 660,890.7 sq.m. have been contracted to be granted to the Group at a consideration of RMB 145,625,892.41.

State-owned Land Use Rights Grant Contracts Number	Date of Issuance	Site Area (sq.m.)
An Guo Tu Zi Chu (2007) He Tong Zi Di 348 and its supplemental agreement	25 September 2007	217,278.6
An Guo Tu Zi Chu (2007) He Tong Zi Di 349 and its supplemental agreement	25 September 2007	347,045.1
An Guo Tu Zi Chu (2007) He Tong Zi Di 350 and its supplemental agreement	25 September 2007	96,567.0
	Total:	660,890.7

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 660,890.7 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Date of Expiry
An Guo Yong (2008) Di. 0004	4 January 2008	217,278.6	Commercial: 26 December 2077
An Guo Yong (2008) Di. 0005	4 January 2008	96,567	Commercial: 26 December 2047
An Guo Yong (2007) Di 0480	7 November 2007	347,045.1	Residential: 5 October 2077
	Total:	660,890.7	

3. Portion of the property with a gross floor area of approximately 300,967 sq.m. has been contracted to be sold for the total purchase price of RMB 1,217,341,138. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the supplemental agreements are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the

payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
An Guo Yong (2007) Di 0480	Mortgage Contract No. (Pan) Nong Yin Di Zi 2007 No. 018	29 December 2007	China Agricultural Bank — Kunming City Pan Long Branch
An Guo Yong (2008) Di 0004	Mortgage Contract No. 2008 Nian Gao Xin (Di) Zi 0003 and Guarantee Contract No. 2008 Nian Gao Xin (Bao) Zi 0001	9 April 2008	Industrial and Commercial Bank of China — Kunming Gao Xin Branch

5. A summary of major certificates/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
57.	The developing groups and reserved land of Evergrande Palace Changsha, Yuelu District, Changsha City, Hunan Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 442,548 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 52,659 sq.m.. Evergrande Palace Changsha ("the Development") occupies a site with an area of approximately 144,977.74 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 495,207 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 31 August 2074 for residential use and on 31 August 2044 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,512,000,000 (51% interests attributable to the Group: RMB 771,120,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 145,000.09 sq.m. have been contracted to be granted to the Group at a consideration of RMB 14,036,008.

State-owned Land Use Right Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
20040534	31 August 2004	14,827.05
20040535	31 August 2004	26,841.03
20040536	31 August 2004	45,082.43
20040537	31 August 2004	58,249.58
	Total:	145,000.09

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 144,977.74 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m)	Land Use and Date of Expiry
Chang Guo Yong (2007) Di No. 028271	30 June 2007	14,827.05	Commercial: 31 August 2044 Residential: 31 August 2074
Chang Guo Yong (2007) Di No. 028272	30 June 2007	26,841.03	Commercial: 31 August 2044 Residential: 31 August 2074
Chang Guo Yong (2007) Di No. 028273	30 June 2007	45,082.43	Commercial: 31 August 2044 Residential: 31 August 2074
Chang Guo Yong (2009) Di No. 048335	24 September 2009	58,227.23	Commercial: 31 August 2044 Residential: 31 August 2074
	Total:	144,977.74	

3. Portion of the property with a gross floor area of approximately 125,746 sq.m. has been contracted to be sold for the total purchase price of RMB 624,813,856. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the Site.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Chang Guo Yong (2007) 028271, Chang Guo Yong (2007) 028272	Mortgage Contract No. 2007 Nian Xing Sha (Di) Zi 0702	16 August 2007	Industrial and Commercial Bank of China — Xing Sha Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
58.	The developing groups and reserved land of Evergrande Metropolis Changsha, South of Chang, Shi Tie Road, north of Xing Cheng Anenue, east of farmer reconstruction area, Changsha City, Hunan Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 731,239 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 109,675 sq.m.. Evergrande Metropolis Changsha ("the Development") occupies a site with an area of approximately 185,376.1 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 840,914 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under a State-owned Land Use Rights Certificate for a term expiring on 21 September 2078 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,612,800,000 (100% interests attributable to the Group: RMB 1,612,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 185,376.1 sq.m., have been contracted to be granted to the Group at a consideration of RMB 400,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
001014	22 September 2008	185,376.1
Supplemental agreement	18 September 2009	—
	Total:	185,376.1

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development with a total site area of approximately 185,376.1 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m)	Land use and Date of Expiry
Wang Guo Yong (2008) Di 150	23 September 2008	185,376.1	Residential: 21 September 2078
	Total:	185,376.1	

3. Portion of the property with a gross floor area of approximately 152,516 sq.m. has been contracted to be sold for the total purchase price of RMB 543,313,975. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium according to the Land Use Rights Grant Contract and the supplemental agreement. The outstanding land premium is RMB 100.0 million. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property. Based on the above, the Group's PRC legal advisor is of opinion that there is no legal risk that the Group will be subject to forfeiture of the Site or the land deposit by the local government authority.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Construction works of Block No. 5–7, 15–16, 17–19, 25–26, 29–30	N/A	N/A	Industrial and Commercial Bank of China — Xing Sha Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Part
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
59.	The developing groups and reserved land of Evergrande Oasis Guiyang, Nanhu New District, Baiyun District, Guiyang City, Guizhou Province, the PRC	Upon completion, the developing portion of the property will comprise various residential units with a total gross floor area of approximately 308,036 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 4,547 sq.m.. Evergrande Oasis Guiyang ("the Development") occupies a site with an area of approximately 146,825 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 312,583 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 5 January 2077 and 15 November 2076 respectively for residential use and expiring on 15 November 2046 for commercial use.	Portion of the property is currently under development while the remaining portions are currently vacant.	613,800,000 (100% interests attributable to the Group: RMB 613,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 146,825 sq.m. have been contracted to be granted to the Group at a consideration of RMB 44,050,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Bai Jing Guo Tu Chu Zi [2006] No. 10	15 November 2006	51,150
Bai Jing Guo Tu Chu Zi [2007] No. 01	5 January 2007	95,675
	Total:	146,825

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development with a total site area of approximately 146,825 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m)	Land Use and Date of Expiry
Bai Jing Tu Guo Yong (2007) No. 185	28 November 2007	51,150	Commercial: 15 November 2046 Residential: 15 November 2076
Bai Jing Tu Guo Yong (2007) No. 186	29 November 2007	95,675	Residential: 5 January 2077
	Total:	146,825	

3. Portion of the property with a gross floor area of approximately 42,820 sq.m. has been contract to be sold for the total purchase price of RMB 177,014,998. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

   vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Bai Jing Tu Guo Yong (2007) No. 185, Bai Jing Tu Guo Yong (2007) No. 186	Guarantee Contract No. B1090120090609-1, Mortgage Contract No. D1090120090609-1	19 June 2009	Guiyang Commercial Bank — Baiyun Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
60.	The reserved land of Evergrande Oasis Nanning, Liangqing District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC	Evergrande Oasis Nanning ("the Development") occupies a site with an area of approximately 341,449 sq.m. ("the Site"). The total gross floor area of the buildings and structures of a large scale residential development to be constructed on the property is approximately 787,756 sq.m.. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 30 May 2073 for residential use and industrial use and on 30 May 2043 for financial insurance and other commercial service use and on 30 May 2053 for educational use.	The property is currently vacant.	1,512,000,000 (80.05% interests attributable to the Group: RMB 1,210,356,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development have been granted to the Group (Please see note 2 below for more details.).

State-owned Land Use Rights Certificate Number	Site Area (sq.m)	Land Use and Date of Expiry
Nan Ning Guo Yong (2007) No.G00005588	13,885.04	Residential: 30 May 2073 Other commercial service: 30 May 2043
Nan Ning Guo Yong (2007) No.G00005590	25,052.79	Residential: 30 May 2073 Educational: 30 May 2053
Nan Ning Guo Yong (2007) No.G00005584	18,821.10	Residential: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005583	27,570.36	Industrial: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005587	38,711.67	Residential: 30 May 2073 Educational: 30 May 2053
Nan Ning Guo Yong (2007) No.G00005586	33,319.30	Residential: 30 May 2073 Educational: 30 May 2053
Nan Ning Guo Yong (2007) No.G00005579	30,512.14	Residential: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005581	21,568.59	Residential: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005582	37,268.93	Residential: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005580	61,058.18	Residential: 30 May 2073
Nan Ning Guo Yong (2007) No.G00005589	33,681.38	Residential: 30 May 2073 Financial insurance and other commercial service: 30 May 2043
Total:	341,449.48	

2. In view of the pending litigation regarding this property, the State-Owned Land Use Rights Certificates shown in Note 1 above are only valid up to 8 October 2009. According to Response Letter issued by Nanning National Land and Resource Administration Bureau, the validity period of the Land Use Rights Certificates will not impact upon validity of the use by the Group's use during the term of land use rights.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has obtained the State-owned Land Use Rights Certificates of the Site. However, due to the pending litigation which is still in progress, the development and construction of the property is under restriction in accordance with the Execution Note (執行裁定書) issued by the Nanning City Intermediate People's Court.

   ii. The Development was acquired by the Group through equity transfer and the original shareholder of the project company obtained the Site through a court judgment. Since the original shareholder of the project company of the Development is currently involved in a lawsuit, the Group is required to suspend construction of the Development pending verdict issued by the court. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	No
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Not applicable at this stage
v.	Construction Works Commencement Permit	Not applicable at this stage
vi.	Pre-sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
61.	The developing groups and reserved land of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 439,277 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 246,954 sq.m.. Evergrande City Shenyang ("the Development") (of which the property and Property 32 set out in this property valuation form part) occupies a site with an area of approximately 331,097.5 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 842,933 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms, expiring on 7 June 2057 and 23 September 2058 for residential use and expiring on 7 June 2047 and 23 September 2048 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,892,800,000 (100% interests attributable to the Group: RMB 1,892,800,000)

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 22 December 2006, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 355,000 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 249,920,000.

2. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 331,097.5 sq.m. have been contracted to be granted to the Group at a consideration of RMB 233,332,708.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area (sq.m.)
Shen Gui Guo Tu Chu He Zi (2007) 0072	7 June 2007	119,864.7
Shen Gui Guo Tu Chu He Zi (2007) 0161	13 December 2007	65,512.5
Shen Gui Guo Tu Chu He Zi (2008) 0089	22 September 2008	97,706.7
2101012009A0024	2 March 2009	48,013.6
	Total:	331,097.5

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 331,097.5 sq.m. have been granted the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Shen Yang Guo Yong (2007) No. 0365	19 November 2007	108,625.5	Residential: 7 June 2057 Commercial: 7 June 2047
Shen Yang Guo Yong (2007) No. 0382	19 December 2007	76,751.7	Residential: 7 June 2057 Commercial: 7 June 2047
Shen Yang Guo Yong (2008) No.0199	22 October 2008	25,084	Residential: 23 September 2058 Commercial: 23 September 2048
Shen Yang Guo Yong (2008) No. 0200	22 October 2008	72,622.7	Residential: 23 September 2058 Commercial: 23 September 2048
Shen Yang Guo Yong (2009) No. 0047	12 March 2009	48,013.6	Residential: 23 September 2058
	Total:	331,097.5	

4. Portion of the property with a total gross floor area of approximately 99,698 sq.m. has been contracted to be sold for the total purchase price of RMB 424,228,765. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	**Encumbrance No.**	**Date of instruments**	**Creditor**
Shen Yang Guo Yong (2007) No. 0365 and its construction works	Guarantee Contract No. 21901200700002146	30 November 2007	China Agricultural Bank — Shenyang Binhe Branch
Shen Yang Guo Yong (2008) No. 0200, Shen Yang Guo Yong (2009) No. 0047, Shen Yang Guo Yong (2008) No. 0199, the construction works and construction works spilt land of Shen Yang Guo Yong (2007) No. 0382	Shengjing Bank Mortgage Contract No. 0323012009200003	27 April 2009	Shengjing Bank — Shenyang City Yuhong Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
62.	The developing groups and reserved land of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang City, Liaoning Province, the PRC	Upon completion, the developing groups of the property will comprise various residential units with a total gross floor area of approximately 545,402 sq.m.. while the reserved land portion of the property will have a total gross floor area of approximately 129,135 sq.m.. Evergrande Oasis Shenyang ("the Development") (of which the property and Property 31 set out in this property valuation form part) occupies a site with an area of approximately 290,723.68 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 832,509 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Rights Certificates for a term expiring on 31 December 2056 and 31 December 2057 for residential use.	Portions of the property are currently under development; while the remaining portions are currently vacant.	2,956,800,000 (100% interests attributable to the Group: RMB 2,956,800,000)

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 29 December 2006, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 602,130 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 692,449,500.

2. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site, where the Development is located therein, with a total site area of approximately 290,723.71 sq.m. have been contracted to be granted to the Group at a consideration of RMB 334,332,268.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
Shen Gui Guo Tu Yu Chu He Zi (2007) 011	17 April 2007	60,707.17
Shen Gui Guo Tu Yu Chu He Zi (2007) 016	25 May 2007	10,565.35
Shen Gui Guo Tu Yu Chu He Zi (2007) 024	18 August 2007	128,222.81
Shen Gui Guo Tu Yu Chu He Zi (2008) 016	20 July 2008	91,228.38
	Total:	290,723.71

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 290,723.68 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site area (sq.m.)	Land Use and Date of Expiry
Shen Yang Guo Yong (2007) No. YHXC001	17 April 2007	60,707.17	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC002	19 May 2007	10,565.35	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC031	25 September 2007	48,305.10	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC030	25 September 2007	30,508.35	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC032	26 September 2007	22,068.23	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC033	26 September 2007	13,900.06	Residential: 31 December 2056
Shen Yang Guo Yong (2007) No. YHXC011	28 August 2007	13,441.07	Residential: 31 December 2056
Shen Yang Guo Yong (2008) No. YHXC020	28 July 2008	29,811.81	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC021	28 July 2008	22,627.94	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC022	28 July 2008	9,024.96	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC023	28 July 2008	23,680.81	Residential: 31 December 2057
Shen Yang Guo Yong (2008) No. YHXC024	28 July 2008	6,082.83	Residential: 31 December 2057
	Total:	290,723.68	

4. Portion of the property with a total gross floor area of approximately 50,511 sq.m. has been contracted to be sold for the total purchase price of RMB 223,490,927. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid and binding and enforeable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Shen Yang Guo Yong (2007) No. YHXC001 and its construction works, Shen Yang Guo Yong (2007) No. YHXC002	Mortgage Contract No. 21902200700002075 Guarantee Contract No. 21901200700001374	18 July 2007	China Agricultural Bank — Shenyang Binhe Branch
Shen Yang Guo Yong (2007) No. YHXC011 and its construction works	Maximum Amount Mortgage Contract No. (2007) Liao 722211071636 Maximum Amount Guarantee Contract No. (2007) Liao Yin Zui Gao Bao 722211071636	8 October 2007	China Citic Bank — Shenyang Branch
Construction works on the site of Shen Yang Guo Yong (2007) No. YHXC030	N/A	12 June 2008	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Shen Yang Guo Yong (2007) No. YHXC030	Mortgage Contract No. 2008 Nian Shenhe (Di) Zi 0001	18 April 2008	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Shen Yang Guo Yong (2007) No. YHXC032	Mortgage Contract No. 33010070-2009 Nian Shenhe (Di) Zi 0002	30 June 2009	Industrial and Commercial Bank of China — Shenyang Shenhe Branch
Construction works on the site of Shen Yang Guo Yong (2007) No. YHXC032	Mortgage Contract No. 33010070-2009 Nian Shenhe (Di) Zi 0001	30 June 2009	Industrial and Commercial Bank of China — Shenyang Shenhe Branch

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Shen Yang Guo Yong (2007) No. YHXC033 and its construction works	N/A	13 January 2009	Shengjing Bank — Shenyang City Yuhong Branch
Shen Yang Guo Yong (2007) No. YHXC023	Mortgage Contract No. Liao Jiao Yin Bei Zhan 2009 Nian Di Zi 012 Guarantee Contract No. Liao Jiao Yin Bei Zhan 2009 Nian Bao Zi 012	17 July 2009	Bank of communication — Liaoning Province Branch
Shen Yang Guo Yong (2008) No. YHXC021 (Site are: 22,627.94)	Mortgage Contract No. 09 Di 015 Guarantee Contract No. 09 Di 015	9 September 2009	Bank of communication — Liaoning Province Branch
Shen Yang Guo Yong (2008) No. YHXC024	N/A	N/A	China Everbright Bank — Jincheng Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
vi.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
63.	The developing groups and reserved land of Evergrande Oasis Wuhan, Caidian District, Wuhan City, Hubei Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment blocks, retail units and ancillary facilities with a total gross floor area of approximately 496,733 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 40,629 sq.m.. Evergrande Oasis Wuhan ("the Development") occupies a site with a land area of approximately 217,235.2 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 537,362 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 6 June 2077, 30 May 2077 and 31 May 2077 respectively for residential use and expiring on 8 June 2047, 30 May 2047 and 31 May 2047 respectively for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,062,900,000 (100% interests attributable to the Group: RMB 1,062,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and alteration agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 314,901 sq.m. have been contracted to be granted to the Group at a consideration of RMB 195,167,200.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Cai Tu Zi Chu Zi [2007] No. 8	6 June 2007	70,484
Cai Tu Zi Chu Zi [2007] No. 9	31 May 2007	87,749
Cai Tu Zi Chu Zi [2007] No. 10	31 May 2007	158,395
	Total:	316,628
Alteration agreement of Land Use Rights Grant Contracts	2 July 2007	314,901

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 217,235.2 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Cai Guo Yong (2007) No. 1974	28 June 2007	9,218.70	Residential: 30 May 2077 Commercial: 30 May 2047
Cai Guo Yong (2007) No. 1975	28 June 2007	33,867.7	Residential: 31 May 2077 Commercial: 31 May 2047
Cai Guo Yong (2007) No. 1976	28 June 2007	36,109.7	Residential: 31 May2077 Commercial: 31 May 2047
Cai Guo Yong (2007) No. 1985	29 June 2007	43,874.5	Residential: 30 May 2077 Commercial: 30 May 2047
Cai Guo Yong (2009) No. 1919	30 June 2009	1,868.00	Residential: 6 June 2077 Commercial: 6 June 2047
Cai Guo Yong (2009) No. 1920	30 June 2009	12,410.40	Residential: 6 June 2077 Commercial: 6 June 2047
Cai Guo Yong (2009) No. 1921	30 June 2009	18,450.60	Residential: 6 June 2077 Commercial: 6 June 2047
Cai Guo Yong (2009) No. 1922	30 June 2009	2,141.80	Residential: 6 June 2077 Commercial: 6 June 2047
Cai Guo Yong (2009) No. 1923	30 June 2009	34,572	Residential: 6 June 2077 Commercial: 6 June 2047
Cai Guo Yong (2009) No. 1924	30 June 2009	24,721.8	Residential: 6 June 2077 Commercial: 6 June 2047
	Total:	217,235.2	

3. Portion of the property with a total gross floor area of approximately 160,090 sq.m. has been contracted to be sold for the total purchase price of RMB 593,857,703. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts and the alteration agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforeable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Cai Guo Yong (2009) No. 1920, Cai Guo Yong (2009) No. 1921, Cai Guo Yong (2007) No. 1974, Cai Guo Yong (2007) No. 1975, Cai Guo Yong (2007) No. 1976	Mortgage Contract No. Di A701209009 Guarantee Contract No. Bao A701209009	9 July 2009	Bank of communication — Wuhan Wuchang Branch
Cai Guo Yong (2009) No. 1923	N/A	N/A	Hankou Bank

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
64.	The developing groups and reserved land of Evergrande City Wuhan, Han Kou District, Wuhan City, Hubei Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment blocks, retail shop units and ancillary facilities with a total gross floor area of approximately 193,735 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 457,495 sq.m.. Evergrande City Wuhan ("the Development") occupies a site with a land area of approximately 277,833.92 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 651,230 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State- owned Land Use Rights Certificates for various terms expiring on 28 April 2077 for residential use and expiring on 28 April 2047 for commercial use.	Portions of the property are currently under development; while the remaining portions are currently vacant.	1,512,000,000 (100% interests attributable to the Group: RMB 1,512,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 370,692 sq.m. have been contracted to be granted to the Group at a consideration of RMB 307,790,135.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
WDP-2007-041	April 2007	102,781
WDP-2007-042	April 2007	89,560
WDP-2007-043	April 2007	95,590
WDP-2007-044	April 2007	82,761
	Total:	370,692

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 277,833.92 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Dong Guo Yong (2008) No. 280401004	26 August 2008	95,590	Residential: 28 April 2077 Commercial: 28 April 2047
Dong Guo Yong (2008) No. 280401008	10 October 2008	102,781	Residential: 28 April 2077 Commercial: 28 April 2047
Dong Guo Yong (2007) No. 280401005	30 November 2007	79,462.92	Residential: 29 April 2077 Commercial: 29 April 2047
	Total:	277,833.92	

3. Portion of the property with a total gross floor area of approximately 86,481 sq.m. has been contracted to be sold for the total purchase price of RMB 372,874,338. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
65.	The developing groups and reserved land of Evergrande Palace Wuhan, Dong Hu Development District, Wuhan City, Hubei Province, the PRC	Upon completion, the developing portion of the property will comprise various apartment blocks, retail units and ancillary facilities with a total gross floor area of approximately 252,454 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 204,174 sq.m.. Evergrande Palace Wuhan ("the Development") (of which the property and Property 27 set out in this property valuation form part) occupies a site with an area of approximately 284,577 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 564,596 sq.m.. The property is expected to be completed in about 2013. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 29 December 2046 for commercial/office use and 29 December 2076 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,892,800,000 (100% interests attributable to the Group: RMB 1,892,800,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of part of the Site, where the Development is located therein, with a total site area of approximately 282,245.95 sq.m. have been contracted to be granted to the Group at a consideration of RMB 829,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
GF-2000-2601	29 December 2006	282,245.95
	Total:	282,245.95

2. Pursuant to the following State-owned Land Use Certificates, the land use rights of the Development, with a total site area of approximately 284,576.86 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Wu Xin Guo Yong (2007) Di 035	9 April 2007	39,932.62	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 036	9 April 2007	41,857.83	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 105	25 October 2007	42,358.32	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 125	31 October 2007	28,027.58	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 111	22 October 2007	25,116.97	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 112	22 October 2007	41,560.43	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 113	22 October 2007	26,024.82	Residential: 29 December 2076 Commercial/office: 29 December 2046
Wu Xin Guo Yong (2007) Di 114	22 October 2007	39,698.29	Residential: 29 December 2076 Commercial/office: 29 December 2046
	Total:	284,576.86	

3. Pursuant to a co-development agreement on 30 April 2008 entered into between, *inter alia*, the Group and a subsidiary ("NWS 2") of Chow Tai Fook Enterprise Limited, the Group and NWS 2 have agreed to co-develop Area B2 of the property. Under the co-development agreement, the Group provided the development and management rights whereas NWS 2 would contribute to the development costs. Under the co-development agreement, the sales proceeds from the sale and/or pre-sale of the properties in Area B2 of the Development, after deducting costs, expenses and management fee, will be shared between NWS 2 and the Group in the proportion of 60% and 40%.

4. Portion of the property comprising with a total gross floor area of approximately 3,287 sq.m. has been contracted to be sold for the total purchase price of RMB 21,975,673. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. Pursuant to a co-development agreement on 30 April 2008 entered into between the Group and a subsidiary ("NWS 2") of Chow Tai Fook Enterprise Limited, the Group and NWS 2 has agreed to co-develop Area B2 of the property. Under the co-development agreement, the Group provided development and management rights whereas NWS 2 would contribute to the development costs. Under the co-development agreement, the sales proceeds from the sale and/or pre-sale of the properties in Area B2 of the Development, after deducting costs, expenses and management fee, will be shared between NWS 2 and the Group in the proportion of 60% and 40%. The said agreement, as far as governed by PRC law, is legal, valid, binding and enforceable.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval befor commencement of construction works.

iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

v. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

vi. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vii. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

viii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Wu Xin Guo Yong (2007) Di 036	Mortgage Contract No. 4290220070000401	31 May 2007	China Agricultural Bank — Wuhan City Jiangnan Branch
Construction work of Block 37–51	Maximum Amount Guarantee Contract No. 42905200700000066	4 June 2007	China Agricultural Bank — Wuhan City Jiangnan Branch
Wu Xin Guo Yong (2007) No. 105 and construction work of Block 13–28	Mortgage Contract No. 2008GSDK055-DB	8 May 2008	China Construction Bank — Hubei Province Branch
Wu Xin Guo Yong (2007) No. 035	Maximum Amount Mortgage Contract No. 2007 Dong Hu Di Zi 100, Maximum Amount Guarantee Contracts No. 2007 Dong Hu Bao 0011	14 June 2007	Industrial and Commercial Bank of China — Wuhan Donghu Development District Branch
Wu Xin Guo Yong (2007) No. 105 and construction work of Block 13–28	Mortgage Contract No. 2007GSDK066-DY001	25 October 2007	China Construction Bank — Hubei Province Branch

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Wu Xin Guo Yong (2007) No. 125	Maximum Amount Mortgage Contract No. 2007 Nian Dong Di Zi 1128	N/A	China Merchant's Bank — Wuhan Dongwu Branch
Wu Xin Guo Yong (2007) No. 125 (Site area: 28,027.58)	N/A	N/A	China Everbright Bank Wuhan Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
66.	The developing groups and reserved land of Evergrande Splendor Qidong, Southeast outside of Yin Xing Ken District, Yin Yang Town, Qidong City, Jiangsu Province, the PRC	The property comprises a site with an area of approximately 5,978,624 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the Site is approximately 11,957,045 sq.m., which will comprise a number of residential blocks and buildings with a total gross floor area of approximately 11,566,407 sq.m., a hotel with a total gross floor area of approximately 80,000, an exhibition center with a total gross floor area of approximately 40,000 sq.m., a sports center with a total gross floor area of approximately 180,000 sq.m.and other ancillary facilities with a total gross floor area of approximately 90,638 sq.m. ("the Development"). The property is expected to be completed in about 2029. The land use rights of the property are held under various State-owned Land Use Rights Certificates through seven project companies for a term expiring on 12 October 2056 and 19 December 2056 for commercial and residential use respectively.	Portions of the property are currently under development while the remaining portions are currently vacant.	30,200,000,000 (This value is derived on the basis that the land is transferable but subject to further approval from the relevant government authorities and payment of additional land premium. Please refer to note no. 3 on page IV-213 for the details.) (100% interests attributable to the Group: RMB 30,200,000,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development with a total site area of approximately 5,978,624 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Date of Expiry
Qi Guo Yong (2007) No. 0701	30 April 2007	492,919	19 December 2056
Qi Guo Yong (2007) No. 0711	30 April 2007	468,809	12 October 2056
Qi Guo Yong (2007) No. 0703	30 April 2007	460,848	19 December 2056
Qi Guo Yong (2007) No. 0709	30 April 2007	462,315	12 October 2056
Qi Guo Yong (2007) No. 0712	30 April 2007	449,872	12 October 2056
Qi Guo Yong (2007) No. 0700	30 April 2007	482,785	19 December 2056
Qi Guo Yong (2007) No. 0710	30 April 2007	462,289	12 October 2056
Qi Guo Yong (2007) No. 0702	30 April 2007	498,283	19 December 2056
Qi Guo Yong (2007) No. 0706	30 April 2007	467,189	12 October 2056
Qi Guo Yong (2007) No. 0704	30 April 2007	488,665	19 December 2056
Qi Guo Yong (2007) No. 0707	30 April 2007	459,940	12 October 2056
Qi Guo Yong (2007) No. 0708	30 April 2007	375,022	19 December 2056
Qi Guo Yong (2007) No. 0705	30 April 2007	409,688	12 October 2056
	Total:	5,978,624	

2. The local government has issued an approval letter for early construction of the first phase (首期工程先行施工) to the Group. According to the letter, the Group is permitted to commence the construction works on the site area of approximately 2,248 mu with a total gross floor area of approximately 845,000 sq.m..

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. According to the Administrative Regulations on Marine Use in Jiangsu Province (江蘇省海域使用管理條例) and the document No. Su Ren Fa Gong Han (2005) 84 (蘇人法工函(2005)84號), the Group has acquired the land use rights of the Site in accordance with the Allocated Land Management Guidance (參照劃撥地管理). The Group has to obtain further approvals from, and pay additional land premium to the relevant government authorities before the Group may transfer the land use rights of the property.

   ii. The Group has obtained the land use rights of the Site by way of reclamation and has not entered into any land use rights grant contract. Although the Group has obtained the State-owned Land Use Rights Certificates, the government has not prescribed any works commencement date. As confirmed by the Group, the property is still in its preparation stage for construction and since the Site is on the coastal beach, it will take a relatively long time to solidify the Site. In view of the fact that the preparation stage has resulted in the Site not being developed to-date, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

   iii. According to the approval letter issued by the local government stated in Note 2, the permission for the infrastructure construction works of part of the property have been obtained from the relevant authorities.

   iv. Pursuant to the document 《關於明確前期開發費用歸口的説明》 dated 18 September 2007 issued by Qidong City State-owned Land Resource Bureau, upon transfer of the Site with a total site area of approximately 8,967 mu, the land premium shall be paid in the standard price within RMB 200,000 per mu. The final land premium will be confirmed after the final confirmation from the relevant State-owned Land Use Rights authority.

v. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Qi Guo Yong (2007) No. 0700, Qi Guo Yong (2007) No. 0701, Qi Guo Yong (2007) No. 0702, Qi Guo Yong (2007) No. 0703, Qi Guo Yong (2007) No. 0704, Qi Guo Yong (2007) No. 0705, Qi Guo Yong (2007) No. 0706, Qi Guo Yong (2007) No. 0707, Qi Guo Yong (2007) No. 0708, Qi Guo Yong (2007) No. 0709, Qi Guo Yong (2007) No. 0710, Qi Guo Yong (2007) No. 0711, Qi Guo Yong (2007) No. 0712,	N/A	27 August 2007	Credit Suisse Bank Shanghai Branch

4. In the valuation, we have made the following considerations:

(a) Direct comparison approach using land transactions:

i. Comparable land transactions over an 18-month period and located within about 100 km from Pudong District were identified for the valuation exercise.

ii. Adjustment factors were applied to account for location differences of the comparable land transactions, including but not limited to the time factor of transaction, asking price deflator, physical conditions, users, views, planning control, potential development scale, utility services, topography, land shape, accessibility, and other specific factors such as infrastructure support.

iii. In particular, to account for the significant development size and long term development nature of the property, appropriate price adjustments on the identified comparable land transaction were made based on their development scale and development phasing. Discount is applied to large scale projects which reflect the possibility of project delay and also other risks associated with larger development projects.

iv. To account for the future location advantage of the property, especially the proximity to the highway under construction connecting to Shanghai, appropriate price adjustments on the identified comparable land transaction were made based on the accessibility of the development.

v. The valuation of the property is based on the current permitted GFA and the design scheme provided by the Group and approved by the Qidong government. It is assumed that all approvals from relevant authorities for the proposed development project have been obtained.

(b) Direct comparison approach using residential property transactions:

i. Comparable residential unit transactions over an 18-month period and located around the Qidong area were identified for the valuation exercise.

ii. Adjustment factors were applied to account for location differences of the comparable residential property transactions, including but not limited to time factor of transactions, asking price deflator, condition of sale, building condition and age, building quality, building management, floor level, layout and design, views, unit size, ancillary facilities, internal conditions, and other specific factors such as infrastructure support.

iii. Long term market growth rates were applied to the average unit prices derived from the comparable residential property transactions for the later phases of the property.

iv. Annualized discount rates have been applied to reflect the long development period of the property.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contact	N/A
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
67.	The developing groups of Evergrande Palace Hefei, Weiwu Road, Political and Cultural New District, Hefei City, Anhui Province, the PRC	Upon completion, the developing portions of the property will comprises various residential units with a total gross floor area of approximately 264,971 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 16,517 sq.m.. Evergrande Palace Hefei ("the Development") occupies a site with an area of approximately 81,030.39 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 281,488 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under a State-owned Land Use Rights Certificate for terms expiring in June of 2079 and on 28 July 2079 for residential use.	Portions of the property is currently under development while the remaining portions are currently vacant.	1,000,200,000 (100% interests attributable to the Group: RMB 1,000,200,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located, with a total site area of approximately 142,577.84 sq.m. have been contracted to be granted to the Group at a consideration of RMB 804,139,017.6.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
GF-2000-2601	7 December 2007	142,577.84
Supplemental agreement	14 April 2009	—
	Total:	142,577.84

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development, with a total site area of approximately 81,030.39 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
He Guo Yong (2009) No. 243	18 June 2009	25,095.73	Residential: June 2079
He Guo Yong (2009) No. 325	5 August 2009	28,979.39	Residential: 28 July 2079
He Guo Yong (2009) No. 369	9 September 2009	26,955.27	Residential: 28 July 2079
	Total:	81,030.39	

3. Portion of the property with a total gross floor area of approximately 95,331 sq.m. has been contracted to be sold for the total purchase price of RMB 512,563,584. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the property and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval of the property in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iii. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   iv. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   v. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
68.	The developing groups and reserved land of Evergrande Splendor E'zhou, Huarong District, E'zhou City, Hubei Province, the PRC	Upon completion, the developing protion of the property will comprise various apartment blocks, villas, hotels, retail units, six centers and other ancillary facilities with a total gross floor area of approximately 318,037 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 517,535 sq.m.. Evergrande Splendor E'zhou ("the Development") (of which the property and Property 33 set out in this property valuation form part) occupies a site with an area ("the Site") of approximately 765,073.1 sq.m. and has been and will be developed with a total gross floor area of approximately 858,257 sq.m.. The property is expected to be completed in about 2013. The land use rights of the property are held under various State-owned Land Use Rights Certificates for various terms expiring on 20 March 2047 and 20 March 2077 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,753,900,000 (100% interests attributable to the Group: RMB 1,753,900,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Stie, where the Development is located therein, with a total site area of approximately 765,073 sq.m. have been contracted to be granted to the Group at a consideration of RMB 136,263,600.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
N/A	21 March 2007	765,073
	Total:	765,073

2. Pursuant to the following State-owned Land Use Certificates, the land use rights of the Development with a total site area of approximately 765,073.10 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land use and Date of Expiry
E Zhou Guo Yong (2007) No. 2-67	30 September 2007	35,241.7	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-68	30 September 2007	25,299.2	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-69	30 September 2007	30,256.8	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-70	30 September 2007	115,420.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-71	30 September 2007	96,695.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-72	30 September 2007	157,551.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-30	20 April 2007	67,137.3	Residential: 20 March 2077
E Zhou Guo Yong (2007) No. 2-46	18 July 2007	27,777.6	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-47	18 July 2007	22,528.9	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-48	18 July 2007	34,688.2	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-49	18 July 2007	24,236.1	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-50	18 July 2007	33,499.8	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-51	18 July 2007	3,507.6	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-52	18 July 2007	9,000	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-53	18 July 2007	24,154.9	Residential: 20 March 2047
E Zhou Guo Yong (2007) No. 2-54	18 July 2007	58,078,1	Residential: 20 March 2047
	Total:	765,073.10	

3. Portion of the property with a total gross floor areas of approximately 86,260 sq.m. has been contracted to be sold for the total purchase price of RMB 378,075,959. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
E zhou Guo Yong (2007) No. 2-30, Construction work of 1#–18# Building, E zhou Guo Yong (2007) No. 2-46, E zhou Guo Yong (2007) No. 2-47, E zhou Guo Yong (2007) No. 2-48, E zhou Guo Yong (2007) No. 2-49, E zhou Guo Yong (2007) No. 2-50, E zhou Guo Yong (2007) No. 2-51, E zhou Guo Yong (2007) No. 2-52, E zhou Guo Yong (2007) No. 2-53, E zhou Guo Yong (2007) No. 2-54	Mortgage Contract No. (Guo mao) Nong Yin (2007) Guo Di Zi 2007-001 Maximum Amount Guarantee Contract No. 429052007000000169	3 December 2007	China Agricultural Bank — E'zhou, Guo mao Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
69.	The developing groups and reserved land of Evergrande Splendor Nanjing, Wolong Avenue, Yongyang Town, Lishui County, Nanjing City, Jiangsu Province, the PRC	Upon completion, the developing portions of the property will comprise various residential units with a total gross floor area of approximately 489,193 sq.m.; while the reserved land portion of the property will have a total gross floor area of approximately 634,648 sq.m.. Evergrande Splendor Nanjing ("the Development") (of which the property and Property 35 set out in this property valuation form part) occupies a site with an area of approximately 983,033.10 sq.m. ("the Site") and has been and will be developed with a total gross floor area of approximately 1,133,523 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land Use Certificates for various terms, expiring on 30 May 2077 for residential use and 30 May 2047 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	2,385,600,000 (100% interests attributable to the Group: RMB 2,385,600,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of part of the Site, where the Development is located therein, with a total site area of approximately 982,713.7 sq.m. have been contracted to be granted to the Group at a consideration of RMB 296,300,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Li Guo Tu Zi Rang He [2007] 63	10 April 2007	316,788.2
Li Guo Tu Zi Rang He [2007] 61	10 April 2007	348,484.5
Li Guo Tu Zi Rang He [2007] 62	10 April 2007	317,441
	Total:	982,713.7

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 983,033.1 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Ning Li Guo Yong (2007) Di. 1710	31 May 2007	120,279.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1713	31 May 2007	12,917.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1711	31 May 2007	8,470.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1712	31 May 2007	19,413.8	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1709	31 May 2007	13,045.6	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 1708	31 May 2007	147,999.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3407	18 September 2007	16,246.6	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 4053	12 November 2007	4,179.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 4054	12 November 2007	94,680.4	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3611	15 October 2007	10,105.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3612	15 October 2007	68,325.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3613	15 October 2007	15,792.5	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) Di. 3614	15 October 2007	87,470.3	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00075	4 January 2008	26,262.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00076	4 January 2008	21,617.1	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00077	4 January 2008	19,994.2	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00078	4 January 2008	34,973.7	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00079	4 January 2008	40,329.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00680	18 March 2008	38,018.7	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) Di 00081	4 January 2008	15,479.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) No. 3408	18 September 2007	98,085.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2007) No. 3409	18 September 2007	67,195.5	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) No. 00586	12 March 2008	433.9	Residential: 30 May 2077 Commercial: 30 May 2047
Ning Li Guo Yong (2008) No. 00667	18 March 2008	1,715.3	Residential: 30 May 2077 Commercial: 30 May 2047
	Total:	983,033.1	

3. Portion of the property with a total gross floor area of approximately 148,213 sq.m. has been contracted to be sold for the total purchase price of RMB 712,618,387. In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the corresponding creditor:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Ning Li Guo Yong (2007) No. 1709, 1711, 4053, 00075, 00076, 00078, 00079, 00081, construction works of 147 villas, 314 apartment units and a hotel	State-owned Land Use Rights Mortgage Contract No. 2007106, 2007107, 2007108, 2007109, 2007110	29 October 2007	China Agricultural Bank — Lishui xian Branch
Construction works on the Site of Ning Li Guo Yong (2007) No. 3409, 3408, 1708	State-owned Land Use Rights Mortgage Contract No. 2007115, 2007116, 2007117	15 November 2007	Industrial and Commercial Bank of China — Nanjing Xuanwu Branch
Construction works of 288 apartment units	Maximum Amount Mortgage Contract	August 2009	Nanjing City Liuhe District Village Credit Community

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
70.	The developing groups and reserved land of Evergrande Oasis Nanjing, No.158 Qingshuiting Road East, Jiangning Development Zone, Nanjing City, Jiangsu Province, the PRC	Upon completion, the property will comprise various residential units, retail shops and other ancillary buildings with a total gross floor area of approximately 272,467 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 34,395 sq.m. Evergrande Oasis Nanjing ("the Development") occupies a site with an area of approximately 137,097.5 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 306,862 sq.m.. The property is expected to be completed in about 2011. The land use rights of property are held under a State-owned Land Use Rights Certificate for terms expiring on 20 December 2076 and 22 January 2078 for residential use.	Portion of the property is currently under development while the remaining portions are currently vacant.	1,198,400,000 (100% interests attributable to the Group: RMB 1,198,400,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use right of the Site, where the Development is located therein, with a total site area of approximately 137,097.5 sq.m. have been contracted to be granted to the Group at a consideration of RMB 313,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Ning Guo Tu Zi Rang He [2005] No.172	22 July 2005	109,627.7
Ning Guo Tu Zi Rang He [2007] No. 95	6 August 2007	27,469.8
	Total:	137,097.5

2. Pursuant to the following State-owned Land Use Certificate, the land use rights of the Development, with a total site area of approximately 137,097.5 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m)	Land Use and Date of Expiry
Ning Jiang Guo Yong (2008) Di 19708 Hao	5 November 2008	109,627.6	Residential: 20 December 2076
Ning Jiang Guo Yong (2009) Di 25841 Hao	25 August 2008	27,469.8	Residential: 22 January 2078
	Total:	137,097.5	

3. Portion of the property with a gross floor area of approximately 133,671 sq.m. has been contracted to be sold for the total purchase price of RMB 745,771,392 . In arriving at our opinion on the capital value of the property, we have taken into account the purchase price of such portion.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Use Rights Grant Contracts are legal, valid and binding on both parties. The Group has obtained the relevant State-owned Land Use Rights Certificate of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   iv. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

   vi. The contents of the proforma sale and purchase agreement of the property are in accordance with the PRC laws and such proforma agreement is legal, valid, binding and enforceable.

vii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the corresponding creditor:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
The land where Block 11 occupied	Maximum Amount Mortgage Contract No. NJ04(Gao Di) 20080028	23 July 2008	Huaxia Bank — Nanjing Branch
The land where Block No. 1, 2, 3 and kindergarten occupied (Ning Jiang Guo Yong (2008) No. 19708)	State-owned Land Use Rights Mortgage Contract No. Di He (2008) Zi 449 Mortgage Contract No. (Jiangning) Nong Xin Di Zi (2008) No. 03-085	26 November 2008	Jiangning Village Credit Community — Baijiahu Branch

5. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
71.	The developing groups and reserved land of Evergrande Oasis Luoyang, Chanhe District, Luoyang City, Henan Province, the PRC	Upon completion, the developing portions of the property will comprises various residential units with a total gross floor area of approximately 373,322 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 422,355 sq.m.. Evergrande Oasis Luoyang ("the Development") occupies a site with an area of approximately 297,660.5 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 795,677 sq.m.. The property is expected to be completed in about 2018. The land use rights of the property are held under various State-owned Land Use Rights Certificates for the various term expiring on 6 January 2078 for residential use and 6 January 2048 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,411,200,000 (100% interests attributable to the Group: RMB 1,411,200,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Transaction Confirmation Letters, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 892,080.4 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 544,399,161.

State-owned Land Use Rights Transaction Confirmation Letter Number	Date of Letter	Site Area
		(sq.m.)
N/A	4 January 2008	688,726.6
N/A	4 January 2008	203,353.8
	Total:	892,080.4

2. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 892,080.4 sq.m. have been contracted to be granted to the Group at a consideration of RMB 544,399,161.

Stated-owned Use Rights Grant Contract Number	Date of Contract	Site Area (sq.m)
2008-01	6 January 2008	203,353.8
2008-02	6 January 2008	688,726.6
Supplemental agreement	3 July 2009	—
	Total:	892,080.4

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 297,660.5 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m)	Date of Expiry
Luo Shi Guo Yong (2009) Di 01000929	15 June 2009	63,257.2	Residential: 6 January 2078 Commercial: 6 January 2048
Luo Shi Guo Yong (2009) Di 01000930	15 June 2009	234,403.3	Residential: 6 January 2078 Commercial: 6 January 2048
	Total:	297,660.5	

4. Portion of the property with a gross floor area of approximately 84,333 sq.m. has been contract to be sold for the total purchase price of RMB 332,621,122. In arriving at our opinion on the capital value of the property, we have taken into account other purchase price of such portion.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts and supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has obtained the relevant Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has paid the land premium according to the Land Use Rights Grant Contracts and the supplemental agreement.

   iv. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction of construction works.

   v. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   vi. The Group has obtained the requisite pre-sale permit of portion of the property and has the right to pre-sell the same.

   vii. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building

ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

viii. The following portions of the property are subject to mortgages and the transfer, lease and mortgage of such portions shall be subject to the prior consent from the corresponding creditor:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
Luo Shi Guo Yong (2009) Di 01000930, Luo Shi Guo Yong (2009) Di 01000929	Mortgage Contract No. 4132102009A300005900, Maximum Amount Guarantee Contract No. 4132102009AM00005900	25 August 2009	Bank of Communication Luoyang Branch

6. A summary of major certificates/approvals is shown as follows:

i.	State-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Part
vi.	Pre-sale Permit	Part
vii.	Construction Works Completion Certified Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
72.	The developing groups and reserved land of Evergrande Oasis Changsha, Li Tuo County, Yu Hua District, Changsha City, Wunan Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 217,193 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 530,291 sq.m.. Evergrande Oasis Changsha ("the Development") occupies a site with an area of approximately 144,187.19 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 747,484 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms expiring on 29 January 2077 for residential use and 29 January 2047 for commercial use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,591,400,000 (100% interests attributable to the Group: RMB 1,591,400,000)

Notes:

1. Pursuant to the State-owned Land Use Rights Transfer Contract dated 17 September 2009 and the following State-owned Land Use Rights Grant Contract, the land use rights of the Site with a total site area of approximately 145,078.24 sq.m. have been contracted to be granted to the Group at a consideration of RMB 250,000,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area (sq.m.)
20070130	29 June 2007	145,078.24
	Total:	145,078.24

2. Pursuant to the following State-owned Land Use Rights Certificate, the land use rights of the Development with a total site area of approximately 144,187.19 sq.m. have been granted to the Group.

Stated-owned Use Rights Certificate Number	Date of Issuance	Site area (sq.m.)	Land Use and Date of Expiry
Chang Guo Yong (2009) No. 048037	5 September 2009	144,187.19	Residential: 29 January 2077 Commercial: 29 January 2047
	Total:	144,187.19	

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has obtained the relevant State-owned Land Use Rights Certificate of the property and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iii. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
73.	The developing groups and reserved land of Evergrande City Changsha, Niu Tou Village, Dong Jing Town, Yu Hua District, Changsha City, Wunan Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 205,503 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 657,330 sq.m.. Evergrande City Changsha ("the Development") occupies a site with an area of approximately 268,506.28 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 862,833 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under a State-owned Land Use Rights Certificate for various terms expiring on 14 October 2074 and 30 October 2076 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	2,857,100,000 (51% interests attributable to the Group: RMB 1,457,121,000)

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 14 October 2004, the land use rights of the Site have been confirmed to be granted to the Group at a consideration of RMB 81,460,000.

2. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of the Site with a total site area of approximately 268,506.07 sq.m. have been contracted to be granted to the Group at a consideration of RMB 192,260,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
20040441	14 November 2004	126,526.99
20060417	30 October 2006	142,019.08
	Total:	268,506.07

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Site are granted to the Group. Pre-registration of the State-owned Land Use Rights Certificates have been extended to 30 August 2012.

State-owned Land Use Rights Certificate Number	Date of Issuance	Gross Floor Area	Land Use and Date of Expiry
		(sq.m.)	
Chang Guo Yong (2007) No. 001823	24 January 2007	37,585.92	Residential: 14 October 2074
Chang Guo Yong (2006) No. 041086	14 November 2006	21,544.15	Residential: 14 October 2074
Chang Guo Yong (2006) No. 041087	14 January 2006	22,444.36	Residential: 14 October 2074
Chang Guo Yong (2007) No. 013065	24 April 2007	44,952.48	Residential: 14 October 2074
Chang Guo Yong (2007) No. 011292	6 April 2007	94,134.19	Residential: 30 October 2076
Chang Guo Yong (2007) No. 011293	6 April 2007	10,992.77	Residential: 30 October 2076
Chang Guo Yong (2007) No. 011291	6 April 2007	36,852.41	Residential: 30 October 2076
	Total:	268,506.28	

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. According to the Group, the land premium in respect of the Site has been paid in full.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

   iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

   v. The Group has obtained the construction permit on 4 September 2009. Based on the above, the Group's PRC legal advisor is of the opinion that there is no risk that Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

5. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Use Right Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
74.	The developing groups and reserved land of Evergrande Oasis Nanchang, Sliver Triangle Industrial Zone, Hero Economic Development District, Nanchang City, Jiangxi Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 20,900 sq.m. While the reserved land portion of the property will have a total gross floor area of approximately 667,086 sq.m.. Evergrande Oasis Nanchang ("the Development") occupies a site with an area of approximately 671,745.96 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 687,986 sq.m.. The property is expected to be completed in about 2013. The land use rights of the property are held under various State-owned Land use rights Certificates for various terms expiring on 24 November 2077 for residential use and on 24 November 2047 for commercial or sport land leisure use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,019,200,000 (100% interests attributable to the Group: RMB 1,019,200,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of, *inter alia*, the Site with a total site area of approximately 1,620,000.08 sq.m. have been contracted to be granted to the Group at a consideration of RMB 160,893,585.18.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
(2003)19 No. 1	22 November 2003	663,588.32
(2003)19 No. 2	22 November 2003	662,611.32
(2003)19 No. 3	22 November 2003	649,000.00
(2003)19 No. 5	22 November 2003	664,161.32
	Total:	2,639,630.96

2. Pursuant to 江西省翠林山莊有限公司股權轉讓協議, the site area of the property contracted to be granted is expected to be adjusted to approximately 1,620,000.08 sq.m.

3. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development with a total site area of approximately 671,745.96 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area (sq.m.)	Land Use and Date of Expiry
Hong Tu Guo Yong Deng Ying 2008 No. 329	15 August 2008	14,907.84	Sport and Leisure: 24 November 2047
Hong Tu Guo Yong Deng Ying 2008 No. 326	15 August 2008	130,606.21	Residential: 24 November 2077
Hong Tu Guo Yong Deng Ying 2008 No. 334	15 August 2008	78,463.93	Commercial: 24 November 2047
Hong Tu Guo Yong Deng Ying 2008 No. 333	15 August 2008	123,786.18	Sport and Leisure: 24 November 2047
Hong Tu Guo Yong Deng Ying 2008 No. 332	15 August 2008	49,212.25	Sport and Leisure: 24 November 2047
Hong Tu Guo Yong Deng Ying 2008 No. 330	15 August 2008	92,231.12	Residential: 24 November 2077
Hong Tu Guo Yong Deng Ying 2008 No. 331	15 August 2008	28,002.67	Residential: 24 November 2077
Hong Tu Guo Yong Deng Ying 2008 No. 328	15 August 2008	16,839.05	Sport and Leisure: 24 November 2047
Hong Tu Guo Yong Deng Ying 2008 No. 327	15 August 2008	137,696.71	Residential: 24 November 2077
	Total:	671,745.96	

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. As confirmed by the Group, due to the planning modification by the government authority, the construction works of the project is still not yet commenced. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

5. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Use Right Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Not applicable at this stage
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
75.	The reserved land of Evergrande City Nanchang, North of Fushan Xioshan Road North, West of Jinshajiang Road, Nanchang City, Jiangxi Province, the PRC	The property comprises various parcels of land with a site area of approximately 976,800 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 1,367,526 sq.m.. The land use rights of the property are held under various State-owned Land use rights Certificates for various terms expiring on 30 May 2076 or 30 May 2056 for public facility use for residential use and on 30 May 2046 for commercial use.	The property is currently vacant.	2,688,000,000 (51% interests attributable to the Group: RMB 1,370,880,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site with a total site area of approximately 976,800 sq.m. have been contracted to be granted to the Group at a consideration of RMB 104,029,200.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
N/A	12 May 2006	976,800
	Total:	976,800

2. Pursuant to the following State-owned Land Use Rights Certificates, the land use rights of the Development, with a total site area of approximately 976,800 sq.m. have been granted to the Group.

State-owned Land Use Rights Certificate Number	Date of Issuance	Site Area	Land Use and Date of Expiry
		(sq.m.)	
Nan Guo Yong (2008) No. 0221	30 May 2006	216,266.67	Public facility: 30 May 2056
Nan Guo Yong (2008) No. 0222	30 May 2006	179,333.33	Commercial: 30 May 2046 Residential: 30 May 2076
Nan Guo Yong (2008) No. 0223	30 May 2006	188,200.00	Commercial: 30 May 2046 Residential: 30 May 2076
Nan Guo Yong (2008) No. 0224	30 May 2006	200,333.33	Commercial: 30 May 2046 Residential: 30 May 2076
Nan Guo Yong (2008) No. 0225	30 May 2006	192,666.67	Commercial: 30 May 2046 Residential: 30 May 2076
	Total:	976,800	

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Not applicable at this stage
v.	Construction Works Commencement Permit	Not applicable at this stage
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
76.	The developing groups and reserved land of Evergrande City Hefei, Wanggang Village, Longgang Development District, Feidong County, Hefei City, Anhui Province, the PRC	Upon completion, the developing portions of the property will comprise various apartment units with a total gross floor area of approximately 300,000 sq.m. While the reserved land portion of the property will have a total gross floor area of approximately 632,787 sq.m.. Evergrande City Hefei ("the Development") occupies a site with an area of approximately 310,929 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 932,787 sq.m.. The property is expected to be completed in about 2012. The land use rights of the property are held under various State-owned Land use rights Certificates for various terms expiring on 16 August 2074 for residential use.	Portions of the property are currently under development while the remaining portions are currently vacant.	1,198,400,000 (60% interests attributable to the Group: RMB 719,040,000)

Notes:

1. Pursuant to the State-owned Land Use Rights Grant Contract dated 17 August 2004, the land use rights of the Site with a total site area of approximately 310,929 sq.m. have been contracted to be granted to the Group at a consideration of RMB 30,793,740.

2. Pursuant to the State-owned Land Use Rights Certificate Dong Guo Yong (2004) No. 212 dated 25 August 2004, the land use rights of the Site with a total site area of 310,929 sq.m. have been granted to the Group for residential use expiring on 16 August 2074.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has obtained the relevant State-owned Land Use Rights Certificates of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   ii. In accordance with the document provided by the Group, the plot ratio of the Site has been agreed by the relevant government authority to be no more than 3.0. Hence, the Group has to pay additional land premium.

iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Use Right Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Not applicable at this stage
iv.	Construction Works Planning Permit	Not applicable at this stage
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
77.	The developing group of Evergrande City Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC	Upon completion, the property will comprise various residential units with a total gross floor area of approximately 131,266 sq.m. Evergrande City Shijiajuang ("the Development") occupies a site with an area of approximately 50,001.4 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 131,266 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land use rights Certificates for various terms expiring on 18 August 2079 for residential use.	The property is currently under development.	375,200,000 (100% interests attributable to the Group: RMB 375,200,000)

Notes:

1. Pursuant to the State-owned Land Use Rights Grant Contract No. GF－2008-2601 dated 19 August 2009, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 245,414.1 sq.m. have been contracted to be granted to the Group at a consideration of RMB 1,935,500,000.

2. Pursuant to the State-owned Land Use Rights Certificate Qiao Xi Guo Yong (2009) No. 00152, the land use rights of the Development, with a total site area of 50,001.4 sq.m. have been granted to the Group for a term expiring on 18 August 2079 for residential use.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium according to the Land Use Rights Grant Contract.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificate of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

iii. The Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Use Right Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Yes
v.	Construction Works Commencement Permit	Yes
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
78.	The developing group and reserved land of Evergrande Splendor Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC	Upon completion, the property will comprise various residential units with a total gross floor area of approximately 124,958 sq.m. while the reserved land portion of the property will have a total gross floor area of approximately 541,709 sq.m. Evergrande Splendor Shijiajuang ("the Development") occupies a site with an area of approximately 666,666.6 sq.m. ("the Site") and will be developed with a total gross floor area of approximately 666,667 sq.m.. The property is expected to be completed in about 2011. The land use rights of the property are held under various State-owned Land use rights Certificates for a term expiring on 9 April 2078 for residential/ commercial use.	Portion of the property is currently under development while the remaining portions are currently vacant.	1,144,600,000 (85% interests attributable to the Group: RMB 972,910,000)

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site with a total site area of approximately 666,666.7 sq.m. have been contracted to be granted to the Group at a consideration of RMB 7,200,000.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
08	9 April 2008	666,666.67
	Total:	666,666.67

2. Pursuant to the State-owned Land Use Rights Certificate Yuan Guo Yong (2008) No. 00061 dated 9 April 2008, the land use rights of the Development, with a total site area of 666,666.6 sq.m. have been granted to the Group for a land use term expiring on 9 April 2078 for residential/commercial use.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. The Group has obtained the relevant State-owned Land Use Rights Certificate of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

iii. The Group has the right to develop the property but should obtain the relevant effective construction approval before commencement of construction works.

iv. For those parts of the property where the Group has obtained the relevant State-owned Land Use Rights Certificates and the relevant effective construction approval in accordance with the PRC laws and regulations, upon full completion the Group should have no substantial legal impediment to obtaining the relevant Realty Title Certificate provided that prior inspections are conducted and handover permissions are issued by the relevant government departments. The construction works thereof are legally owned by the Group in accordance with PRC laws and regulations and the Group is entitled to transfer and mortgage or otherwise dispose of the construction works.

4. A summary of major certificate/approvals is shown follows:

i.	Stated-owned Land Use Rights Grant Contract	Yes
ii.	State-owned Land Use Rights Certificate	Yes
iii.	Construction Land Use Planning Permit	Yes
iv.	Construction Works Planning Permit	Part
v.	Construction Works Commencement Permit	Part
vi.	Pre-Sale Permit	Not applicable at this stage
vii.	Construction Works Completion Certificate Report	Not applicable at this stage
viii.	Real Estate Title and Rights Certificate/Realty Title Certificate	Not applicable at this stage

VALUATION CERTIFICATE

Group IV — Property interests contracted to be held by the Group in the PRC

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
79.	The reserved land of Commercial Plaza of Jinbi Garden No. 2, opposite to No. 45 high school, south of Gongye Avenue, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises a parcel of land with a site area of approximately 23,797 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 30,201 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following Guangzhou City State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of the Site, with a total site area of approximately 23,797 sq.m., have been contracted to be granted to the Group with a total consideration of RMB 12,931,515.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2004] 208	31 August 2004	7,932
Supplemental agreement	27 September 2007	15,865
	Total:	23,797

2. As advised by the Group, the Group has not yet obtained any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant contract and the supplemental agreement are legal, valid and binding on both parties. The land premium in respect of the Site has been paid in full.

   ii. The Group has not obtained the State-owned Land Use Right Certificate(s) of the property because the demolition and relocation of the original properties on the Site have not been completed. Based on the above and the interview with Guangzhou National Land and Resource Administration Bureau, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

   iii. After the completion of the demolition and relocation of the Site, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate(s) of the property.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 269,100,000 (100% interests attributable to the Group: RMB 269,100,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
80.	The reserved land of Phase 5 of Jinbi Garden No. 3, south of Gongye Avenue, Shixi Village, Haizhu District, Guangzhou City, Guangdong Province, the PRC	The property comprises a parcel of land with a site area of approximately 26,590 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 79,545 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, with a total site area of approximately 26,590 sq.m., have been contracted to be granted to the Group at a total consideration of RMB 19,969,299.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Sui Guo Di Chu He [2004] 210	31 August 2004	26,590
	Total:	26,590

2. As advised by the Group, the Group has not yet obtained any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties. The Group has paid the land premium in respect of the Site in full.

   ii. As confirmed by the Group, the Site is in the process of demolition and relocation and the Group holds valid Permits for Demolition and Relocation issued by the Guangzhou Land Bureau, which is valid until 2 August 2010. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

   iii. After the completion of the demolition and relocation of the Site, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 564,700,000 (100% interests attributable to the Group: RMB 564,700,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
81.	The reserved land in Plot Juan Ma Factory, Yuan Cun Er Heng Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC	The property comprises a parcel of land with the site area of approximately 109,802 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 391,939 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of the Site, with a total site area of approximately 109,802 sq.m., have been contracted to be granted to the Group at a consideration of RMB 4,100,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
440106-2008-000001	8 January 2008	109,802
	Total:	109,802

2. As advised by the Group, the Group has not yet obtained any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

3. Part of the land with a site area of approximately 11,646 sq.m. will be reverted to the government upon completion of the development.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. The Group has paid RMB 130,000,000 on 29 December 2007 as auction deposit.

   iii. The Group is currently in negotiation with the local government regarding the terms of land use rights grant contract, including the use of land and the payment terms, in light of the changed zoning plan enacted by the government. The Group has not paid the remaining land premium according to the original terms of the Land Use Rights Grant Contract and as such may be subject to forfeiture of the Site and land deposit as well as related penalties in relation to the outstanding land premium. However, considering the government's change in zoning plan after the land auction and having been receptive to a negotiation with the Group, the Group's PRC legal advisor is of the opinion that the risk of forfeiture of the Site and land deposit and payment of related penalty imposed by the local authority is low at the current stage.

   In addition, under the original Land Use Rights Grant Contract, the Group may be required to pay the difference if the government subsequently sells the Site to a third party at a price lower than that in the original Land Use Rights Grant Contract as a result of default by the Group under the original Land Use Rights Grant Contract. However, the Group has confirmed that the land use of the property will be changed and the Site will be divided into several parts. As a result, the land use rights can only be sold under different land usage and pricing scale, which would not be comparable to the

original land usage and price. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be required to pay such difference by the local government authority.

iv. As confirmed by the Group, as at the date of the legal opinion, the Group has not received any fine, penalty or forfeiture notice from the relevant government authority.

v. Since the government has not delivered the Site to the Group as a result of the re-zoning plan and the Group has not obtained the State-owned Land Use Rights Certificate and land use right, the Group's PRC legal advisor is of the opinion that the Site will not be determined as idle land, therefore there is no legal risk the Group will be subject to any land idle fee.

5. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 546,920,000 (100% interests attributable to the Group: RMB 546,920,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
82.	The reserved land of Evergrande Oasis Taiyuan, West of Dayun Road, North of Kangning Street, Taiyuan City, Shanxi Province, the PRC	The property comprises a parcel of land with a site area of approximately 252,586 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 915,765 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 691,796.93 sq.m., have been contracted to be granted to the Group at a consideration of RMB 1,219,810,937.

Stated-owned Land Use Rights Grant Contract	Date of Contract		Site Area
			(sq.m.)
20070032	14 November 2007		—
Supplemental agreement	14 November 2007		—
Supplemental agreement	11 December 2008		691,796.93
		Total:	691,796.93

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 43 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the supplemental agreements with a total site area of approximately 439,210.65 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 252,586 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties.

   ii. The outstanding land premium amounted to RMB 423.3 million. According to the relevant government authority's confirmation, the Group can apply for the State-owned Land Use Rights Certificate according to the portion of the land premium that has been paid.

   iii. According to the meeting minutes of the Taiyuan government, the Taiyuan land bureau will issue State-owned Land Use Rights Certificates of the Site in phases based on the amounts of land premium paid. Based on that, the PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to forfeiture of the Site or land deposit by the local government authority.

   iv. The Group has obtained construction permits for part of the Evergrande Oasis Taiyuan project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights

Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 1,462,500,000 (100% interests attributable to the Group: RMB 1,462,500,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
83.	The reserved land of Evergrande Palace Chongqing, the New Northern Zone, Chongqing City, the PRC	The property comprises a parcel of land with a site area of approximately 9,443.2 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 24,718 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 169,812.9 sq.m. have been contracted to be granted to the Group at a consideration of RMB 424,000,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Yu Di (2007) He Zi (Bei Xin Gao) Di 35	14 February 2007	169,812.9
Supplemental agreement	—	—
	Total:	169,812.9

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Properties 25 and 46 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the supplemental agreement with a total site area of approximately 160,369.7 sq.m.. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 9,443.2 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full.

   ii. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties.

   iii. The Group has obtained the relevant government department's approval for the deferral of settlement of the outstanding demolition and relocation fee before the end of October 2009 and the Group plans to pay the same before the end of October 2009 which is permitted by the relevant governmental departments.

   iv. The Group has obtained construction permits for part of the Evergrande Palace Chongqing project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on these facts and circumstances, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 112,700,000 (100% interests attributable to the Group: RMB 112,700,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
84.	The reserved land of Evergrande Oasis Chongqing, Da Yang Shi Street, Jiu Long Po District, Chongqing City, the PRC	The property comprises a parcel of land with a site area of approximately 55,613.5 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 314,039 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 91,928 sq.m., have been contracted to be granted to the Group at a consideration of RMB 902,152,524.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Yu Di (2007) He Zi (Jiu Qu) Di 256	17 October 2007	91,928
Supplemental agreement	20 January 2009	—
	Total:	91,928

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 48 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the supplemental agreement with a total site area of approximately 36,314.5 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 55,613.5 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has paid the land premium according to the Land Use Rights Grant Contract and the supplemental agreement.

   iii. After settlement of the entire land premium according to the Land Use Rights Grant Contract and the supplemental agreement mentioned above, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iv. The Group has commenced construction of part of the Evergrande Oasis Chongqing project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 887,800,000 (100% interests attributable to the Group: RMB 887,800,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
85.	The reserved land of Evergrande Metropolis Chongqing, Shiyou Road, Yuzhong District, Chongqing City, the PRC	The property comprises a parcel of land with a site area of approximately 155,852 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 632,409 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 191,400 sq.m., have been contracted to be granted to the Group at a consideration of RMB 1,627,847,476.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Yu Di (2007) He Zi (Jiu Qu) Di 255	17 October 2007	191,400
Supplemental agreement	20 January 2009	—
	Total:	191,400

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 49 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the supplemental agreement with a total site area of approximately 35,548 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 155,852 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The State-owned Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties.

   ii. The Group has paid the land premium according to the Land Use Rights Grant Contract and the supplemental agreement.

   iii. After settlement of the entire land premium according to the Land Use Rights Grant Contract and the supplemental agreement mentioned above, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iv. The Group has commenced construction of part of the Evergrande Metropolis Chongqing project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on these facts and circumstances, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

v. Portion of the property has been contracted to be sold but the building ownership thereof has not been transferred to the purchasers. The Group has to transfer the building ownership to the purchasers for their occupation after all parties have fulfilled the conditions and settled all the payments in the relevant sale and purchase agreements. Before the aforesaid transfer, the building ownership of the property is vested in the Group but the Group does not have the right to transfer, lease, mortgage or otherwise dispose of such portion of the property without the purchasers' approval and termination of the relevant sale and purchase agreements.

vi. The following portions of the property are subject to mortgages and the transfer, lease and mortgatge of such portions shall be subject to the prior consent from the mortgagee:

Corresponding State-owned Land Use Rights Certificates or projects mortgaged	Encumbrance No.	Date of instruments	Creditor
284 apartment units in Block No. 8, 26–27 and a land with a land area of 15,003.4 sq.m.	N/A	N/A	China Everbright Bank
254 apartment units in Block No. 1-6 and 26 retail units	Mortgage Contract No. Yu San Yin DY Zi 0103200920014	10 August 2009	Chongqing San Xia Bank — Yubei Branch

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 1,644,500,000 (100% interests attributable to the Group: RMB 1,644,500,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
86.	The reserved land of Evergrande City Shenyang, north of Qianshan West Road, Yuhong District, Shenyang City, Liaoning Province, the PRC	The property comprises a parcel of land with a site area of approximately 23,902.5 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of buildings and structures to be constructed on the property is approximately 44,567 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 22 December 2006, the land use rights of, *inter alia*, the Site, with a total site area of approximately 355,000 sq.m., have been confirmed to be granted to the Group at a consideration of RMB 249,920,000.

2. Pursuant to the State-owned Land Use Rights Grant Contracts and State-owned Land Use Rights Certificates listed in Notes 2 & 3 of Property 61 of this valuation report, the Group has obtained part of the land use rights in accordance with the Land Transaction Confirmation Letter with a total site area of approximately 331,097.5 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Grant Contract or State-owned Land Use Rights Certificate with a site area of approximately 23,902.5 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium in respect of the Site in full. The Land Transaction Confirmation Letter is legal, valid and binding on both parties.

   ii. Due to land demolition problem, the Group is not in a position to enter into the State-owned Land Use Rights Grant Contract of the property.

   iii. Upon the Group having obtained the relevant land requisition approval according to the terms set out in the Land Transaction Confirmation Letter, the Group shall be entitled to enter into the State-owned Land Use Rights Grant Contract of the property.

   iv. As confirmed by the Group, the government has not completed the required demolition and relocation and thus no State-owned Land Use Rights Grant Contract has been entered into for the Site and the Site has not been delivered to the Group. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 153,000,000 (100% interests attributable to the Group: RMB 153,000,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009 (RMB)
87.	The reserved land of Phase II of Evergrande Oasis Shenyang, Yuhong New CIty, Yuhong District, Shenyang City, Liaoning Province, the PRC	The property comprises a parcel of land with a site area of approximately 311,406.32 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of buildings and structures to be constructed on the property is approximately 1,458,491 sq.m. including the underground space.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to a Land Transaction Confirmation Letter dated 29 December 2006, the land use rights of, *inter alia,* the Site, with a total site area of approximately 602,130 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 692,449,500.

2. Pursuant to the State-owned Land Use Rights Grant Contracts and State-owned Land Use Rights Certificates listed in Notes 2 & 3 of Property 62 of this valuation report, the Group has obtained part of the land use rights in accordance with the Land Transaction Confirmation Letter with a total site area of approximately 290,723.68 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Grant Contract or State-owned Land Use Rights Certificate with a site area of approximately 311,406.32 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. As of the Latest Practicable Date, the outstanding land premium amounted to RMB 358.117 million. The Land Transaction Confirmation Letter is legal, valid and binding on both parties.

   ii. Due to land demolition problem, the Group is not in a position to enter into the State-owned Land Use Rights Grant Contract of the property. However, it will not affect the Group's development rights of a total site area of 602,130 sq.m..

   iii. Upon the Group having paid the remaining land premium according to the terms set out in the Land Transaction Confirmation Letter and entered into the State-owned Land Use Rights Grant Contract, the Group shall not have any substantial legal impediment to obtain the State owned Land Use Rights Certificate of the property.

   iv. As confirmed by the Group and the certificate issued by the relevant government, the government has not completed the required demolition and relocation and thus no State-owned Land Use Rights Grant Contract has been entered into for the Site and the Site has not been delivered to the Group. Based on the above, the Group's PRC legal advisor is of the opinion that there is no risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 4,853,000,000 (100% interests attributable to the Group: RMB 4,853,000,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
88.	The reserved land of Evergrande Oasis Wuhan, Caidian District, Wuhan City, Hubei Province, the PRC	The property comprises a parcel of land with a site area of approximately 97,666 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 278,551.80 sq.m. including the underground spaces.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts and alteration agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 314,901 sq.m. have been granted to the Group at a total consideration of RMB 161,900,000.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
Cai Tu Zi Chu Zi [2007] No. 8	6 June 2007	70,484
Cai Tu Zi Chu Zi [2007] No. 9	31 May 2007	87,749
Cai Tu Zi Chu Zi [2007] No. 10	31 May 2007	158,395
	Total:	316,628
Alteration agreement of Land Use Rights Grant Contracts	2 July 2007	314,901

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 63 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the alteration agreement with a total site area of approximately 217,235 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 97,666 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The State-owned Land Use Rights Grant Contracts and the alteration agreement are legal, valid and binding on both parties.

   ii. The Group will need to pay the remaining land premium of RMB 65,267,200. Upon payment of the remaining land premium in accordance with the terms of the Land Use Rights Grant Contracts and the alteration agreement after the government delivers the Site, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iii. Under the State-owned Land Use Rights Grant Contracts and the alternation agreement, the Group shall pay the land premium one month after the government delivers the Site. As confirmed by the Group, the government has not completed the required demolition and relocation and thus the Site has not been delivered to the Group. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 627,900,000 (100% interests attributable to the Group: RMB 627,900,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
89.	The reserved land of Evergrande City Wuhan, Han Kou District, Wuhan City, Hubei Province, the PRC	The property comprises a parcel of land with a site area of approximately 92,858.08 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 184,250 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of, *inter alia*, the Site, with a total site area of approximately 370,692 sq.m., have been contracted to be granted to the Group at a consideration of RMB 307,790,135.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
WDP-2007-041	April 2007	102,781
WDP-2007-042	April 2007	89,560
WDP-2007-043	April 2007	95,590
WDP-2007-044	April 2007	82,761
	Total:	370,692

2. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 64 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contracts with a total site area of approximately 277,833.92 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificates with a site area of approximately 92,858.08 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has paid the land premium according to the Land Use Rights Grant Contracts. The Land Use Rights Grant Contracts are legal, valid and binding on both parties.

   ii. Since the Group has paid the entire land premium according to the Land Use Rights Grant Contracts, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iii. The Group has obtained construction permits for part of the Evergrande City Wuhan project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificates of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 388,700,000 (100% interests attributable to the Group: RMB 388,700,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
90.	The reserved land of Evergrande Palace Hefei, Weiwu Road, Political and Cultural New District, Hefei City, Anhui Province, the PRC	The property comprises a parcel of land with a site area of approximately 61,547.45 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 234,600 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 142,577.84 sq.m., have been contracted to be granted to the Group at a consideration of RMB 804,139,017.6.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
GF-2000-2601	7 December 2007	142,577.84
Supplemental Agreement	14 April 2009	—
	Total:	142,577.84

2. Pursuant to the State-owned Land Use Rights Certificate listed in Note 2 of Property 67 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract and the supplemental agreement with a total site area of approximately 81,030.39 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 61,547.45 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract and the supplemental agreement are legal, valid and binding on both parties.

   ii. Under the Land Use Rights Grant Contract and the supplemental agreement, the outstanding land premium amounted to RMB 308.4 million. After the Group has paid the outstanding land premium in accordance with the Land Use Rights Grant Contract and the supplemental agreement, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iii. The Group has obtained construction permits for part of the Evergrande Palace Hefei project (namely Property 67 of this valuation report). The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

iii. The Group has obtained construction permits for part of the Evergrande Palace Hefei project. The Group will obtain the construction permits of the property in phases according to Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 448,500,000 (100% interests attributable to the Group: RMB 448,500,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
91.	The reserved land in Lujiazui, No. 1 Yuanshen Road, Pudong New District, Shanghai City, the PRC	The property comprises a parcel of land with a site area of approximately 34,063 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 183,605.30 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract and the supplemental agreements, the land use rights of the Site, with a total site area of approximately 34,063 sq.m., have been contracted to be granted to Shanghai Zhongshang Suihua Estates Company Limited at a consideration of USD 5,015,632.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area	Consideration
		(sq.m.)	(USD)
Hu Pu (1993) Chu Rang He Tong No. 011	25 June 1993	28,277.0	5,015,632
Hu Pu (1993) Chu Rang He Tong No. 011 Supplemental agreement (1)	28 December 2001	29,837.0 (expansion)	N/A
Hu Pu (1993) Chu Rang He Tong No. 011 Supplemental agreement (2)	4 September 2002	30,525.0 (expansion)	N/A
Hu Pu (1993) Chu Rang He Tong No. 011 Supplemental agreement (3)	28 April 2003	34,063.0 (expansion)	N/A
	Total:	34,063.0	5,015,632

2. Pursuant to the following Shanghai Certificate of Real Estate Ownership, the land use rights of the property have been granted to 上海穗華置業有限公司 (Shanghai Suihua Estates Company Limited) ("Shanghai Suihua").

Shanghai Certificate of Real Estate Ownership Number	Date of Issuance	Site Area	Date of Expiry
		(sq.m)	
Hu Fang Di Pu Zi (2003) Di 090105 Hao	22 August 2003	34,063.0	27 December 2043
	Total:	34,063.0	

3. As advised by the Group, the Group will sign Equity Transfer Agreement with Suihua Investment Company (HK) Limited to acquire the shares of the owner of the property. The Group did not obtain any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. According to the confirmation given by the Group, the Group has not yet completed the share transfer. Therefore the property does not belong to the Group.

   ii. Shanghai Suihua has obtained the Shanghai Certificate of Real Estate Ownership of the Site and is entitled to transfer, lease, mortgage or otherwise dispose of the land use rights of the property.

   iii. Shanghai Suihua has the right to develop the property but should obtain the relevant construction approval before commencement of construction works.

   iv. As confirmed by the Group, the Site is in the process of demolition and relocation and Shanghai Suihua holds valid Permits for Housing Demolition and Relocation issued by the Shanghai Bureau of Social Housing and Building Administration, which is valid until 30 October 2009. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that Shanghai Suihua will be subject to land idle fee or forfeiture of the Site by the local government authority.

5. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 2,215,200,000 (100% interests attributable to the Group: RMB 2,215,200,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
92.	The reserved land of Evergrande Oasis Zhengzhou, Economic and Technique Development Zone, Zhengzhou City, Henan Province, the PRC	The property comprises a parcel of land with a site area of approximately 438,667 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 1,591,151 sq.m., which comprises a number of high-rise residential buildings, retail shop units, offices, hotel, apartment units and ancillary facilities. The property will be developed by four phases and the final completion date will be in 2016.	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contracts, the land use rights of, *inter alia*, the Site, with a total site area of approximately 533,669.18 sq.m., have been contracted to be granted to the Group at a consideration of RMB 86,431,802.4.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
2003-15	29 July 2003	324,213.64
2003-16	29 July 2003	229,455.54
	Total:	553,669.18

2. Pursuant to 恒大地產和河南鑫滙鑫投資發展有限公司簽署的股權轉讓協議和出讓協議, the site area of the property contracted to be granted is expected to be adjusted to approximately 438,667 sq.m..

3. As advised by the Group, the Group did not obtain any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts are legal, valid and binding on both parties.

   ii. The Group shall pay the land premium according to the amended Land Use Rights Grant Contracts upon completion of approval of planning modification.

iii. The Group confirms that the government has indicated its intent to modify the zoning plan of a portion of the Site and the area of the Site will be changed to 658 mu. As such, the commencement of the construction and the payment of the outstanding land premium have been on hold until finalization of the urban planning and the government has not delivered the Site to the Group. According to the original Land Use Rights Grant Contracts, the Group may be imposed a late payment penalty at the rate of 0.3% per day. However, the Group has not received any notification regarding the late payment penalty and is continuing its efforts in discussion with the government to resolve the matter. Based on these facts and circumstances, the Group's PRC legal advisor is of the opinion that the legal risk of late payment penalty is low at the current stage. According to the Group, for the changed size of the project, the outstanding land premium is approximately RMB 6,090,000 and the Group may be imposed a late payment penalty of RMB 37,530,000.

In addition, as confirmed by the Group, the government will deliver the Site to the Group upon finalization of the requisite urban planning. Based on these facts and circumstances, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

5. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 5,834,000,000 (80.05% interests attributable to the Group: RMB 4,670,117,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
93.	The reserved land of Evergrande Oasis Luoyang, Chanhe District, Luoyang City, Henan Province, the PRC	The property comprises a parcel of land with a site area of approximately 594,419.9 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 2,368,867 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. Pursuant to the following State-owned Land Use Rights Transaction Confirmation Letters, the land use rights of, *inter alia*, the Site, where the Development is located therein, with a total site area of approximately 892,080.4 sq.m. have been confirmed to be granted to the Group at a consideration of RMB 544,399,161.

State-owned Land Use Rights Transaction Confirmation Letter Number	Date of Letter	Site Area
		(sq.m.)
N/A	4 January 2008	688,726.6
N/A	4 January 2008	203,353.8
	Total:	892,080.4

2. Pursuant to the following State-owned Land Use Rights Grant Contracts and supplemental agreement, the land use rights of, *inter alia*, the Site, with a total site area of approximately 892,080.4 sq.m., have been contracted to be granted to the Group at a consideration of RMB 544,399,161.

State-owned Land Use Rights Grant Contract Number	Date of Contract	Site Area
		(sq.m.)
2008-01	6 January 2008	203,353.8
2008-02	6 January 2008	688,726.6
Supplemental agreement	3 July 2009	—
	Total:	892,080.4

3. Pursuant to the State-owned Land Use Rights Certificate listed in Note 3 of Property 71 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contracts and the supplemental agreement with a total site area of approximately 297,660.5 sq.m. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 594,419.9 sq.m. of the property as at 30 September 2009.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contracts and supplemental agreement are legal, valid and binding on both parties.

   ii. Upon settlement of the entire land premium according to the Land Use Rights Grant Contracts and the supplemental agreement, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

   iii. The Group has commenced construction of part of the Evergrande Oasis Luoyang project. The Group will obtain the construction permits of the property in phases according to the Group's development plan and construction schedule after having obtained the State-owned Land Use Rights Certificate(s) of the property and such practice is permitted under the PRC laws and regulations. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority. In addition, the Group has paid the land premium according to the land use rights grant contracts and the supplemental agreement.

5. In our valuation, we have ascribed no commercial value to the property. Had the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 4,151,500,000 (100% interests attributable to the Group: RMB 4,151,500,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
94.	The reserved land of Evergrande Metropolis Taiyuan, north side of Bei Jian River, Jiancaoping District, Taiyuan City, Shanxi Province, the PRC	The property comprises a parcel of land with a site area of approximately 121,746 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 408,449 sq.m..	The property is currently vacant.	No Commercial Value

Notes:

1. According to the Shareholding Cooperation Development Contract dated 11 July 2009 and the supplemental agreement, upon the completion of the shares transaction between the Group and Taiyuan Chemical Industry Real Estate Development Co., Ltd., Hengda (Taiyuan) Real Estate Group Company Limited, which is a wholly-owned subsidiary of the Group, will acquire the entire interest of the property.

2. As advised by the Group, the Group did not obtain any State-owned Land Use Rights Certificate of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Shareholding Cooperation Development Contract and the supplemental agreement are legal, valid and binding on both parties.

4. In our valuation, we have ascribed no commercial value to the property. Had the Group completed the share transfer procedure, paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 1,114,400,000 (100% interests attributable to the Group: RMB 1,114,400,000).

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009 (RMB)
95.	The reserved land of Evergrande City Shijiazhuang, Shijiazhuang City, Hebei Province, the PRC	The property comprises a parcel of land with a site area of approximately 195,412.7 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 819,706 sq.m. including the underground space.	The property is currently vacant.	No commercial value

Notes:

1. Pursuant to the State-owned Land Use Rights Grant Contract No. GF-2008-2601 dated 19 August 2009, the land use rights of, *inter alia*, the Site, with a total site area of approximately 245,414.1 sq.m. have been contracted to be granted to the Group at a consideration of RMB 1,935,500,000.

2. Pursuant to the State-owned Land Use Rights Certificate listed in Note 2 of Property 77 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract with a total site area of approximately 50,001.4 sq.m.. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 195,412.7 sq.m. of the property as at 30 September 2009.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Land Use Rights Grant Contract is legal, valid and binding on both parties.

   ii. Upon settlement of the entire land premium according to the Land Use Rights Grant Contract, the Group shall not have any substantial legal impediment to obtain the State-owned Land Use Rights Certificate of the property.

4. In our valuation, we have ascribed no commercial value to the property. Has the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 2,070,000,000 (100% interests attributable to the Group: RMB 2,070,000,000)

VALUATION CERTIFICATE

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009
				(RMB)
96.	The reserved land of Evergrande Oasis Nanchang Sliver Triangle Industrial Zone, Hero Economic Development District, Nanchang City, Jiangxi Province, the PRC	The property comprises a parcel of land with a site area of approximately 948,253 sq.m. ("the Site"). As advised by the Group, the total expected gross floor area of the buildings and structures to be constructed on the property is approximately 284,019 sq.m. including the underground space.	The property is currently vacant.	No commercial value

Notes:

1. Pursuant to the following State-owned Land Use Rights Grant Contract, the land use rights of, *inter alia*, the Site with a total site area of approximately 1,620,000.08 sq.m. have been contracted to be granted to the Group at a consideration of RMB 160,893,585.18.

State-owned Land Use Right Grant Contacts Number	Date of Contract	Site Area
		(sq.m.)
(2003) 19 No. 1	22 November 2003	663,588.32
(2003) 19 No. 2	22 November 2003	662,611.32
(2003) 19 No. 3	22 November 2003	649,000.00
(2003) 19 No. 5	22 November 2003	664,161.32
	Total:	2,639,630.96

2. Pursuant to 江西省翠林山莊有限公司股權轉讓協議, the site area of the property contracted to be granted is expected to be adjusted to approximately 1,620,000.08 sq.m.

3. Pursuant to the State-owned Land Use Rights Certificates listed in Note 2 of Property 74 of this valuation report, the Group has obtained part of the land use rights in accordance with the State-owned Land Use Rights Grant Contract with a total site area of approximately 671,746.96 sq.m.. The Group has not yet obtained any remaining State-owned Land Use Rights Certificate with a site area of approximately 948,253 sq.m. of the property as at 30 September 2009. For reference purpose, after the date of valuation, the Group has obtained 8 State-owned Land Use Rights Certificates of the property on 9 October 2009 with a total site area of approximately 905,642.13 sq.m..

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. For the relevant part of the property has obtained the State-owned Land Use Rights Certificates dated 9 October 2009. The Group has obtained the State-owned Land Use Rights Certificates of the property and is entitled to transfer, lease and mortgage or otherwise dispose of the land use rights of the property.

   ii. As confirmed by the Company, due to the planning medication by the government authority, the construction works of the project is still not yet commenced. Based on the above, the Group's PRC legal advisor is of the opinion that there is no legal risk that the Group will be subject to land idle fee or forfeiture of the Site by the local government authority.

5. In our valuation, we have ascribed no commercial value to the property. Has the Group paid all of the land premium and obtained all appropriate State-owned Land Use Rights Certificate(s) of the property, the capital value of the property at its existing state as at 30 September 2009 was in the sum of RMB 598,000,000 (100% interests attributable to the Group: RMB 598,000,000).

VALUATION CERTIFICATE

Group V — Property interests rented by the Group in the PRC

	Property	Description and tenure	Capital value in existing state as at 30 September 2009
			(RMB)
97.	Various properties leased by the Group in various cities in the PRC	The properties comprises various premises with a total leasable area of approximately 99,866.4736 sq.m. completed in 2000 to 2007 as offices, dormitory, mixed and other usages located in 21 cities (including Qidong, Nanjing, Chongqing, Shenyang, Foshan, Chengdu, Taiyuan, Luoyang, Wuhan, Qingxin, Xi'an, Kunming, Zhengzhou, Changsha, Guiyang, Heifei, Nanning, Tianjin and Guangdong Province).	No Commercial Value

Notes:

1. Due to the fact that we have not been provided all the realty titles, the area is summarized as per the on hand material.

2. We were advised that the landlords are independent third parties from the Group.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal advisor, which contains, *inter alia*, the following information:

   i. The Group has signed 343 tenancy agreements with a total contract area of approximately 99,866.4736 sq.m., in which 104 tenancy agreements with a leasable area of approximately 20,853.57 sq.m. have obtained the relevant building titles, the landlord has the rights to lease the property and those tenancy agreements are valid and legally binding on both parties.

   ii. There are 33 tenancy agreements without the specific gross floor area on their agreements. The Company can not provide the building titles from the landlord.

   iii. There are 206 tenancy agreements with a leasable area of approximately 79,012.9036 sq.m. without building titles from the landlord. However, the Group confirmed that those building titles is still under application. Upon the building titles have been obtained, the tenancy agreements are valid and legally binding on both parties.

   iv. For those tenancy agreements which have not been submitted to the relevant PRC government administrative department for registration, this will not affect the validity of the tenancy agreements.

VALUATION CERTIFICATE

Group VI — Property interest rented by the Group in Hong Kong

	Property	Description and tenure	Details of occupancy	Capital value in existing state as at 30 September 2009 (RMB)
98.	Suites 1201–1202, Two Pacific Place, 88 Queensway, Hong Kong	The property comprise an office unit on the 12th floor in a 46-storey office building, namely Two Pacific Place. The property was completed in 1990. The property is leased by Pacific Place Holding Limited to the Group for a term of 4 years from 1 November 2006 to 31 October 2010 at a monthly rental of HK$231,600.	The property is currently occupied by the Group as an office.	No Commercial Value

Notes:

1. The registered owner of the property is Pacific Place Holding Limited.

2. The property lies within an area zoned for "Commercial or Residential" under the relevant outline zoning plan.

The following discussion is a summary of some anticipated tax consequences of our operations and of your investment in our Shares under tax laws of mainland China, Hong Kong and the Cayman Islands. The discussion does not deal with all possible tax consequences relating to our operations or to your investment in our Shares. In particular, the discussion does not address the tax consequences under provincial, local and other (e.g. non-PRC, non-Hong Kong and non-Cayman Islands) tax laws. Accordingly, you should consult your tax advisor regarding your particular tax consequences of an investment in our Shares. The following discussion is based upon laws and their interpretations in effect as of the date of this document, all of which are subject to change.

MAINLAND CHINA TAXATION

Because we are not incorporated in mainland China, your investment in our Shares is largely exempt from PRC tax laws, excepted as disclosed in "Risk Factors — Risks Relating to Our Business — Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws." But because virtually all of our business operations are in mainland China and we carry out these business operations through operating subsidiaries and joint ventures organized under the PRC law, our PRC operations and our operating subsidiaries and joint ventures in mainland China are subject to PRC tax laws and regulations, which indirectly affect your investment in our Shares.

Dividends from Our PRC Operations

Under the PRC tax laws effective prior to January 1, 2008, dividends paid by our PRC subsidiaries or joint ventures to us were exempt from PRC income tax. However, pursuant to the PRC Enterprise Income Tax Law and its implementation rules that became effective on January 1, 2008, dividends payable by foreign invested enterprises, such as subsidiaries and joint ventures in China, to their foreign investors are subject to a withholding tax at a rate of 10% unless any lower treaty rate is applicable.

Under the new tax law and its implementation rules, enterprises established under the laws of foreign jurisdictions but whose "de facto management body" is located in China are treated as "resident enterprises" for PRC tax purposes, and will be subject to PRC income tax on their worldwide income. For such PRC tax purposes, dividends from PRC subsidiaries to their foreign shareholders are excluded from such taxable worldwide income. Under the implementation rules of the new Enterprise Income Law, "de facto management bodies" is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. Because this tax law is new and its implementation rules are newly issued, there is uncertainty as to how this new law and its implementation rules will be interpreted or implemented by relevant tax bureaus.

Dividends We Pay to You

Because we are not incorporated in mainland China, under the PRC tax laws effective prior to January 1, 2008, even though we had significant operating subsidiaries and joint ventures in mainland China, our distribution of dividends to our overseas investors was not subject to PRC

tax. The new PRC enterprise income tax law and its implementation rules, however, impose a withholding tax at the rate of 10% on dividends paid to investors that are "non-resident enterprises," to the extent such dividends are sourced within China. It is not clear whether you will be subject to such PRC withholding taxes as a result. A non-resident enterprise for such tax purposes is defined to include any non-PRC incorporated enterprise that does not have an establishment or place of business in China. Although a foreign investor has such establishment or place of business in China, such withholding is not applicable if the relevant income is not effectively connected with its establishment or place of business in China. Due to these new provisions in the PRC tax law, despite many uncertainties with respect to their actual intentions and practical effects, if we are considered a PRC resident enterprise, the dividends we pay to the non-resident enterprise investors with respect to our Shares may be treated as income derived from sources within China and be subject to the PRC withholding tax.

Transfer or Disposition of Our Shares

As we are not incorporated in mainland China, under the PRC tax laws, any transfer or disposition of our Shares by an overseas investor did not trigger PRC tax liabilities. The new PRC enterprise income tax law and its implementation rules, however, impose a withholding tax at the rate of 10% on capital gains realized by investors that are "non-resident enterprises," to the extent such gains are sourced within China. It is not clear whether you will be subject to such PRC withholding taxes as a result. A non-resident enterprise for such tax purposes is defined to include any non-PRC incorporated enterprise that does not have an establishment or place of business in China. Any gain realized on the transfer of Shares by such investors is subject to 10% PRC income tax if such gain is regarded as income derived from sources within China. Due to these new provisions in the PRC tax law, despite many uncertainties with respect to their actual intentions and practical effects, if we are considered a PRC resident enterprise, the gain the non-resident enterprise investors may realize from the transfer of our Shares, may be treated as income derived from sources within China and be subject to the PRC income tax.

Our Operations in Mainland China

Our subsidiaries and joint ventures through which we conduct our business operations in mainland China are subject to PRC tax laws and regulations.

Deed Tax. Under the PRC Interim Regulation on Deed Tax《中華人民共和國契税暫行條例》, a deed tax is chargeable to transferees of land use rights and/or ownership in real properties within the territory of mainland China. These taxable transfers include:

- grant of use right of state-owned land;
- sale, gift and exchange of land use rights, other than transfer of right to manage rural collective land; and
- sale, gift and exchange of real properties.

Deed tax rate is between 3% to 5% subject to determination by local governments at the provincial level in light of the local conditions.

Corporate Income Tax. Prior to the new Enterprise Income Tax Law and its implementation rules that became effective on January 1, 2008, our PRC subsidiaries and joint ventures were generally subject to a 33% corporate income tax. Under the new income tax law, effective from January 1, 2008, a unified enterprise income tax rate is set at 25% for both domestic enterprises and foreign-invested enterprises, The new Enterprise Income Tax Law and its implementation rules provide certain relieves to enterprises that were established prior to March 16, 2007, including (1) continuously enjoying the preferential income tax rate during a five-year transition period if such enterprises are entitled to preferential income tax rate before the effectiveness of new Enterprises Income Tax Law; (2) continuously enjoying the preferential income tax rate until its expiry if such enterprises are entitled to tax holidays for a fixed period under the relevant laws and regulations. However, where the preferential tax treatment has not commenced due to losses or accumulated loss not being fully offset, such preferential tax treatment shall be deemed to commence from January 1, 2008 and expire on December 31, 2013. In addition, dividends from PRC subsidiaries to their foreign shareholders will be subject to a withholding tax at a rate of 10% unless any lower treaty rate is applicable. However, under the new tax law and its implementation rules, enterprises established under the laws of foreign jurisdictions but whose "de facto management body" is located in China are treated as "resident enterprises" for PRC tax purposes, and will be subject to PRC income tax on their worldwide income. Dividends from PRC subsidiaries to their foreign shareholders are excluded from such taxable worldwide income. Under the implementation rules of the new Enterprise Income Law, "de facto management bodies" is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. Because this tax law is new and its implementation rules are newly issued, there is uncertainty as to how this new law and its implementation rules will be interpreted or implemented by relevant tax bureaus.

Business Tax. Under the PRC Interim Regulation on Business Tax《中華人民共和國營業税暫行條例》of 1994, as amended in 2008, services in mainland China are subject to business tax. Taxable services include sale of real property in mainland China. Business tax rate is between 3% to 20% depending on the type of services provided. Sale of real properties and other improvements on the land attract a business tax at the rate of 5% of the turnover of the selling enterprise payable to the relevant local tax authorities.

On June 16, 2006, the State Administration of Taxation and the Ministry of Finance jointly issued a Notice on Adjusting the Relevant Policies for Real Estate Business Taxes《關於加強住房營業税徵收管理有關問題的通知》. According to the notice, from June 1, 2006, business tax will be imposed on the full amount of the sale income, upon the transfer of a residential house by an individual within five years from the purchase date. In the case of a residence other than an ordinary residence, business tax will be imposed on the difference between the sale income and the purchase price, provided that the transfer occurs after five years from the purchase date.

On December 29, 2008, the Ministry of Finance and the State Administration of Taxation issued a Notice on the Policy of Business Tax on Re-sale of Individual Residential Properties《關於個人住房轉讓營業税政策的通知》, from January 1, 2009 to December 31, 2009, business tax will be imposed on the full amount of the sale income, upon the transfer a non-ordinary residence by an individual within two years from the purchase date; for the transfer of non-ordinary residence which is more than two years from the purchase date and ordinary residence

which is within two years from the purchase date, the business tax is to be levied on the difference between the sale income and the purchase price; and in the case of a ordinary residence, the business tax is exempted if that transfer occurs after two years from the purchase date.

Land Appreciation Tax. Under the PRC Interim Regulation on Land Appreciation Tax《中華人民共和國土地增值税暫行條例》of 1994 and its implementation rules of 1995, LAT applies to both domestic and foreign investors in real properties in mainland China, irrespective of whether they are corporate entities or individuals. The tax is payable by a taxpayer on the appreciation value derived from the transfer of land use rights, buildings or other facilities on such land, after deducting the "deductible items" that include the following:

- payments made to acquire land use rights;
- costs and charges incurred in connection with the land development;
- construction costs and charges in the case of newly constructed buildings and facilities;
- assessed value in the case of old buildings and facilities;
- taxes paid or payable in connection with the transfer of the land use rights, buildings or other facilities on such land; and
- other items allowed by the Ministry of Finance.

The tax rate is progressive and ranges from 30% to 60% of the appreciation value as compared to the "deductible items" as follows:

Appreciation value	LAT rate
Portion not exceeding 50% of deductible items	30%
Portion over 50% but not more than 100% of deductible items	40%
Portion over 100% but not more than 200% of deductible items	50%
Portion over 200% of deductible items	60%

Exemption from LAT is available to the following cases:

- Taxpayers constructing ordinary residential properties for sale (i.e. the residences built in accordance with the local standard for residential properties used by the general population, excluding deluxe apartments, villas, resorts and other high-end premises), where the appreciation amount does not exceed 20% of the sum of deductible items;
- Real estate taken over and repossessed according to laws due to the construction requirements of the state; and

- Due to redeployment of work or improvement of living standard, transfers by individuals of originally self-used residential properties, with five years or longer of self-used residence and with tax authorities' approval.

According to a notice issued by the Ministry of Finance in January 1995, the LAT regulation does not apply to the following transfers of land use rights:

- real estate transfer contracts executed before January 1, 1994; and
- first time transfers of land use rights and/or premises and buildings during the five years commencing on January 1, 1994 if the land grant contracts were executed or the development projects were approved before January 1, 1994 and the capital has been injected for the development in compliance with the relevant regulations.

After the enactment of the LAT regulations and the implementation rules in 1994 and 1995, respectively, due to the long period of time typically required for real estate developments and their transfers, many jurisdictions, while implementing these regulations and rules, did not require real estate development enterprises to declare and pay the LAT as they did other taxes. Therefore, in order to assist the local tax authorities in the collection of LAT, the Ministry of Finance, State Administration of Taxation, Ministry of Construction and State Land Administration Bureau separately and jointly issued several notices to reiterate that, after the assignments are signed, the taxpayers should declare the tax to the local tax authorities where the real estate is located, and pay the LAT in accordance with the amount as calculated by the tax authority and within the time period as required. For those who fail to acquire proof as regards the tax paid or the tax exemption from the tax authorities, the real estate administration authority will not process the relevant title change procedures, and will not issue the property ownership certificates.

The State Administration of Taxation issued a further notice in July 2002 to require local tax authorities to require prepayment of LAT on basis of proceeds from pre-sale of real estate.

In December 2006, the State Administration of Taxation issued a Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises《關於房地產開發企業土地增值稅清算管理有關問題通知》, which came into effect on February 1, 2007. The notice required settlement of LAT liabilities by real estate developers. Provincial tax authorities are given authority to formulate their implementation rules according to the notice and their local situation.

To further strengthen LAT collection, in May 2009, the State Administration of Taxation released the Rules on the Administration of the Settlement of Land Appreciation Tax《土地增值稅清算管理規程》, which come into force in June 1, 2009.

Urban Land Use Tax. Pursuant to the PRC Interim Regulations on Land Use Tax in respect of Urban Land《中華人民共和國城鎮土地使用稅暫行條例》promulgated by the State Council in September 1988, the land use tax in respect of urban land is levied according to the area of relevant land. The annual tax on urban land was between RMB 0.2 and RMB 10 per square meter. An amendment by the State Council in December 2006 changed the annual tax rate to between RMB 0.6 and RMB 30 per square meter of urban land.

Buildings Tax. Under the PRC Interim Regulations on Buildings Tax《中華人民共和國房產稅暫行條例》promulgated by the State Council in September 1986, buildings tax applicable to domestic enterprises is 1.2% if it is calculated on the basis of the residual value of a building and 12% if it is calculated on the basis of the rental.

And according to the Notice on Issues Relating to Assessment of Buildings Tax against Foreign-invested Enterprises and Foreign Individuals《關於對外資企業及外籍個人徵收房產稅有關問題的通知》, the foreign-invested enterprises, foreign enterprises and foreign individuals are to be levied the same as domestic enterprise.

Stamp Duty. Under the PRC Interim Regulations on Stamp Duty《中華人民共和國印花稅暫行條例》promulgated by the State Council in August 1988, for property transfer instruments, including those in respect of property ownership transfers, the duty rate is 0.05% of the amount stated therein; for permits and certificates relating to rights, including property ownership certificates and land use rights certificates, stamp duty is levied on an item-by-item basis of RMB 5 per item.

Municipal Maintenance Tax. Under the PRC Interim Regulations on Municipal Maintenance Tax《中華人民共和國城市維護建設稅暫行條例》promulgated by the State Council in 1985, taxpayer, whether an individual or otherwise, of product tax, value-added tax or business tax are required to pay municipal maintenance tax calculated on the basis of product tax, value-added tax and business tax. The tax rate is 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county or a town, and 1% for a taxpayer whose domicile is not in any urban area or county or town. Under the Circular Concerning Temporary Exemption from Municipal Maintenance Tax and Education Surcharge For Enterprises with Foreign Investment and Foreign Enterprises issued by the State Administration of Taxation in February 1994, the municipal maintenance tax is not applicable to foreign invested enterprises for the time being, until further explicit stipulations are issued by the State Council.

Education Surcharge. Under the Interim Provisions on Imposition of Education Surcharge《徵收教育費附加的暫行稅條例》promulgated by the State Council in April 1986 and amended in 1990 and in August 2005, any taxpayer, whether an individual or otherwise, of value-added tax, business tax or consumption tax is liable for an education surcharge, unless such taxpayer is required to pay a rural area education surcharge as provided by the Notice of the State Council on Raising Funds for Schools in Rural Areas. The Education Surcharge rate is 3% calculated on the basis of consumption tax, value-added tax and business tax. Under the Circular Concerning Temporary Exemption from Municipal Maintenance Tax and Education Surcharge For Enterprises with Foreign Investment and Foreign Enterprises issued by the State Administration of Taxation in February 1994 and the Supplementary Circular Concerning Imposition of Education Surcharge issued by the State Council in October 1994, the education surcharge is not applicable to foreign invested enterprises the time being.

HONG KONG TAXATION

Dividends

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends we pay to our shareholders. Dividends distributed to our shareholders are free of withholding taxes in Hong Kong.

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of our Shares. Trading gains from the sale of our Shares by persons carrying on a business in Hong Kong, where such gains are sourced in Hong Kong and arise from such business, will be chargeable to Hong Kong profits tax. Currently, profits tax is imposed on corporations at the rate of 16.5% and on individuals at a maximum rate of 15.0%. Gains from sale of our Shares effected on the Stock Exchange will be considered to be sourced in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sale of our Shares effected on the Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp duty

Hong Kong stamp duty will be payable by the purchaser on every purchase, and by the seller on every sale, of our Shares. The duty is charged at the ad valorem rate of 0.1% of the consideration for, or (if greater) the value of, our Shares transferred on each sale and purchase. In other words, a total of 0.2% of stamp duty is currently payable on a typical sale and purchase transaction of our Shares. In addition, any instrument of transfer (if required) will be subject to a flat rate of stamp duty of HK$5. Where a sale or purchase of our Shares is effected by a non-Hong Kong resident and any stamp duty payable on the contract notes is not paid, the relevant instrument of transfer (if any) will be chargeable with such duty, together with the duty otherwise chargeable thereon, and the transferee will be liable to pay such duty.

CAYMAN ISLANDS TAXATION

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, We have obtained an undertaking from the Governor in Cabinet:

(a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation will apply to us or our operations; and

(b) in addition, that no tax to be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax will be payable by us:

  (i) on or in respect of our shares, debentures or other obligations; or

  (ii) by way of withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concession Law (1999 Revision).

The undertaking is for a period of 20 years from July 4, 2006.

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material us levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not a party to any double tax treaties.

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands. We do not hold, and do not intend to hold, any interest in land in the Cayman Islands.

ESTABLISHMENT OF A REAL ESTATE DEVELOPMENT ENTERPRISE

According to the PRC Law on Administration of Urban Real Estate 《城市房地產管理法》 promulgated by the National People's Congress, effective in January 1995, amended in August 2007, a real estate developer is defined as an enterprise that engages in the development and operation of real estate for the purpose of making profits. Under the Regulations on Administration of Development of Urban Real Estate 《城市房地產開發經營管理條例》 promulgated by the State Council in July 1998, an enterprise that is to engage in development of real estate must satisfy the following requirements:

- its registered capital must be RMB 1 million or more; and
- it must have four or more full-time professional real estate/construction technicians and two or more full-time accounting officers, each of whom must hold the relevant qualification certificate.

The local government of a province, autonomous region or municipality directly under the PRC central government may, based on local circumstances, impose more stringent requirements on the registered capital and the professional personnel of a real estate developer.

To establish a real estate development enterprise, the developer must apply for registration with the administration for industry and commerce. The developer must also report its establishment to the real estate development authority in the location of its registration, within 30 days of the receipt of its business license. Where a foreign-invested enterprise is to be established to engage in the development and operation of real estate, it must also comply with the relevant requirements under the PRC laws and administrative regulations regarding foreign-invested enterprises and apply for approvals relating to foreign investments in China.

Under the Catalog of Guidance on Industries for Foreign Investment 《外商投資企業指導目錄》 promulgated by MOFCOM and NDRC in October 2007,

- the development of a whole land lot, namely primary preparation of a land site including infrastructure construction and utility installation, solely by foreign investors, falls within the category of industries in which foreign investment is prohibited,
- the joint development of a whole land lot with the PRC partners, as well as the construction and operation of high-end hotels, villas, premium office buildings and international conference centers fall within the category of industries in which foreign investment is subject to restrictions, and
- other real estate development falls within the category of industries in which foreign investment is permitted.

A foreign investor intending to engage in the development and sale of real estate in China may establish an equity joint venture, a cooperative joint venture or a wholly foreign owned enterprise by the foreign investor in accordance with the PRC laws and administrative regulations governing foreign-invested enterprises.

Under the Notice on Adjusting the Portion of Capital Fund for Fixed Assets Investment of Certain Industries 《關於調整部分行業固定資產投資項目資本金比例的通知》 issued by the State Council in April 2004, the portion of capital-account funding for real estate projects (excluding affordable housing projects) has been increased from 20% or above to 35% or above. However, pursuant to the Notice on Adjusting the Percentage of Capital Fund for Investment Projects in Fixed Assets 《關於調整固定資產投資項目資本金比例的通知》 issued by the State Council in May, 2009, the minimum portion of the capital funding for ordinary commodity housing projects and affordable housing projects has been reduced to 20%, while that for other real estate projects has been decreased to 30%.

In July 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued an Opinion on Standardizing the Admittance and Administration of Foreign Capital in the Real Estate Market 《關於規範房地產市場外資進入和管理的意見》, which provides, among other things, that an overseas entity or individual investing in real estate in China other than for self-use must apply for the establishment of a foreign invested real estate enterprise ("FIREE") in accordance with applicable PRC laws and may only conduct operations within the authorized business scope. The joint opinion attempts to impose additional restrictions on the establishment and operation of FIREE by regulating the amount of registered capital as a percentage of total investment in certain circumstances, limiting the validity of approval certificates and business licenses to one year, restricting the ability to transfer equity interests of a FIREE or its projects and prohibiting the borrowing of money from domestic and foreign lenders where its registered capital is not paid up or the land use rights not obtained. In addition, the joint opinion also limits the ability of foreign individuals to purchase commodity residential properties in China.

In May 2007, MOFCOM and SAFE issued the Circular on Strengthening and Regulating the Examination and Approval and Supervision of Foreign Direct Investment in the Real Estate Sector 《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》 ("Circular 50"). Under Circular 50, prior to applying for establishment of real estate companies, foreign investors must first obtain land use rights and building ownership, or must have entered into pre-sale or pre-grant agreements with respect to the land use rights or building ownership. If foreign-invested enterprises in China engage in real estate development or operations or if FIREEs in China engage in new real estate project developments, they must first apply to the relevant PRC governmental authorities to expand their scope of business or scale of operations in accordance with the PRC laws and regulations related to foreign investments. In addition, the local PRC governmental authorities must file with MOFCOM for record their approvals of establishment of FIREEs, and must exercise due control over foreign investments in high-end properties. Foreign exchange authorities may not allow capital-account foreign exchange sales and settlements by FIREEs that have been established in contravention of these requirements.

In July 2007, SAFE issued a Notice on the Distribution of the List of the First Group of Foreign Invested Real Estate Projects Filed with MOFCOM 《關於下發第一批通過商務部備案的外商投資房地產項目名單的通知》("Notice 130"), together with a list of FIREEs that had effected their filings with MOFCOM. According to Notice 130, SAFE will no longer process foreign debt registrations or applications by FIREEs for permission to purchase foreign exchange to service their foreign debt if such FIREEs have not obtained their approval certificates from the

government before June 1, 2007. As a result of Notice 130, unless the approval certificate of an FIREE as of May 31, 2007 contained an aggregate investment amount, which includes its registered capital and foreign debt amount, sufficient to permit foreign currency to be injected into its operations in China, such FIREE effectively will no longer be able to borrow foreign debt including shareholder loans and overseas commercial loans to finance their operations in China. It can only use its capital contributions instead. SAFE further provided in its Notice 130 that it will not process any foreign exchange registration (or change of such registration) or application for settlement of foreign currency under capital account by any FIREE if it has obtained the relevant approval certificates from local government authorities on or after June 1, 2007 but has not completed its filing with MOFCOM.

In connection with the filing requirement, MOFCOM issued the Notice on the Proper Filings of Foreign Investment in the Real Estate Sector《關於做好外商投資房地產業備案工作的通知》in June 2008 to authorize the competent MOFCOM at the provincial level to verify and check the filing documents.

QUALIFICATIONS OF A REAL ESTATE DEVELOPER

Under the Provisions on Administration of Qualifications of Real Estate Developers《房地產開發企業資質管理規定》(the "Provisions on Administration of Qualifications") promulgated by the Ministry of Construction in March 2000, a real estate developer must apply for registration of its qualifications according to such Provisions on Administration of Qualifications. An enterprise may not engage in property development without a qualification classification certificate for real estate development. The Ministry of Construction oversees the qualifications of real estate developers with national operations, and local real estate development authorities at or above the county level oversee the qualifications of local real estate developers.

In accordance with the Provisions on Administration of Qualifications, real estate developers are classified into four classes.

- Class 1 qualifications are subject to preliminary examination by the construction authorities at the provincial level and final approval of the Ministry of Construction. A class 1 real estate developer is not restricted as to the scale of its real estate projects and may undertake a real estate development anywhere in the country.

- Class 2 or lower qualifications are regulated by the construction authorities at the provincial level subject to delegation to lower level government agencies. A real estate developer of class 2 or lower may undertake a project with a gross floor area of less than 250,000 square meters subject to confirmation by the construction authorities at the provincial level.

Under the relevant PRC laws and regulations, the real estate development authorities will examine applications for registration of qualifications submitted by real estate developers by considering the professional personnel in their employ, financial condition and operating results. A real estate developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the qualification examination authority. A developer of any

qualification classification may only engage in the development and sale of real estate within its approved scope of business and may not engage in business which is limited to another classification.

For a newly established real estate developer, the real estate development authority will issue a provisional qualification certificate, if it is an eligible developer, within 30 days of receipt by the authority of the application. The provisional qualification certificate will be effective for one year from its date of issue and may be extended for not more than two additional years with the approval of the real estate development authority. The real estate developer must apply for qualification classification to the real estate development authority within one month before expiration of the provisional qualification certificate.

DEVELOPMENT OF A REAL ESTATE PROJECT

Under the Catalog for Guidance on Industries for Foreign Investment promulgated by MOFCOM and NDRC in October 2007, foreign investments are restricted in the development of a whole land lot and the construction and operation of high-end hotels, villas, premium office buildings and international conference centers in China; and foreign investments are permitted in other real estate developments. According to the Interim Provisions on Approving Foreign Investment Project 《外商投資項目核准暫行管理辦法》promulgated by NDRC in October 2004, approval of NDRC is required for foreign investment projects with total investment of US$100 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$50 million or more within the category of foreign investments subject to restrictions. Other foreign investments in China will require only local approval. Specifically, the local authorities may examine and approve foreign investment projects with total investment less than US$100 million within the category of encouraged or permitted foreign investments and those with total investment less than US$50 million within the category of foreign investments subject to restrictions. Furthermore, after examination by NDRC, approval of State Council is required for foreign investment projects with total investment of US$500 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$100 million or more within the category of foreign investments subject to restrictions. In addition, the projects subject to restrictions should be approved by the development and reform authority at provincial level. In July 2008, NDRC issued the Notice on Further Reinforcing and Regulating the Administration of Foreign Investment Projects 《關於進一步加強和規範外商投資項目管理的通知》, which further requires that the capital-increase and reinvest projects of the foreign-invested enterprises shall get the approval from NDRC or its local counterpart.

Under the Interim Regulations of the People's Republic of China on Grant and Assignment of the Use Right of State-owned Urban Land 《城鎮國有土地使用權出讓和轉讓暫行條例》promulgated by the State Council in May 1990, China adopted a system to grant and assign the right to use state-owned land. A land user must pay a land premium to the state as consideration for the grant of the right to use a land site within a specified period of time, and the land user may assign, lease out, mortgage or otherwise commercially exploit the land use rights within the term of use. Under the relevant PRC laws and regulations, the land administration authority at the city or county level may enter into a land grant contract with the

land user to provide for the grant of land use rights. The land user must pay the land premium as provided by the land use rights grant contract. After payment in full of the land premium, the land user may register with the land administration authority and obtain a land use rights certificate which evidences the acquisition of land use rights. The relevant PRC laws and regulations provide that land use rights for a site intended for real estate development must be obtained through grant except for land use rights which may be obtained through premium-free allocation by the PRC government pursuant to the PRC laws or the stipulations of the State Council. Government-allocated land is not allowed to be transferred unless the transfer is approved by the relevant PRC government authorities and the land premium as determined by the relevant PRC government authorities has been paid.

When carrying out the feasibility study for a construction project, the construction or the developer entity must make a preliminary application for construction on the relevant site to the relevant land administration authority in accordance with the Measures for Administration of Examination and Approval for Construction Sites 《建設用地審查報批管理辦法》promulgated by the Ministry of Land and Resources in March 1999 and the Measures for Administration of Preliminary Examination of Construction Project Sites 《建設項目用地預審管理辦法》promulgated by the Ministry of Land and Resources in July 2001, as amended in October 2004. After receiving the preliminary application, the land administration authority will carry out preliminary examinations of various aspects of the construction project in compliance with the overall zoning plans and land supply policy of the government, and will issue a preliminary approval in respect of the project site if its examination proves satisfactory. The land administration authority at the relevant city or county will sign a land use rights grant contract with the land user and issue an approval for the construction site to the construction entity or the developer.

Under the Measures for Control and Administration of Grant and Assignment of Right to Use Urban State-owned Land《城鎮國有土地使用權出讓轉讓規劃管理辦法》promulgated by the Ministry of Construction in December 1992, the grantee under a land grant contract, i.e. a real estate developer, must further apply for a permit for construction site planning from the relevant municipal planning authority. After obtaining such permit, a real estate developer will organize the necessary planning and design work. Planning and design proposals in respect of a real estate development project are again subject to relevant reporting and approval procedures required under the Law of the People's Republic of China on Urban and Rural Planning 《中華人民共和國城鄉規劃法》promulgated by the National People's Congress in October 2007 and local statutes on municipal planning. Upon approval by the authorities, a permit for construction works planning will be issued by the relevant municipal planning authority.

In accordance with the Regulations for the Administration of Demolishment and Removal of Urban Housing 《城市房屋拆遷管理條例》promulgated by the State Council in June 2001, if demolishment of existing structures and removal of existing residents on the construction site need to be conducted before commencement of construction of the real estate project contemplated, the developer may apply to the local municipal, district or county level government in the place where the real estate is located for a permit for demolishment and removal. Upon approval, the local government will issue a demolishment and removal permit and post a demolishment and removal notice to inform the inhabitants of the area subject to

demolishment. The designated demolishment and removal party, either a local government entity or a developer, must implement the demolishment and removal within the area and period specified in the demolishment and removal permit. If the demolishment and removal party fails to complete the demolishment and removal works within the permitted period, it may, within 15 days prior to the expiration of the permit, apply to the original approval department in charge of demolishment and removal for an extension.

During the demolishment and removal period announced by the department in charge of demolishment and removal, the demolishment and removal party and the parties subject to demolishment and removal will enter into a written agreement for compensation and resettlement in respect of the demolishment and removal. If the demolishment and removal party and the parties subject to demolishment and removal cannot reach an agreement, any such party may apply to the original approval department in charge of the demolishment and removal for a ruling. Such a ruling must be rendered within 30 days of the application. If any such party disagrees with the ruling, it may initiate proceedings in a People's Court in China. Pursuant to current PRC laws, if the demolishment and removal party has provided proper monetary compensation or proper replacement housing to the parties subject to demolishment and removal, the demolishment and removal may not be stopped.

Compensation for demolishment and removal may be effected by way of monetary compensation or exchange of property rights. If the monetary compensation method is used, the amount of compensation is assessed on the basis of the real property market price determined by the location, uses and the gross floor area of the housing to be demolished. If property exchange or replacement is used, the demolishment and removal party and the parties subject to demolishment and removal will, on the basis of the location, usage and the gross floor area of the housing to be demolished and the housing offered for exchange or replacement, calculate the amount of compensation for the housing to be demolished, the price of the housing to be exchanged or replaced for the housing to be demolished, and work out the difference between the two. In addition to paying the demolishment and removal compensation, the demolishment and removal party will also pay removal allowance to the parties subject to demolishment and removal.

When the site has been properly prepared and is ready for the commencement of construction works, the developer must apply for a permit for commencement of works from the construction authorities at or above the county level according to the Measures for Administration of Granting Permission for Commencement of Construction Works 《建築工程施工許可管理辦法》promulgated by the Ministry of Construction in October 1999, as amended in July 2001. According to the Notice Regarding Strengthening and Regulating the Administration of Newly-commenced Projects 《國務院辦公廳關於加強和規範新開工項目管理的通知》 issued by the General Office of the State Council on November 17, 2007, before commencement of construction, all kinds of projects shall fulfill certain conditions, including, among other things, compliance with national industrial policy, development plan, land supply policy and market access standard, completion of all approval and filing procedures, compliance with zoning plan in terms of site and planning, completion of proper land use procedures and obtaining proper environmental valuation approvals and construction permit or report.

The development of a real estate project must comply with various laws and legal requirements on construction quality, safety standards and technical guidance on architecture, design and construction work, as well as provisions of the relevant contracts. On January 30, 2000, the State Council promulgated and implemented the Regulation on the Quality Management of Construction Projects 《建設工程質量管理條例》, which sets the respective quality responsibilities and liabilities for developers, construction companies, reconnaissance companies, design companies and construction supervision companies. In August 2008, the State Council issued the Regulations on Energy Efficiency for Civil Buildings 《民用建築節能條例》, which reduces the energy consumption of civil buildings and improves the efficiency of the energy utilization. According to this regulation, the design and construction of new buildings must meet the mandatory criteria on energy efficiency for buildings, and failure to meet such criteria will result in no neither commencement of construction or acceptance upon completion. Among other things, this regulation sets forth additional requirements for property developers in the sale of commodity buildings in this respect. After completion of construction works for a project, the real estate developer must organize an acceptance examination by relevant government authorities and experts according to the Interim Provisions on Inspection Upon Completion of Buildings and Municipal Infrastructure promulgated by the Ministry of Construction in June 2000, and file with the construction authority at or above the county level where the project is located within 15 days after the construction is qualified for the acceptance examination according to the Provisional Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure 《房屋建築工程和市政基礎設施工程竣工驗收備案管理暫行辦法》 promulgated by the Ministry of Construction in April 2000. The developer must also report details of the acceptance examination according to the Interim Measures for Reporting Details Regarding Acceptance Examination upon Completion of Buildings and Municipal Infrastructure 《房屋建築工程和市政基礎設施工程竣工驗收備案管理暫行辦法》promulgated by the Ministry of Construction in April 2000. A real estate development project may not be delivered until and unless it has satisfactorily passed the necessary acceptance examination. Where a property project is developed in phases, an acceptance examination may be carried out for each phase upon completion.

In China, there are two registers of property interests. Land registration is effected by the issue of land use right certificates by the relevant authorities to the land users. Land use rights may be assigned, mortgaged or leased. The building registration is effected by the issue of property ownership certificates to the property owners. Property or building ownership rights are only related to the building or improvements erected on the land. Under the PRC laws and regulations, all land use rights and property ownership rights that are duly registered are protected by law. Most cities in China maintain separate registries for the registration. However, Shenzhen, Shanghai, Guangzhou and some other major cities have a consolidated registry for both land use rights and the property ownership interests for the building erected on the relevant land.

LAND FOR PROPERTY DEVELOPMENT

In April 1988, the National People's Congress amended the PRC Constitution to permit the transfer of land use rights in accordance with the laws and regulations. In December 1988, the National People's Congress amended the Land Administration Law 《土地管理法》to permit the transfer of land use rights in accordance with the laws and regulations.

Pursuant to the Measures on Disposal of Idle Land 《閒置土地處置辦法》 promulgated by the Ministry of Land and Resources on April 28, 1999, idle land fees may be imposed on land that has not been developed for one year from the contractual construction commencement date. Land use rights may be forfeited to the government without compensation to the developer if the land has not been developed for two years as required by the laws and regulations, and allotted for other purposes. Under current PRC laws and regulations on land administration, land for property development may be obtained only by grant except for land use rights obtained through allocation. Under the Regulations on the Grant of State-owned Land Use Rights Through Public Tender, Auction and Listing-for-Sale promulgated by the Ministry of Land and Resources 《招標拍賣掛牌出讓國有土地使用權規定》in May 2002, land for commercial use, tourism, entertainment and commodity housing development must be granted by public tender, auction or listing-for-sale. Under these regulations, the relevant land administration authority at city or county level, or the grantor, is responsible for preparing the public tender or auction documents and must make an announcement 20 days prior to the day of public tender or auction with respect to the particulars of the land parcel and the time and venue of the public tender or auction. The grantor must also verify the qualification of the bidding and auction applicants, accept an open public auction to determine the winning tender or hold an auction to ascertain a winning bidder. The grantor and the winning tender or bidder will then enter into a confirmation followed by the execution of a contract for assignment of state-owned land use rights. Over the years, the Ministry of Land and Resources has promulgated further rules and regulations to define the various circumstances under which the state-owned land use rights may be granted by means of public tender, auction and listing-for-sale or by agreement.

Under the Regulation on Grant of State-owned Land Use Rights by Agreements 《協議出讓國有土地使用權規定》 promulgated by the Ministry of Land and Resources on June 11, 2003, except for the project that must be granted through tender, auction and listing as required by the relevant laws and regulations, land use right may be granted through transfer by agreement and the land premium for the transfer by agreement of the state-owned land use right shall not be lower than the benchmark land price.

The Urgent Notice on Further Governing and Rectifying Land Market and Strengthening Administration of Land 《關於深入開展土地市場治理整頓嚴格土地管理的緊急通知》 issued by the General Office of the State Council on April 29, 2004 restated the principle of strict administration of the approval process for the construction land and protection of the basic farmlands.

The Notice on Issues Relating to Strengthening the Land Control 《關於加強土地調控有關問題的通知》 promulgated by the State Council on August 31, 2006 sets forth the administration of the receipt and disbursement of the land premium, modifies the tax policies relating to the construction land, and builds up the system of publicity for the standards of the lowest price with respect to the granted state-owned land use right.

In March 2007, the National People's Congress adopted the PRC Property Rights Law 《中華人民共和國物權法》, which became effective on October 1, 2007. According to the Property Rights Law, when the term of the right to use construction land for residential (but not other) purposes expires, it will be renewed automatically. Unless it is otherwise prescribed by any law, the owner of construction land use rights has the right to transfer, exchange, and use such land use rights as equity contributions or collateral for financing. If the state takes the premises owned by entities or individuals, it must compensate the property owners in accordance with law and protect the lawful rights and interests of the property owners.

In September 2007, the Ministry of Land and Resources further promulgated the Regulations on the Grant of State-owned Construction Land Use Rights Through Public Tender, Auction and Listing-for-sale 《招標拍賣掛牌出讓國有建設用地使用權規定》to require that land for industrial use, except land for mining, must also be granted by public tender, auction and listing-for-sale. Only after the grantee has paid the land premium in full under the land grant contract, can the grantee apply for the land registration and obtain the land use right certificates. Furthermore, land use rights certificates may not be issued in proportion to the land premium paid under the land grant contract.

On October 28, 2007, the Standing Committee of National People's Congress promulgated the PRC City and Countryside Planning Law 《中華人民共和國城鄉規劃法》, pursuant to which, a construction planning permit must be obtained from the relevant urban and rural planning government authorities for building any structure, fixture, road, pipeline or other engineering project within an urban or rural planning area.

On November 19, 2007, the Ministry of Land and Resources, the Ministry of Finance and PBOC jointly promulgated the Administration Measures on Land Reserve 《土地儲備管理辦法》, pursuant to which, local authorities should reasonably decide the scale of land reserve in accordance with the macro-control of the land market. Those idle, unoccupied, and low-efficient state-owned construction land inventory shall be used as land reserve in priority.

In December, 2007, the Ministry of Land and Resources promulgated the Rules on Land Registration 《土地登記辦法》, which further stresses payment in full of the land premium prior to the application for the registration of state-owned construction land use rights.

SALE OF COMMODITY HOUSES

Under the Measures for Administration of Sale of Commodity Houses 《商品房銷售管理辦法》promulgated by the Ministry of Construction in April 2001, sale of commodity houses can include both sales before the completion of the properties, or pre-sale, and sales after the completion of the properties.

Any pre-sale of commodity buildings must be conducted in accordance with the Measures for Administration of Pre-sale of Commodity Buildings in Urban Area promulgated by the Ministry of Construction in November 1994 《城市商品房預售管理辦法》, as amended in August 2001 and July 2004, and other related regulations. The pre-sale regulations provide that any pre-sale of commodity properties is subject to specified procedures. According to the current PRC laws and regulations, a pre-sale permit must be in place before a commodity building may be put to pre-sale. Specifically, a developer intending to sell a commodity building before its completion must apply to the real estate development authorities for a pre-sale permit. A commodity building may be sold before completion only if:

- the purchase price has been paid in full for the grant of the land use rights involved and a land use rights certificate has been properly obtained;
- a construction planning permit and a construction permit have been properly obtained;
- funds invested in the development of the commodity buildings for pre-sale represent 25% or more of the total investment in the project and the construction progress as well as the completion and delivery dates have been properly ascertained; and
- a pre-sale permit has been obtained.

The pre-sale proceeds of commodity buildings must be used to develop the relevant project so pre-sold.

Commodity buildings may be put to post-completion sale and delivery after they have passed the acceptance examination and otherwise satisfy the various preconditions for such sale. Before the post-completion sale of a commodity building, the developer must, among other things, submit a real estate development project manual and other documents relating to the project evidencing the satisfaction of the preconditions for post-completion sale to the real estate development authority for its record.

TRANSFER OF REAL ESTATE

According to the PRC laws and the Provisions on Administration of Transfer of Urban Real Estate 《城市房地產轉讓管理規定》promulgated by the Ministry of Construction in August 1995, as amended in August 2001, a real estate owner may sell, gift or otherwise legally transfer the property to another natural person or legal entity. When transferring a building, the ownership of the building and the land use rights to the site on which the building is situated are transferred together. The parties to a transfer must enter into a written real estate transfer contract and register the transfer with the real estate administration authority having jurisdiction over the location of the real estate within 90 days of the execution of the transfer contract.

Where the land use rights are originally obtained by grant, the real property may only be transferred on the condition that:

- the land premium has been paid in full for the granted land use rights as required by the land grant contract and a land use rights certificate has been properly obtained; and

- in the case of a project in which buildings are being developed, development representing more than 25% of the total investment has been completed; or

- in case of a whole land lot development project, construction works have been carried out as planned, water supply, sewerage, electricity supply, heat supply, access roads, telecommunications and other infrastructure or utilities have been made available, and the site has been leveled and made ready for industrial or other construction purposes.

If the land use rights are originally obtained by grant, the term of the land use rights after transfer of the real estate will be the remaining portion of the original term in the land grant contract. In the event that the assignee intends to change the use of the land provided in the land grant contract, consent must first be obtained from the original land use rights grantor and the planning administration authority at the relevant city or county and an agreement to amend the land grant contract or a new land grant contract must be signed in order to, *inter alia*, change the use of the land and adjust the land premium accordingly.

If the land use rights are originally obtained by allocation, such allocated land use right may be changed to granted land use rights upon approval by the government vested with the necessary approval power as required by the State Council. After the government authorities vested with the necessary approval power approve such change, the grantee must complete the formalities for the grant of the land use rights and pay the land premium according to the relevant statutes. Assignment of Land for commercial use, tourism, entertainment and commodity housing development must be conducted through public tender, auction or listing-for-sale under the current PRC laws and regulations.

LEASES OF BUILDINGS

Under the PRC laws and the Measures for Administration of Leases of Buildings in Urban Areas 《城市房屋租賃管理辦法》promulgated by the Ministry of Construction in May 1995, parties to a lease of a building must enter into a lease contract in writing. China has adopted a system to register the leases of real properties. When a lease contract is signed, amended or terminated, the parties must register the details with the real estate administration authority at the city or county in which the building is situated.

MORTGAGES OF REAL ESTATE

Under the PRC Urban Real Estate Administration Law 《中華人民和國城市房地產管理法》promulgated by the Standing Committee of the National People's Congress in July 1994, the PRC Security Law 《中華人民共和國擔保法》promulgated by the National People's Congress in

June 1995, and the Measures for Administration of Mortgages of Urban Real Estate 《城市房地產抵押管理辦法》promulgated by the Ministry of Construction in May 1997, as amended in August 2001, when mortgage is created on the ownership of a building legally obtained, such mortgage must be simultaneously created on the land use rights of the land on which the building is situated. The mortgagor and the mortgagee must sign a mortgage contract in writing. China has adopted a system to register mortgages of real estate. After a real estate mortgage contract has been signed, the parties to the mortgage must register the mortgage with the real estate administration authority at the location where the real estate is situated. A real estate mortgage contract will become effective on the date of registration of the mortgage. If a mortgage is created on the real estate in respect of which a property ownership certificate has been obtained legally, the registration authority will, when registering the mortgage, make an entry under "third party rights" on the original property ownership certificate and then issue a certificate of third party rights to the mortgagee. If a mortgage is created on the commodity building put to pre-sale or on works in progress, the registration authority will, when registering the mortgage, record the details on the mortgage contract. If construction of a real property is completed during the term of a mortgage, the parties involved will re-register the mortgage of the real property after issue of the certificates evidencing the rights and ownership to the real estate.

The PRC Property Rights Law promulgated in March 2007 that became effective in October 2007 further widens the scope of assets that can be mortgaged, allowing for any asset associated with property rights to be mortgaged as collateral unless a specific prohibition under another law or regulation applies.

According to the PBOC Notice on Regulating Home Financing Business 《關於規範住房金融業務的通知》promulgated in June 2001, all banks must comply with the following requirements before granting residential development loans, individual home mortgage loans and individual commercial property mortgage loans:

- Property development loans from banks may only be granted to real estate developers with development qualification and credit ratings in the higher categories. Such loans may be offered to residential projects with good market potential. While the borrowing enterprise's internal capital may not be less than 30% of the total investment required for the project, the project must have obtained the land use rights certificate, construction land planning permit, construction works planning permit and construction permit.

- In respect of the grant of individual home mortgage loans, the ratio between the loan amount and actual value of the collateral may never exceed 80%. Where an individual applies for a home purchase loan to buy a pre-sale property, the property must have achieved the stage of "topping-out of the main structure completed" for multi-storey buildings and "two-thirds of the total investment completed" for high-rise apartment buildings.

- In respect of the grant of individual commercial use building mortgage loans, the mortgage ratio for commercial use building mortgage loans may not exceed 60% with a maximum loan period of 10 years and the subject commercial use building already completed.

The down-payment requirement was subsequently increased to 30% of the property price for residential units with a unit floor area of 90 square meters or more in May 2006. You may refer to "— Measures on Stabilizing Housing Price" below. The initial capital outlay requirement was subsequently increased to 35% by CBRC in August 2004 pursuant to its Guidance on Risk Management of Property Loans Granted by Commercial Banks 《商業銀行房地產貸款風險管理指引》.

In a Circular on Facilitating the Continuously Healthy Development of Property Market 《關於促進房地產市場持續健康發展的通知》issued by the State Council in August 2003, a series of measures were adopted by the government to control the property market. They included, among others, strengthening the construction and management of low-cost affordable houses, increasing the supply of ordinary commodity houses and controlling the construction of high-end commodity houses. Besides, the government also staged a series of measures on the lending for residential development, including, among others, improving the loan evaluation and lending process, improving the guarantee mechanism of individual home loans and strengthening the monitoring over property loans. It is expected that the circular will have a positive effect on the development of the PRC property market in the long run by facilitating a continuously healthy growth of the property market in China.

In September 2007, PBOC and CBRC promulgated a Circular on Strengthening the Management of Commercial Real-estate Credit Loans 《關於加強商業性房地產信貸管理的通知》, with a supplement issued in December 2007. The circular aims to tighten the control over real-estate loans from commercial banks to prevent granting excessive credit. The measures include:

- for a first-time home owner, increasing the minimum amount of down payment to 30% of the purchase price of the underlying property if the underlying property has a unit floor area of 90 square meters or more and the purchaser is buying the property as its own residence;

- for a second-time home buyer, increasing (i) the minimum amount of down payment to 40% of the purchase price of the underlying property and (ii) the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark one-year bank lending interest rate. If a member of a family (including the buyer, his/her spouse and their children under 18) has financed the purchase of a residential unit, any member of the family that buys another residential unit with bank loans will be regarded as a second-time home buyer;

- for a commercial property buyer, (i) requiring banks not to finance any purchase of pre-sold properties, (ii) increasing the minimum amount of down payment to 50% of the purchase price of the underlying property, (iii) increasing the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark one-year bank lending

interest rate, (iv) limiting the terms of such bank loans to no more than 10 years, although the commercial banks are given certain flexibility based on its risk assessment;

- for a buyer of commercial/residential dual-purpose properties, increasing the minimum amount of down payment to 45% of the purchase price of the underlying property, with the other terms to be decided by reference to commercial properties; and

- prohibiting commercial banks from providing loans to real-estate developers who have been found by relevant government authorities to be hoarding land and properties.

In addition, commercial banks are also banned from providing loans to the projects that have less than 35% of capital funds (proprietary interests), or fail to obtain land use right certificates, construction land planning permits, construction works planning permits or construction permits. Commercial banks are also prohibited from accepting commercial premises that have been vacant for more than three years as collateral for loans. In principle, real-estate development loans provided by commercial banks should only be used for the projects where the commercial banks are located. Commercial banks may not provide loans to property developers to finance the payment of land premium.

According to the Notice on Extending the Downward Range of the Interest Rate for Commercial Personal Home Loans and Supporting the Residents in First-time Purchase of Ordinary Residential Homes《擴大商業性個人住房貸款利率下浮幅度支持居民首次購買普通住房的通知》issued by PBOC on October 22, 2008, the minimum amount of down payment has been adjusted to 20% since October 27, 2008.

REAL ESTATE MANAGEMENT

Under the Measures for the Administration of Qualifications of Property Service Enterprises《物業管理企業資質管理辦法》promulgated by the Ministry of Construction in March 2004, as amended in November 2007, a property service enterprise must apply for assessment of its qualification by the relevant qualification approval authority. An enterprise which passes such a qualification assessment will be issued a qualification certificate. No enterprise may engage in property management without undertaking a qualification assessment conducted by the relevant authority and obtaining a qualification certificate.

INSURANCE

There is no mandatory provision under the PRC laws, regulations and government rules which require a property developer to take out insurance policies for its real estate developments. According to the common practice of the property industry in China, construction companies are usually required to submit insurance proposals in the course of tendering and bidding for construction projects. Construction companies must pay for the insurance premium at their own costs and take out insurance to cover their liabilities, such as third party's liability risk, employer's liability risk, risk of non-performance of contract in the course of construction

and other kinds of risks associated with the construction and installation works throughout the construction period. The insurance coverage for all these risks will cease immediately after the completion and acceptance upon inspection of construction.

MEASURES ON STABILIZING HOUSING PRICE

The General Office of the State Council promulgated a Circular on Stabilizing Housing Price 《關於切實穩定住房價格的通知》in March 2005, introducing measures to be taken to restrain the housing price from increasing too fast and to promote a stable development of the real estate market. In April 2005, the Ministry of Construction, NDRC, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the State Administration of Taxation and CBRC jointly issued an Opinions on Stabilizing Housing Prices 《關於做好穩定住房價格工作的意見》containing the following guidance:

- Where the housing price is growing too fast, while the supply of ordinary commodity houses at medium or low prices and low-cost affordable houses is insufficient, the housing construction should mainly involve projects of ordinary commodity houses at medium or low prices and low-cost affordable houses. The construction of low-density, high-end houses should be strictly controlled. The relevant local government authorities are authorized to impose conditions on planning and design such as the building height, plot ratio and green space and to impose such requirements as the selling price, type and gross floor area as preconditions on land assignment. The local governments are also required to strengthen their supervision of real estate developments in their jurisdictions.

- Where the price of land for residential use and the price for residential housing are growing too fast, the proportion of land supply for residential use to the total land supply should be appropriately raised, and the land supply for the construction of ordinary commodity houses at medium or low prices and low-cost affordable houses should be especially increased. Land supply for villa construction should continue to be suspended, and land supply for high-end housing property construction should be strictly restricted.

- Idle land fee must be imposed on land that has not been developed for one year from the contractual construction commencement date. Land use rights of land that has not been developed for two years must be forfeited without compensation.

- Commencing from June 1, 2005, a business tax upon transfer of a residential house by an individual within two years from his/her purchase will be levied on the entire sales proceeds from such sale. For an individual to transfer an ordinary residential house after two years from his/her purchase, the business tax will be exempted. For an individual to transfer a property other than an ordinary residential house after two years from his/her purchase, the business tax will be levied on the difference between the price of such sale and the original purchase price.

- Ordinary residential houses with medium or small gross floor areas and at medium or low prices may be granted preferential treatment such as planning permits, land supply, credit and taxation. Houses enjoying these preferential policies must satisfy the following conditions in principle: the plot ratio is above 1.0, the gross floor area of one single unit is less than 120 square meters, and the actual transfer price is lower than 120% of the average transfer price of comparable houses at comparable locations. The local governments at the provincial level may, based on their actual local circumstances, formulate specific standards for ordinary residential houses that may enjoy the preferential policies.

- Transfer of unfinished commodity properties by any pre-sale purchaser is forbidden. In addition, purchasers are required to buy properties in their real names. Any commodity property pre-sale contract must also be filed with the relevant government agencies electronically immediately after its execution.

The Notice on Adjustment of the Housing Loan Policy and Deposit Rate of Excess Reserve for Commercial Banks 《關於調整商業銀行住房信貸政策和超額準備金存款利率的通知》, promulgated by PBOC on March 16, 2005, has made adjustment to individual housing loan policies of commercial banks as well as individual housing fund loan rate. Pursuant to this notice, the preferential mortgage loan interest rate was replaced by the commercial loan interest rate subject to certain restrictions on the lower limit on such interest rates. In the urban areas or cities with rapidly increased real estate prices, minimum down payment ratio for individual housing loans was adjusted from 20% to 30%. In May 2006, the Ministry of Construction, NDRC, PBOC and other relevant PRC government authorities jointly issued their Opinions on Housing Supply Structure and Stabilization of Property Prices 《關於調整住房供應結構穩定住房價格意見的通知》. Such opinions reiterated the existing measures and ushered additional measures that aim to further curb rapid increases in property prices in large cities and to promote healthy development of the PRC property market. These measures include:

- requiring that at least 70% of the land supply approved by a local government for residential property development for any given year must be used for developing low- to medium-cost and small-to medium-size units and low-cost rental properties;

- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006 must consist of units with a unit floor area of less than 90 square meters per unit and that projects which have received approvals prior to this date but have not obtained construction permits must adjust their planning in order to be in conformity with this new requirement, with the exception that municipalities under direct administration of the PRC central government, such as Beijing, Chongqing and Shanghai, provincial capitals and certain other cities may deviate from such ratio under special circumstances upon approval from the Ministry of Construction;

- increasing the minimum amount of down-payment from 20% to 30% of the purchase price of the underlying property if the underlying property has a unit floor area of 90 square meters or more, effective from June 1, 2006;

- prohibiting commercial banks from lending to real estate developers with an internal capital ratio, calculated by dividing the internal funds by the total project capital required for the relevant projects, of less than 35%, restricting the grant or extension of revolving credit facilities to property developers holding a large amount of idle land and vacant commodity properties, and prohibiting commercial banks from accepting commodity properties which have been vacant for more than three years as security for their loans; and

- imposing a business tax levy on the entire sales proceeds from transfer of properties if the holding period is shorter than five years, effective from June 1, 2006, as opposed to two years when such levy was initially implemented in June 2005, and allowing such business tax to be levied on the difference between the price for such re-sale and the original purchase price in the event that an individual transfers a property other than an ordinary residential property after five years from his/her date of purchase.

In May 2006, the Ministry of Land and Resources published an Urgent Notice to Tighten Up Land Administration《當前進一步從嚴土地管理的緊急通知》. In this notice, the Ministry of Land and Resources stressed that local governments must adhere to their annual overall land use planning and land supply plans and tighten up the control on land supply for non-agricultural use. The notice requires local governments to suspend the supply of land for new villa projects to ensure adequate supply of land for more affordable housing. In this notice, the Ministry of Land and Resources also required the local governments to conduct thorough investigations of illegal land use and submit a report on such investigations to the Ministry by the end of October 2006.

In July 2006, the Ministry of Construction, NDRC, the Ministry of Commerce, PBOC, the State Administration for Industry and Commerce, and SAFE jointly issued an Opinion on Regulating the Access and Management of Foreign Capital in the Real Estate Market《關於規範房地產市場外資准入和管理的通知》(the "171 Opinion"). The 171 Opinion aims to tighten access by foreign capital to the PRC real estate market and to restrict property purchases in China by foreign institutions or individuals. It provides, among others, that a foreign institution or individual must establish a foreign-invested enterprise in order to purchase real property in China if the property is not intended for self use. The registered capital of such foreign-invested enterprise must amount to at least 50% of its total investments in PRC real properties if the amounts of such investments exceed US$10 million. Branches and representative offices of foreign institutions in China and foreign individuals who work or study in China for more than one year may purchase real property for their own use but not for any other purposes. In addition, foreign institutions which have no branches or representative offices in China or foreign individuals who work or study in China for less than a year are prohibited from purchasing any real property in China. In September 2006, SAFE and the Ministry of Construction jointly issued a Notice in Respect of Foreign Exchange Issues in the Real Estate Market《關於規範房地產市場外匯管理有關問題的通知》(the "47 Notice") to implement the 171 Opinion. The 47 Notice provides specific procedures for purchasing real properties by foreign institutions and foreign individuals. The 47 Notice also forbids a foreign invested real estate enterprise to apply for

overseas loans if it has failed to pay its registered capital in full or failed to obtain the land use rights certificates, or its own capital funds do not reach 35% of the total investment for the project.

In July 2006, the Ministry of Construction, NDRC and the State Administration of Industry and Commerce jointly issued a Notice on Reorganizing and Regulating Orderly Real Estate Transactions 《關於進一步整頓規範房地產交易秩序的通知》with the following requirements:

- The developer is required to commence the pre-sale of the commodity properties within 10 days after receiving pre-sale permits. Without pre-sale permits, the pre-sale of commodity properties as well as subscription (including reservation, registration and number-selecting) and acceptance of any kind of pre-sale payments are forbidden.

- The real estate administration authority is required to establish an immediate network system for pre-sales contracts of commodity properties and a system for the publication of real estate transaction information. The transaction information, including the basic information of the commodity building, the schedule of the sale and the rights status, should be duly, truly and fully published in the network system and on the locale of sale. Transfer of a commodity building which is pre-sold and still under construction is prohibited.

- Without the pre-sale permit, no advertisement of the pre-sale of commodity properties may be published.

- Real estate development enterprises with a record of serious irregularity or enterprises which do not satisfy the requirements of pre-sale of commodity properties are not allowed to take part in the sales activities.

- The real estate administration authority is required to strictly carry out the pre-sale contract registration and require purchasers to use their real names for property purchases.

On July 22, 2006, CBRC promulgated a Notice on Further Strengthening the Administration of Real Estate Credit 《關於進一步加強房地產信貸管理的通知》. The notice (i) prohibits providing loans to disqualified real estate developers including those whose own capital is less than 35% of the total capital required for the projects (not including affordable housing projects), or who have not obtained the relevant land use right certificates, construction land planning permits, construction work planning permits or construction work commencement permits; and (ii) prevents real estate developers from obtaining loans by project split-up or rolling-ahead development strategies.

On September 30, 2007, the Ministry of Land and Resources issued the Notice on Implementation of the State Council's Certain Opinions on Resolving Difficulties and Further Strengthening Macro-control of Land Supply 《關於認真貫徹國務院〈關於解決城市低收入家庭住房困難的若干意見〉進一步加強土地供應調控的通知》, pursuant to which, at least 70% of the

land supply arranged by the relevant land administration authority at city or county level for residential property development for any given year must be used for developing low- to medium-cost and small-to medium-size units, low-cost rental properties and affordable housing.

In November 2007, the PRC government revised its Catalog of Guidance on Industries for Foreign Investment by, among other things, removing the development of ordinary residences from the foreign-investment-encouraged category and adding the secondary market residential property trading and brokering into the foreign-investment-restricted category.

On July 29, 2008, PBOC and CBRC jointly issued the Notice on Financially Promoting the Saving and Intensification of Use of Land《關於金融促進節約集約用地的通知》, requiring that relevant financial institutions to strengthen the administration of construction land project loans, including the administration of commercial real estate credit loan.

In October, 2008, PBOC issued the Notice on Extending the Downward Range of the Interest Rate for Commercial Personal Home Loans and Supporting the Residents in First-time Purchase of Ordinary Residential Homes《擴大商業性個人住房貸款利率下浮幅度支持居民首次購買普通住房的通知》, pursuant to which, since October 27, 2008, the bottom limit of the interest rate applicable to the commercial personal home loans has been extended, the minimum amount of down payment has been adjusted to 20% and the interest rate applicable to personal home loans financed by provident fund has been also reduced.

On October 22, 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Adjustments to Taxation on Real Property Transactions《關於調整房地產交易環節税收政策的通知》, pursuant to which, since November 1, 2008, the rate of deed tax has been reduced to 1% for a first-time home buyer of an ordinary residence with a unit floor area less than 90 square meters, individuals who sell or purchase residential properties are temporarily exempted from stamp duty and who sell residential properties are temporarily exempted from land value-added tax.

On December 20, 2008, the General Office of the State Council issued the Several Opinions on Facilitating the Healthy Development of the Real Estate Market《關於促進房地產市場健康發展的若干意見》, which aims to, among other things, encourage the consumption of the ordinary residence and support the real estate developer to handle the market change. Pursuant to this opinion, in order to encourage the consumption of the ordinary residence, from January 1, 2009 to December 31, 2009, business tax is imposed on the full amount of the sale income, upon the transfer a non-ordinary residence by an individual within two years from the purchase date. For the transfer of non-ordinary residence which is more than two years from the purchase date and ordinary residence which is within two years from the purchase date, the business tax is to be levied on the difference between the sale income and the purchase price. In the case of a ordinary residence, the business tax is exempted if that transfer occurs after two years from the purchase date. Furthermore, individuals with an existing ordinary residence that is smaller than the average size for their locality may buy a second ordinary residence under favorable loan terms similar to first-time buyers. In addition, support for real estate developers to deal with the changing market is to be provided by increasing credit financing services to "low-to-medium-

level price" or "small-to-medium-sized" ordinary commercial housing projects, particularly those under construction, and providing financial support and other related services to real estate developers with good credit standing for merger and acquisition activities.

On December 29, 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Policy of Business Tax on Re-sale of Personal Residential Properties《關於個人住房轉讓營業税政策的通知》, which reiterates the measures set forth in the above Several Opinions on Facilitating the Healthy Development of the Real Estate Market regarding the business tax.

OVERSEAS LISTING

In August 2006, MOFCOM, the State Assets Supervision and Administration Commission, the State Administration of Taxation, the State Administration of Industry and Commerce, the China Securities Regulatory Commission, and SAFE jointly adopted the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors《關於外國投資者併購境內企業的規定》, as amended on June 22, 2009, or the New M&A Rule, which became effective on September 8, 2006. This New M&A Rule requires, among other things, that offshore special purpose vehicles, formed for overseas listing purposes through acquisitions of PRC domestic companies controlled by PRC companies or individuals, obtain the approval of the China Securities Regulatory Commission prior to publicly listing their securities on an overseas stock exchange. In September 2006, China Securities Regulatory Commission published a notice on its official website specifying documents and materials required to be submitted to it by special purpose vehicles seeking China Securities Regulatory Commission approval of their overseas listings.

ENVIRONMENTAL PROTECTION

The laws and regulations governing the environmental protection requirements for real estate development in China include the PRC Environmental Protection Law《中華人民共和國環境保護法》, the PRC Prevention and Control of Noise Pollution Law《中華人民共和國環境噪聲污染防治法》, the PRC Environmental Impact Assessment Law 《中華人民共和國環境影響評價法》 and the PRC Administrative Regulations on Environmental Protection for Development Projects《中華人民共和國建設項目環境保護管理條例》. Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact report, an environmental impact analysis table or an environmental impact registration form must be submitted by a developer before the relevant authorities grant approval for the commencement of construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities will also inspect the property to ensure compliance with the applicable environmental protection standards and regulations before the property can be delivered to the purchasers.

FOREIGN EXCHANGE CONTROLS

Under the PRC Foreign Currency Administration Rules 《中華人民共和國外匯管理條例》 promulgated in 1996 and revised in 1997 and as amended in 2008 and various regulations issued by SAFE and other relevant PRC government authorities, Renminbi is convertible into

other currencies for the purpose of current account items, such as trade related receipts and payments and the payment interest and dividend. The conversion of Renminbi into other currencies and remittance of the converted foreign currency outside China for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, requires the prior approval from SAFE or its local office. Payments for transactions that take place within China must be made in Renminbi. Unless otherwise approved, PRC companies may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign-invested enterprises may retain foreign exchange in accounts with designated foreign exchange banks subject to a cap set by SAFE or its local office. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant rules and regulations of the State. For foreign exchange proceeds under the capital accounts, approval from SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the rules and regulations of the State.

In October 2005, SAFE issued a Notice on Issues Relating to the Administration of Foreign Exchange in Fund-raising and Reverse Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies《關於境內居民通過境外特殊目的公司境外融資及返程投資外匯管理有關問題的通知》. According to the notice, a special purpose company refers to an offshore company established or indirectly controlled by PRC residents for the special purpose of carrying out financing of their assets or equity interest in PRC domestic enterprises. Prior to establishing or assuming control of a special purpose company, each PRC resident, whether a natural or legal person, must complete the overseas investment foreign exchange registration procedures with the relevant local SAFE branch. The notice applies retroactively. These PRC residents must also amend the registration with the relevant SAFE branch in the following circumstances: (1) the PRC residents have completed the injection of equity investment or assets of a domestic company into the special purpose company; (2) the overseas funding of the special purpose company has been completed; (3) there is a material change in the capital of the special purpose company. Under the rules, failure to comply with the foreign exchange registration procedures may result in restrictions being imposed on the foreign exchange activities of the violator, including restrictions on the payment of dividends and other distributions to its offshore parent company, and may also subject the violators to penalties under the PRC foreign exchange administration regulations.

In August 29, 2008, SAFE issued the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises《關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知》, or Circular No. 142. Pursuant to Circular No. 142, a foreign-invested enterprise's Renminbi fund received from the settlement of its foreign currency capital must be used within the business scope as approved by the government authority that approved the establishment of such foreign-invested enterprise, and such Renminbi fund cannot be used for domestic equity investment unless it is otherwise provided for.

SUMMARY OF THE CONSTITUTION OF THE COMPANY

1. Memorandum Of Association

The Memorandum of Association of Evergrande Real Estate Group Limited, or the Company, was adopted on October 14, 2009 and states, *inter alia*, that the liability of members of the Company is limited, that the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Cayman Companies Law or any other law of the Cayman Islands.

2. Articles Of Association

The Articles of Association of the Company were adopted on October 14, 2009 and include provisions to the following effect:

2.1 *Classes of Shares*

The share capital of the Company consists of ordinary shares. The capital of the Company at the date of adoption of the Articles of Association is US$1,000,000,000 divided into 100,000,000,000 shares of US$0.01 each.

2.2 *Directors*

(a) *Power to allot and issue Shares*

Subject to the provisions of the Cayman Companies Law and the Memorandum and Articles of Association, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Directors shall determine.

Subject to the provisions of the Articles of Association and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such time and for such consideration as the Directors may determine. Subject to the Cayman Companies Law and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof, liable to be redeemed.

(b) *Power to dispose of the assets of the Company or any subsidiary*

The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by the Articles of Association expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not by the Articles of Association or the Cayman Companies Law expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Cayman Companies Law and of the Articles of Association and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or the Articles of Association, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(c) *Compensation or payment for loss of office*

Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

(d) *Loans to Directors*

There are provisions in the Articles of Association prohibiting the making of loans to Directors and associates which are equivalent to the restrictions imposed by the Companies Ordinance.

(e) *Financial assistance to purchase Shares*

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries or any holding company or any subsidiary of such holding company in order that they may buy shares in the Company or any such subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

(f) *Disclosure of interest in contracts with the Company or any of its subsidiaries*

No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to

account to the Company for any profit so realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the board of Directors at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company.

A Director shall not be entitled to vote on (nor shall he be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his associates has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

(i) the giving to such Director or any of his associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iv) any proposal concerning any other company in which the Director or any of his associates is/are interested only, whether directly or indirectly, as an officer, executive or shareholder or in which the Director or any of his associates is/are beneficially interested in shares of that company, provided that the Director and any of his associates, are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his associates is derived) or of the voting rights;

(v) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:

(A) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his associates may benefit;

(B) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his associates as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(C) any contract or arrangement in which the Director or any of his associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(g) *Remuneration*

The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Directors, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

The Directors shall also be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

The Directors may grant special remuneration to any Director who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

The remuneration of an executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

(h) *Retirement, appointment and removal*

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

The Company may by ordinary resolution remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director). The Company may by ordinary resolution appoint another person in his place. Any Director so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed. The Company may also by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. No person shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless, during the period, which shall be at least seven days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary of the Company notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The office of a Director shall be vacated:

(i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;

(ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;

(iii) if, without leave, he is absent from meetings of the Directors (unless an alternate Director appointed by him attends) for 12 consecutive months, and the Directors resolve that his office be vacated;

(iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provision in the Articles of Association;

(vi) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) for the time being then in office; or

(vii) if he shall be removed from office by an ordinary resolution of the members of the Company under the Articles of Association.

At every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

(i) *Borrowing powers*

The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

The rights of the Directors to exercise these powers may only be varied by a special resolution.

(j) *Proceedings of the Board*

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit in any part of the world. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.3 *Alteration to constitutional documents*

No alteration or amendment to the Memorandum or Articles of Association may be made except by special resolution.

2.4 *Variation of rights of existing shares or classes of shares*

If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Cayman Companies Law, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting all the provisions of the Articles of Association relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.

The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

2.5 *Alteration of Capital*

The Company in general meeting may, from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

The Company may from time to time by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the Companies Law; and

(c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Cayman Companies Law, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorised and subject to any conditions prescribed by the Cayman Companies Law.

2.6 ***Special resolution — majority required***

A "special resolution" is defined in the Articles of Association to have the meaning ascribed thereto in the Cayman Companies Law, for which purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution approved in writing by all of the members of the Company entitled to vote at a general meeting of the Company in one or more

instruments each signed by one or more of such members, and the effective date of the special resolution so adopted shall be the date on which the instrument or the last of such instruments (if more than one) is executed.

In contrast, an "ordinary resolution" is defined in the Articles of Association to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles of Association and includes an ordinary resolution approved in writing by all the members of the Company aforesaid.

2.7 *Voting rights*

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register of members of the Company.

Where any member of the Company is, under the Listing Rules, required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

In the case of joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

A member of the Company in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorised in such circumstances to do so and such person may vote by proxy.

Save as expressly provided in the Articles of Association or as otherwise determined by the Directors, no person other than a member of the Company duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member of the Company), or to be counted in a quorum, either personally or by proxy at any general meeting.

At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll.

If a recognised clearing house (or its nominee) is a member of the Company it may authorise such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such authorisation.

2.8 *Annual general meetings*

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other general meeting in that year and shall specify the meeting as such in the notice calling it; and not more than 15 months (or such longer period as the Stock Exchange may authorise) shall elapse between the date of one annual general meeting of the Company and that of the next.

2.9 *Accounts and audit*

The Directors shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Cayman Companies Law.

The Directors shall from time to time determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members of the Company (other than officers of the Company) and no such member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Cayman Companies Law or any other relevant law or regulation or as authorised by the Directors or by the Company in general meeting.

The Directors shall, commencing with the first annual general meeting, cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Director's report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditors' report on such accounts and such other reports and accounts as may be required by law. Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting, be sent in the manner in which notices may be served by the Company as provided in the Articles of Association to every member of the Company and every holder

of debentures of the Company provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

The Company shall at any annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The remuneration of the auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Directors.

2.10 ***Notice of meetings and business to be conducted thereat***

An annual general meeting and any extraordinary general meeting called for the passing of a special resolution shall be called by notice of not less than 21 days and any other extraordinary general meeting shall be called by not less than 14 days. The notice shall be inclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place and agenda of the meeting, particulars of the resolutions to be considered at the meeting and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors and to all members of the Company (other than those who, under the provisions of the Articles of Association or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company).

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above, it shall be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat or their proxies; and

(b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

All business shall be deemed special that is transacted at an extraordinary general meeting and also all business shall be deemed special that is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

(a) the declaration and sanctioning of dividends;

(b) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and the auditors and other documents required to be annexed to the balance sheet;

(c) the election of Directors in place of those retiring;

(d) the appointment of auditors;

(e) the fixing of, or the determining of the method of fixing of, the remuneration of the Directors and of the auditors;

(f) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares of the Company representing not more than 20 per cent. (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to sub-paragraph (g) below; and

(g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.

2.11 ***Transfer of Shares***

Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve which is consistent with the standard form of transfer as prescribed by the Stock Exchange.

The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof. All instruments of transfer shall be retained by the Company.

The Directors may refuse to register any transfer of any share which is not fully paid up or on which the Company has a lien. The Directors may also decline to register any transfer of any shares unless:

(a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon the registration of the transfer be cancelled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of shares;

(c) the instrument of transfer is properly stamped (in circumstances where stamping is required);

(d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;

(e) the shares concerned are free of any lien in favour of the Company; and

(f) a fee of such maximum as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) is paid to the Company in respect thereof.

If the Directors refuse to register a transfer of any share they shall, within two months after the date on which the instrument of transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on 14 days' notice being given by advertisement in the newspaper or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, be suspended and the register of members of the Company closed at such times for such periods as the Directors may from time to time determine, provided that the registration of transfers shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

2.12 *Power of the Company to purchase its own Shares*

The Company is empowered by the Cayman Companies Law and the Articles of Association to purchase its own shares subject to certain restrictions and the Directors may only exercise this power on behalf of the Company subject to the authority of its members in general meeting as to the manner in which they do so and to any applicable requirements imposed from time to time by the Stock Exchange and the Securities and Futures Commission of Hong Kong.

2.13 *Power of any subsidiary of the Company to own Shares*

There are no provisions in the Articles of Association relating to the ownership of shares by a subsidiary.

2.14 *Dividends and other methods of distributions*

Subject to the Cayman Companies Law and Articles of Association, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Directors. No dividend may be declared or paid other than out of profits and reserves of the Company lawfully available for distribution, including share premium.

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For these purposes no amount paid up on a share in advance of calls shall be treated as paid up on the share.

The Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may also pay half-yearly or at other intervals to be selected by them at a fixed rate if they are of the opinion that the profits available for distribution justify the payment.

The Directors may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Directors may also deduct from any dividend or other monies payable to any member of the Company all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

No dividend shall carry interest against the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members of the Company entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post addressed to the registered address of the member of the Company entitled, or in the case of joint holders, to the registered address of the person whose name stands first in the register of members of the Company in respect of the joint holding to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members of the Company in respect of such shares, and shall be sent at his or their risk and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque

or warrant is returned undelivered. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Any dividend unclaimed for six years from the date of declaration of such dividend may be forfeited by the Directors and shall revert to the Company.

The Directors may, with the sanction of the members of the Company in general meeting, direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind, and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, and where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any members of the Company upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

2.15 *Proxies*

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person who must be an individual as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.

Instruments of proxy shall be in common form or in such other form as the Directors may from time to time approve provided that it shall enable a member to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates provided that the meeting was originally held within 12 months from such date.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney authorised in writing or if the appointor is a corporation either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.

The instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before

the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid provided that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or fascimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

2.16 *Calls on Shares and forfeiture of Shares*

The Directors may from time to time make calls upon the members of the Company in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times and each member of the Company shall (subject to the Company serving upon him at least 14 days' notice specifying the time and place of payment) pay to the Company at the time and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call may be made payable either in one sum or by instalments and shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share or other moneys due in respect thereof.

If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

If any call or instalment of a call remains unpaid on any share after the day appointed for payment thereof, the Directors may at any time during such time as any part thereof remains unpaid serve a notice on the holder of such shares requiring payment of so much of the call or instalment as is unpaid together with any interest which may be accrued and which may still accrue up to the date of actual payment.

The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which such call was made or instalment is unpaid will be liable to be forfeited.

If the requirements of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of.

A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the shares, together with (if the Directors shall in their discretion so require) interest thereon at such rate not exceeding 15 per cent. per annum as the Directors may prescribe from the date of forfeiture until payment, and the Directors may enforce payment thereof without being under any obligation to make any allowance for the value of the shares forfeited, at the date of forfeiture.

2.17 ***Inspection of register of members***

The register of members of the Company shall be kept in such manner as to show at all times the members of the Company for the time being and the shares respectively held by them. The register may, on 14 days' notice being given by advertisement in the newspapers, or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association be closed at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

Any register of members kept in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Directors may impose) be open to inspection by any member of the Company without charge and by any other person on payment of such fee not exceeding HK$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) as the Directors may determine for each inspection.

2.18 ***Quorum for meetings and separate class meetings***

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.

Two members of the Company present in person or by proxy shall be a quorum provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy.

A corporation being a member of the Company shall be deemed for the purpose of the Articles of Association to be present in person if represented by its duly authorised representative being the person appointed by resolution of the directors or other governing body of such corporation or by power of attorney to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in sub-paragraph 2.4 above.

2.19 ***Rights of minorities in relation to fraud or oppression***

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.20 ***Procedure on liquidation***

If the Company shall be wound up, and the assets available for distribution amongst the members of the Company as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members of the Company in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. The foregoing is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Cayman Companies Law, divide amongst the members of the Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like sanction and subject to the Cayman Companies Law, shall think fit, but so that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

2.21 ***Untraceable members***

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if: (i) all cheques or warrants, not being less than three in number, for any

sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (ii) the Company has not during that time or before the expiry of the three month period referred to in (iv) below received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law; (iii) during the 12 year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and (iv) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspapers or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

SUMMARY OF CAYMAN ISLANDS COMPANY LAW AND TAXATION

1. Introduction

The Cayman Companies Law is derived, to a large extent, from the older Companies Acts of England, although there are significant differences between the Cayman Companies Law and the current Companies Act of England. Set out below is a summary of certain provisions of the Cayman Companies Law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2. Incorporation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on June 26, 2006 under the Cayman Companies Law. As such, its operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the size of its authorised share capital.

3. Share capital

The Cayman Companies Law permits a company to issue ordinary shares, preference shares, redeemable shares or any combination thereof.

The Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premia on those shares shall be transferred to an account called the "share premium account". At the option of a company, these provisions may not apply to premia on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Law provides that the

share premium account may be applied by a company, subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) in the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Law);

(d) writing-off the preliminary expenses of the company;

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and

(f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Law provides that, subject to confirmation by the Grand Court of the Cayman Islands, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

Subject to the detailed provisions of the Cayman Companies Law, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner of purchase, a company cannot purchase any of its own shares unless the manner of purchase has first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and to act in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

4. Dividends and distributions

With the exception of section 34 of the Cayman Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands in this area, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see 3 above for further details).

5. Shareholders' suits

The Cayman Islands courts can be expected to follow English case law precedents. The rule in *Foss v. Harbottle* (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act which is *ultra vires* the company or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

6. Protection of minorities

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

7. Disposal of assets

The Cayman Companies Law contains no specific restrictions on the powers of directors to dispose of assets of a company. As a matter of general law, in the exercise of those powers, the directors must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the company.

8. Accounting and auditing requirements

The Cayman Companies Law requires that a company shall cause to be kept proper books of account with respect to:

(a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the company; and

(c) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

9. Register of members

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as its directors may, from time to time, think fit. There is no requirement under the Cayman Companies Law for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

10. Inspection of books and records

Members of a company will have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

11. Special resolutions

The Cayman Companies Law provides that a resolution is a special resolution when it has been passed by a majority of not less than two-thirds (or such greater number as may be specified in the articles of association of the company) of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

Written resolutions signed by all the members entitled to vote for the time being of the company may take effect as special resolutions if this is authorised by the articles of association of the company.

12. Subsidiary owning shares in parent

The Cayman Companies Law does not prohibit a Cayman Islands company acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

13. Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing 75 per cent. in value of shareholders or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court of the Cayman Islands is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

14. Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90 per cent. of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

15. Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

16. Liquidation

A company is placed in liquidation either by an order of the court or by a special resolution (or, in certain circumstances, an ordinary resolution) of its members. A liquidator is appointed whose duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, rateably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

17. Stamp duty on transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

18. Taxation

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor in Cabinet:

(a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

  (i) on or in respect of the shares, debentures or other obligations of the Company; or

  (ii) by way of withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concession Law (1999 Revision).

The undertaking is for a period of twenty years from July 4, 2006.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties.

19. Exchange control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation

Our company was incorporated in the Cayman Islands on June 26, 2006 under the Cayman Companies Law as an exempted company with limited liabilities. Our company has established a place of business in Hong Kong at Suite 1201, Two Pacific Place, 88 Queensway, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part XI of the Companies Ordinance, with Dr. Hui and Fong Kar Chun, Jimmy, being appointed as authorized representatives of our company for the acceptance of service of process and notices on behalf of our company in Hong Kong.

As our company was incorporated in the Cayman Islands, it operates subject to the Cayman Islands laws and to its constitution, which comprises a memorandum of association and articles of association. A summary of various provisions of the constitution of our company and relevant aspects of the Cayman Companies Law is set out in Appendix VII to this document.

2. Changes in share capital

Our authorized share capital as at the date of our incorporation was US$50,000 divided into 50,000 shares of US$1.00 each. Upon incorporation, 100 shares of US$1.00 each were allotted and issued to the Original Shareholder.

On November 29, 2006, we adopted resolutions to (a) sub-divide and reclassify our authorized and issued shares of US$50,000 divided into 50,000 shares of US$1.00 each into 5,000,000 ordinary shares of US$0.01 each, and (b) increase our authorized share capital from US$50,000 to US$50,000,000 divided into 4,200,000,000 ordinary shares of US$0.01 each and 800,000,000 preferred shares of US$0.01 each.

On November 29, 2006, we allotted and issued 1,599,990,000 new Shares credited as nil-paid to the Original Shareholder.

On November 29, 2006, we, Dr. Hui, the Original Shareholder and the Financial Investors entered into an investment agreement pursuant to which the Financial Investors subscribed for an aggregate of 800,000,000 Convertible Preferred Shares in our company for an aggregate subscription amount of US$400 million.

On December 11, 2007, we entered into a restructuring agreement with, among others, the Financial Investors, pursuant to which we repurchased and cancelled the 800,000,000 Convertible Preferred Shares of US$0.01 each. Following the cancellation of the Convertible Preferred Shares, on January 24, 2008, we adopted a resolution to change our authorized share capital to US$50,000,000 divided into 5,000,000,000 ordinary shares of US$0.01 each. Pursuant to the restructuring agreement, the Original Shareholder also subscribed for 800,000,000 ordinary shares and transferred such shares to the Financial Investors.

Pursuant to the resolutions in writing of our shareholders passed on March 3, 2008, our authorized share capital was increased from US$50,000,000 to US$1,000,000,000 by the creation of an additional 95,000,000,000 Shares.

On June 9, 2008, we, Dr. Hui, the Original Shareholder and the New Investors entered into a new investment agreement pursuant to which the New Investors agreed to subscribe for an aggregate of 374,104,266 new Shares in our company for an aggregate subscription amount of US$506 million.

Except for aforesaid and as mentioned in the paragraph headed "Written resolutions of all our shareholders passed on October 14, 2009" below, there has been no alteration in our share capital since our incorporation.

3. Written resolutions of all our shareholders

(i) Pursuant to the written resolutions passed by our Shareholders on March 3, 2008, we increased our authorized share capital to US$1,000,000,000 divided into 100,000,000,000 Shares with a par value of US$0.01 each.

(ii) Pursuant to the written resolutions passed by our Shareholders on April 22, 2008, our company approved and adopted the Articles of Association which will be replaced by the Articles of Association adopted by our Shareholders on October 14, 2009.

(iii) Pursuant to the written resolutions passed by our Shareholders on October 14, 2009:

[•]

4. Corporate Reorganization

(A) The Reorganization, involved the following:

1. *Incorporation of the Original Shareholder*

1.1 Xin Xin (BVI) Limited, a company incorporated in the British Virgin Islands and our Original Shareholder, was established to act as the holding company for the interest of Dr. Hui in us. The authorized share capital of the Original Shareholder is US$50,000 divided into 50,000 shares of US$1.00 each. On June 29, 2006, 100 shares of US$1.00 each were allotted and issued to Dr. Hui.

2. *Incorporation of our company*

2.1 Our company was incorporated in the Cayman Islands on June 26, 2006 to act as the holding company of our group. Our initial authorized share capital was US$50,000 divided into 50,000 shares of US$1.00 each. Following incorporation, our share capital was held as to 100 shares by the Original Shareholder.

3. *Incorporation of an intermediate holding company for our group*

3.1 An intermediate holding company, ANJI (BVI) Limited, was incorporated in the British Virgin Islands to act as the intermediate company to hold all the businesses of our group. ANJI (BVI) Limited has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On June 29, 2006, 100 shares were issued and allotted by ANJI (BVI) Limited to our company. Our company is the sole and corporate director of ANJI (BVI) Limited.

4. *Onshore reorganization*

4.1 *Acquisition of Guangzhou Chaofeng*

Guangzhou Chaofeng, formerly known as Guangzhou Chaofeng Trading Co., Ltd. (廣州市超豐貿易有限公司), was held as to 60% by Mr. Ai Dong (艾冬) and as to 40% by Ms. Gu Yurong (谷玉榮) on trust for Dr. Hui. Pursuant to the Reorganization, Mr. Ai and Ms. Gu, respectively, transferred their 60% and 40% interests in Guangzhou Chaofeng to Hengda Industrial. The entire equity interest in Guangzhou Chaofeng was subsequently acquired by ANJI (BVI) Limited at a consideration of RMB 671,170,000. Such acquisition was approved by Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006 and Guangzhou Chaofeng was converted into a wholly foreign-owned enterprise.

4.2 *Reorganization of Guangzhou Kailong*

Prior to the Reorganization, Guangzhou Kailong, formerly known as Guangzhou Kailong Industrial Co., Ltd. (廣州市凱隆實業有限公司), was held as to 90% by Hengda Industrial and as to 10% by Dr. Hui. Pursuant to the Reorganization, Hengda Industrial and Dr. Hui transferred respectively 90% and 10% interests in Guangzhou Kailong to Guangzhou Chaofeng. The transfers were completed on June 26, 2006 and Guangzhou Kailong became a wholly-owned subsidiary of Guangzhou Chaofeng.

4.3 *Reorganization of Hengda Real Estate Group*

Hengda Real Estate Group, formerly known as Guangzhou Hengda Real Estate Development Co., Ltd. (廣州市恒大房地產開發有限公司), was held as to 90% by Hengda Industrial and as to 10% by Guangzhou Kailong. On March 29, 2006, Guangzhou Hengda Real Estate Development Co., Ltd. changed its name to Hengda Real Estate Group. Pursuant to the Reorganization, Hengda Industrial transferred its 90% interest in Hengda Real Estate Group to Guangzhou Kailong on June 17, 2006. The transfer was completed on June 26, 2006. After the transfer, Hengda Real Estate Group was held as to 100% by Guangzhou Kailong.

4.4 *Reorganization of companies to form Hengda Real Estate Group*

Pursuant to the Reorganization, certain companies within our group were reorganized to form a group of companies headed by Hengda Real Estate Group.

(a) Reorganization of 9 companies held by Hengda Industrial and Guangzhou Kailong prior to the Reorganization

Prior to the Reorganization, Hengda Industrial and Guangzhou Kailong were interested as to 90% and 10%, respectively, in the following companies:

(i) Guangzhou Henghui Construction Company Limited (廣州恒暉建築工程有限公司) ("Guangzhou Henghui")

(ii) Guangzhou Hengda Construction Supervision Company Limited (廣州市恒大工程監理有限公司) ("Guangzhou Hengda Construction Supervision")

(iii) Guangzhou Jinbi Landscaping Company Limited (廣州市金碧園林藝術有限公司) ("Guangzhou Jinbi Landscaping")

(iv) Guangzhou Hengda Decoration Engineering Company Limited (廣州恒大裝飾工程有限公司) ("Guangzhou Hengda Decoration")

(v) Foshan Hengda Metallic Construction Material Company Limited (佛山市恒大金屬建築材料有限公司) ("Foshan Metallic")

(vi) Guangzhou Hengda Advertising Company Limited (廣州市恒大廣告有限公司) ("Guangzhou Hengda Advertising")

(vii) Hengda (Qingxin) Designated Eco-park Company Limited (恒大（清新）生態示範園有限公司)

(viii) Hengda (Fogang) Tangtang Farm Company Limited (恒大（佛岡）湯塘農場有限公司) (Hengda Fogang")

(ix) Guangzhou Hengda Eco-agricultural Development Base Company Limited (廣州恒大生態農業開發基地有限公司) ("Guangzhou Hengda Eco-agricultural")

Pursuant to the Reorganization, Hengda Industrial and Guangzhou Kailong transferred their 90% and 10% interests respectively in each of the above companies to Hengda Real Estate Group on June 16, 2006. After the transfers, the companies listed above were held as to 100% by Hengda Real Estate Group.

(b) Reorganization of 11 non-wholly owned subsidiaries of Hengda Real Estate Group

Prior to the Reorganization, Hengda Real Estate Group and Guangzhou Kailong were interested as to 90% and 10%, respectively, in each of the following companies:

(i) Tianjin Ji Jinxin Tourism Industry Company Limited (天津薊縣金鑫觀光產業有限公司) ("Tianjin Ji Jinxin")

(ii) Wuhan Xinjin Tourist Park Company Limited (武漢鑫金觀光產業園有限公司) ("Wuhan Xinjin")

(iii) Pengshan Xinxin Tourist Park Company Limited (彭山縣鑫鑫觀光產業園有限公司) ("Pengshan Xinxin")

(iv) Anning Ganxin Tourist Park Company Limited (安寧市淦鑫觀光產業園有限公司) ("Anning Ganxin")

(v) Qidong Huikoufu Food & Beverage Court Company Limited (啟東市惠口福飲食廣場有限公司) ("Qidong Huikoufu")

(vi) Qidong Gold Coast Hotel Company Limited (啟東市金色海岸大酒店有限公司) ("Qidong Gold Coast")

(vii) Qidong Tongxin Tourism Company Limited (啟東市童心遊樂有限公司) ("Qidong Tongxin")

(viii) Qidong Wanren Live Cinemas Company Limited (啟東市萬仁動感影視城有限公司) ("Qidong Wanren")

(ix) Qidong Xinqing Entertainment Company Limited (啟東市欣晴娛樂有限公司) ("Qidong Xinqing")

(x) Qidong Liqun Fitness Club Company Limited (啟東市立群健身俱樂部有限公司) ("Qidong Liqun")

(xi) Qidong Yiran Health Recovery & Health Care Company Limited (啟東市怡然康復保健有限公司) ("Qidong Yiran")

Pursuant to the Reorganization, Guangzhou Kailong transferred its 10% interest in each of the above companies to Hengda Real Estate Group on June 16, 2006. After the transfers, the companies listed above were held as to 100% by Hengda Real Estate Group.

4.5 *Reorganization of companies to form Jinbi Property Management*

(a) Acquisition of Jinbi Property Management by ANJI (BVI) Limited

Prior to the Reorganization, Jinbi Property Management was held as to 90% by Hengda Industrial and as to 10% by Guangzhou Kailong. Pursuant to the Reorganization, Guangzhou Kailong transferred its 10% interest in Jinbi Property Management to Hengda Industrial. Subsequently, ANJI (BVI) Limited acquired the entire registered capital of Jinbi Property Management from Hengda Industrial at a consideration of RMB 530,640,000. Such acquisition was approved by Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006 and Jinbi Property Management was converted into a wholly foreign-owned enterprise.

(b) Transfer of Jinbi Shijia Property Management to Hengda Real Estate Group

Prior to the Reorganization, Jinbi Shijia Property Management was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred 90% and 10% interests in Jinbi Shijia Property Management to Hengda Real Estate Group. After the transfer, Jinbi Shijia Property Management was held as to 100% by Hengda Real Estate Group.

(c) Transfer of Jinbi Hengying Property Management to Hengda Real Estate Group

Prior to the Reorganization, Jinbi Hengying Property Management was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred 90% and 10% interests respectively in Jinbi Hengying Property Management to Hengda Real Estate Group on June 16, 2006. After the transfers, Jinbi Hengying Property Management was held as to 100% by Hengda Real Estate Group.

(d) Transfer of Guangzhou Jinbi Real Estate Agency Company Limited (廣州市金碧房地產代理有限公司) ("Jinbi Real Estate Agency") to Hengda Real Estate Group

Prior to the Reorganization, Jinbi Real Estate Agency was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Jinbi Property Management and Hengda Industrial transferred 90% and 10% interests,

respectively, in Jinbi Real Estate Agency to Hengda Real Estate Group on June 16, 2006. After the transfers, Jinbi Real Estate Agency was held as to 100% by Hengda Real Estate Group.

(e) Reorganization of Jinbi Huafu

Prior to the Reorganization, Jinbi Huafu was held as to 90% by Jinbi Property Management and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Hengda Industrial transferred its 10% interest in Jinbi Huafu to Jinbi Property Management on June 16, 2006. After the transfer, Jinbi Huafu was held as to 100% by Jinbi Property Management.

(f) Transfer of Xinzhongjian to Jinbi Huafu

Prior to the Reorganization, Xinzhongjian was held as to 90% by Hengda Real Estate Group and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Hengda Real Estate Group and Hengda Industrial transferred 90% and 10% interests, respectively, in Xinzhongjian to Jinbi Huafu on June 16, 2006. After the transfers, Xinzhongjian was held as to 100% by Jinbi Huafu.

4.6 *Reorganization of Guangzhou Junhui*

Prior to the Reorganization, Guangzhou Junhui was held as to 90% by Hengda Real Estate Group and as to 10% by Hengda Industrial. Pursuant to the Reorganization, Hengda Real Estate Group transferred its 90% interest in Guangzhou Junhui to Hengda Industrial. Subsequently, ANJI (BVI) Limited acquired the entire registered capital of Guangzhou Junhui from Hengda Industrial at a consideration of RMB 234,260,000. Such acquisition was approved by Guangzhou Foreign Trade and Economic Cooperation Bureau on June 29, 2006 and Guangzhou Junhui was converted into a wholly foreign-owned enterprise.

4.7 *Reorganization of Guangzhou Tongruida*

Pursuant to the Reorganization, ANJI (BVI) Limited acquired the entire registered capital of Guangzhou Tongruida from Hengda Industrial at a consideration of RMB 158,650,000. Such acquisition was approved by the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006 and Guangzhou Tongruida was converted into a wholly foreign-owned enterprise.

4.8 *Reorganization of Guangzhou Junhong*

Pursuant to the Reorganization, ANJI (BVI) Limited acquired the entire registered capital of Guangzhou Junhong from Hengda Industrial at a consideration of RMB 120,850,000. Such acquisition was approved by the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006 and Guangzhou Junhong was converted into a wholly foreign-owned enterprise.

4.9 *Hengda Zengcheng*

Pursuant to the Reorganization, ANJI (BVI) Limited acquired the entire registered capital of Hengda Zengcheng from Hengda Industrial at a consideration of RMB 47,990,000. Such acquisition was approved by the Guangzhou Foreign Trade and Economic Cooperation Bureau on June 28, 2006 and Hengda Zengcheng was converted into a wholly foreign-owned enterprise.

5. *Excluded business*

5.1 Prior to the Reorganization, Hengda Industrial was interested in 26.89% of Lujing Real Estate, a company listed on the Shenzhen Stock Exchange, which was also engaged in property development. As Lujing Real Estate does not form part of our group and Hengda Industrial did not have control over Lujing Real Estate, in order to eliminate competition with us, Hengda Industrial entered into an agreement in July 2006 with an independent third party, pursuant to which Hengda Industrial transferred the entire 41,864,466 shares in Lujing Real Estate to the purchaser for a total consideration of RMB 78.9 million.

5.2 Prior to the Reorganization, Guangzhou Kailong held a 10% in Maoming Steel on trust for Hengda Industrial. On August 8, 2006, Guangzhou Kailong entered into an agreement with a subsidiary of Hengda Industrial that does not form part of our group pursuant to which Guangzhou Kailong transferred its 10% interests in Maoming Steel back to Hengda Industrial upon termination of the trust arrangement at a consideration of RMB 54.46 million, which is equivalent to the proportional registered capital of Maoming Steel. The consideration of RMB 54.46 million paid by Guangzhou Kailong on behalf of Hengda Industrial as capital contribution to Maoming Steel has been recognized as a receivable from Hengda Industrial in the books of Guangzhou Kailong and was subsequently settled and cancelled out upon the 10% interest in Maoming Steel was legally transferred back to Hengda Industrial on August 8, 2006.

6. *Introduction of Investors*

(a) *Financial Investors*

On November 29, 2006, we allotted and issued 1,599,990,000 new ordinary shares credited as nil paid to the Original Shareholder.

Immediately upon completion of the investment agreement, we were held as to 66.67% by the Original Shareholder, as to 11.17% by Baytree Investment (Mauritius) Pte. Ltd., as to 11.08% by Deutsche Bank AG and as to 11.08% by Indopark Holdings Limited.

On December 11, 2007, we entered into a restructuring agreement with the Financial Investors pursuant to which we repurchased and cancelled the 800,000,000 Convertible Preferred Shares in our company for an aggregate consideration of US$400 million. The repurchase was financed by a loan in the same amount lent by the Financial Investors, including their affiliates, to the Original Shareholder, which had been injected as capital into our company. The restructuring is meant to maintain all substantive terms and conditions of the investment agreement among us, the Original Shareholder and the Financial Investors. Security for the loan included a guarantee provided by our company. The loan would be repaid in kind by the Original Shareholder with its shares in our company. Accordingly, on January 31, 2008, pursuant to the restructuring agreement, the Original Shareholder conditionally transferred 266,000,000 Shares to Deutsche Securities Nominees Hong Kong Limited, 268,000,000 Shares to Baytree Investments (Mauritius) Pte Ltd and 266,000,000 Shares to Indopark Holdings Limited. Immediately after such conditional transfers, we were held as to 66.13% by the Original Shareholder, as to 11.08% by Deutsche Bank AG, as to 11.17% by Baytree Investments (Mauritius) Pte. Ltd and as to 11.08% by Indopark Holdings Limited on a conditional basis. The Original Shareholder may transfer additional Shares to each of the Financial Investors or each of the Financial Investors may return to the Original Shareholder a portion of the Shares received conditionally from the Original Shareholder. The loan lent by the Financial Investors to the Original Shareholder will be deemed to have been repaid.

(b) *Structured Secured Loan*

On August 27, 2007, the Company entered into a loan agreement (as subsequently amended) with an affiliate of Credit Suisse as initial lender to raise the Structured Secured Loan with a maximum aggregate principal amount of approximately US$500 million. In connection with the initial commitment on September 24, 2007, our Original Shareholder transferred 9,078,900 Shares to the lenders upon their initial commitment of the Structured Secured Loan and an additional 3,900,000 Shares were transferred to the lenders on November 19, 2007 in connection with their subsequent increases in the loan commitment.

On June 24, 2009, Tianji Holding Limited, our wholly-owned subsidiary, entered into a sale and purchase agreement with Shikumen Capital Management Limited, an affiliate of a New Investor, and an independent third party to purchase the entire issued share capital of Ever Grace Group Limited, which is one of the lenders and owns US$48.5 million of the Structured Secured Loan, for an aggregate consideration of US$34.0 million.

(c) *New Investors*

On June 9, 2008, we, Dr. Hui, the Original Shareholder and the New Investors entered into an investment agreement pursuant to which the New Investors agreed to subscribe for an aggregate of 374,104,266 Shares in the Company for an aggregate subscription amount of US$506 million.

(d) *Share Purchase*

In June 2009, Mrs. Hui through her wholly owned company, Yaohua Limited acquired the entire issued share capital of Even Honour Holdings Limited, a company established under the laws of the British Virgin Islands and wholly owned by an affiliate of Chow Tai Fook Group, which was the owner of the entire original holdings of Deutsche Bank AG, Hong Kong Branch, in our company, being an aggregate of 310,360,190 Shares.

7. *Incorporation of other offshore holding companies*

7.1 Two holding companies incorporated in the British Virgin Islands, namely Fengyu (BVI) Limited ("Fengyu") and Yitong (BVI) Limited ("Yitong") were established as intermediate holding companies. Each of Fengyu and Yitong has an initial authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each.

7.2 On July 13, 2007, Fengyu allotted and issued 100 shares of US$1.00 each to our company. On October 13, 2006, Yitong allotted and issued 100 shares of US$1.00 each to our company.

8. *Incorporation of additional offshore holding companies*

8.1 Chuangfeng (BVI) Limited ("Chuangfeng") was established in the British Virgin Islands as an additional intermediate holding company. It has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On July 13, 2007, Chuangfeng allotted and issued 100 shares of US$1.00 each to Yitong.

8.2 Lanbowan (BVI) Limited ("Lanbowan") was established in the British Virgin Islands as an intermediate holding company. It has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On July 13, 2007, Lanbowan allotted and issued 100 shares of US$1.00 each to Fengyu.

8.3 Shengyu (BVI) Limited ("Shengyu") and Jiajian (BVI) Limited ("Jiajian") were incorporated in the British Virgin Islands as intermediate holding companies. Each of Shengyu and Jiajian has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On July 13, 2007, Shengyu allotted and issued 100 shares of US$1.00 each to ANJI (BVI) Limited, and on July 16, 2007, Jiajian allotted and issued 100 shares of US$1.00 each to ANJI (BVI) Limited.

8.4 Shengjian (BVI) Limited ("Shengjian") was established in the British Virgin Islands to act as an intermediate holding company for 14 domestic companies. Shengjian has an initial authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On February 12, 2007, Shengjian allotted and issued 100 shares of US$1.00 each to ANJI (BVI) Limited.

8.5 Luckyman Group Limited ("Luckyman") was established in the British Virgin Islands as intermediate holding company. Luckyman has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On April 30, 2008, Luckyman allotted and issued 1 share of US$1.00 each to ANJI (BVI) Limited.

8.6 Luckyup Group Limited ("Luckyup") was established in the British Virgin Islands as intermediate holding company. Luckyup has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On April 30, 2008, Luckyup allotted and issued 1 share of US$1.00 each to ANJI (BVI) Limited.

8.7 Shengtong (BVI) Limited ("Shengtong") was established in the British Virgin Islands as intermediate holding company. Shengtong has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On January 31, 2008, Shengtong allotted and issued 1 share of US$1.00 each to ANJI (BVI) Limited.

8.8 Evergrande International Hotels Group Limited ("Evergrande Hotel") was established in Hong Kong as intermediate holding company. Evergrande Hotel has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On March 23, 2009, Evergrande Hotel allotted and issued 10 shares of HK$1.00 each to ANJI (BVI) Limited.

8.9 Sure Fast Group Limited ("Sure Fast") was established in the British Virgin Islands as intermediate holding company. Sure Fast has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On May 15, 2008, Sure Fast allotted and issued 1 share of US$1.00 each to ANJI (BVI) Limited.

8.10 Mass Joy Holdings Limited ("Mass Joy") was established in Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On April 30, 2008, Mass Joy allotted and issued 10 shares of HK$1.00 each to Luckyman.

8.11 Will Glory Holdings Limited ("Will Glory") was established in Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On April 30, 2008, Will Glory allotted and issued 10 shares of HK$1.00 each to Luckyup.

8.12 Shengtong Holding Limited ("Shengtong Holding") was established in Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On February 13, 2008, Shengtong Holding allotted and issued 10 shares of HK$1.00 each to Shengtong.

8.13 Grandday Group Limited ("Grandday") was established in the British Virgin Islands and has an authorized share capital of US$50,000 divided into 50,000 shares of US$1.00 each. On March 23, 2009, Grandday allotted and issued 1 share of US$1.00 each to Shengjian.

8.14 Lucky Grow Holdings Limited ("Lucky Grow") was established in the Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On March 30, 2009, Lucky Grow allotted and issued 10 shares of HK$1.00 each to Grandday.

8.15 Tianji Holding Limited ("Tianji") was established in Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On May 19, 2009, Tianji allotted and issued 1 share of HK$1.00 each to Hengda Real Estate Group.

8.16 Tianding Holding Limited ("Tianding") was established in Hong Kong and has an authorized share capital of HK$10,000 divided into 10,000 shares of HK$1.00 each. On May 18, 2009, Tianding allotted and issued 1 share of HK$1.00 each to Hengda Real Estate Group.

9. *Incorporation of new onshore companies*

9.1 Owing to our development, we have established the following new companies in China through Shengjian (BVI) Limited since June 2006:

(a) Hengda Shengyu (Qingxin) Property Company Limited (恒大盛宇（清新）置業有限公司)

(b) Hengda Xingeng (Pengshang) Property Company Limited (恒大鑫豐（彭山）置業有限公司)

(c) Qidong Yuhao Food Court Company Limited (啟東譽豪飲食廣場有限公司)

(d) Qidong Huanhua Hotel Company Limited (啟東歡華大酒店有限公司)

(e) Qidong Qingsheng Amusement Company Limited (啟東勤盛遊樂有限公司)

(f) Qidong Hengmei Movie City Company Limited (啟東衡美影視城有限公司)

(g) Qidong Xinhua Entertainment Company Limited (啟東鑫華娛樂有限公司)

(h) Qidong Tongyu Gym Club Company Limited (啟東通譽健身俱樂部有限公司)

(i) Qidong Baofeng Health Recovery Company Limited (啟東寶豐康復保健有限公司)

(j) Nanjing Fufeng Property Company Limited (南京恒大富豐置業有限公司)

(k) Wuhan Jinbi Oasis Real Estate Development Company Limited (武漢市金碧綠洲房地產開發有限公司)

(l) Chongqing Jiyu Property Company Limited (重慶恒大基宇置業有限公司)

(m) Hengda Xinyuan (Kunming) Property Company Limited (恒大鑫源（昆明）置業有限公司)

(n) Hefei Qijia Property Company Limited (合肥祺嘉置業有限公司)

9.2 The following companies were established by ANJI (BVI) Limited since June 2006:

(a) Hengda Changji (Shenyang) Property Company Limited (恒大長基（瀋陽）置業有限公司) ("Hengda Shenyang Changji")

(b) Hengda Xinyuan (Shenyang) Property Company Limited (恒大鑫源（瀋陽）置業有限公司) ("Hengda Shenyang Xinyuan")

(c) Hengda Xinlong (Shenyang) Real Estate Company Limited (恒大鑫隆（瀋陽）置業有限公司) ("Hengda Shenyang Xinlong")

9.3 The following new companies were established directly or indirectly by Hengda Real Estate Group since June 2006 in China:

(a) Hengda Real Estate Group Chongqing Company Limited (恒大地產集團重慶有限公司)

(b) Hengda Real Estate Group Wuhan Company Limited (恒大地產集團武漢有限公司)

(c) Hengda Real Estate Group Jiangjin Company Limited (恒大地產集團江津有限公司)

(d) E'zhou Hengda Real Estate Development Company Limited (鄂州恒大房地產開發有限公司)

(e) Wuhan Donghu Hengda Real Estate Development Company Limited (武漢東湖恒大房地產開發有限公司)

(f) Guangzhou Lituo Site Preparation Company Limited (廣州市力拓土石方工程有限公司)

(g) Hengda Real Estate Group Chengdu Company Limited (恒大地產集團成都有限公司)

(h) Hengda Real Estate Group Tianjin Jixian Company Limited (恒大地產集團天津薊縣有限公司)

(i) Hengda Real Estate Group Pengshan Company Limited (恒大地產集團彭山有限公司)

(j) Ezhou Xinjin Eco-recreational Park Company Limited (鄂州鑫金生態觀光產業園有限公司)

(k) Hengda Real Estate Group Qingxin Company Limited (恒大地產集團清新有限公司)

(l) Chongqing Xinheng Guan Guang Agriculture Company Limited (重慶市鑫恒觀光農業有限公司)

(m) Heshan Xin Xin Recreational Park Company Limited (鶴山市鑫鑫觀光產業園有限公司)

(n) Hengda Real Estate Group Zhengzhou Company Limited (恒大地產集團鄭州有限公司)

(o) Guangzhou Hengda Material Equipment Company Limited (廣州恒大材料設備有限公司)

(p) Guangzhou Qitong Industrial Company Limited (廣州市啟通實業有限公司)

(q) Guangzhou Guanyu Industrial Company Limited (廣州市廣域實業有限公司)

(r) Hengda Real Estate Group Xian Company Limited (恒大地產集團西安有限公司)

(s) Hengda Real Estate Group Taiyuan Company Limited (恒大地產集團太原有限公司)

(t) Hengda Real Estate Group Luoyang Company Limited (恒大地產集團洛陽有限公司)

(u) Hengda Real Estate Group Nanning Company Limited (恒大地產集團南寧有限公司)

(v) Foshan Nanhai Jun Cheng Property Development Company Limited (佛山市南海俊誠房地產開發有限公司)

(w) Hengda Real Estate Group Changsha Property Company Limited (恒大地產集團長沙置業有限公司)

(x) Hengda Real Estate Group Guiyang Property Company Limited (恒大地產集團貴陽置業有限公司)

(y) Hengda Real Estate Group Hefei Company Limited (恒大地產集團合肥有限公司)

(z) Hengda Real Estate Group Guangdong Real Estate Development Company Limited (恒大地產集團廣東房地產開發有限公司)

(aa) Anning Ganxin Visit Estate Co., Ltd. (安寧市淦鑫觀光產業園有限公司)

(bb) Guangdong Hengda Volleyball Club Co., Ltd. (廣東恒大排球俱樂部有限公司)

(cc) Kunming Jincui Landscaping Co., Ltd. (昆明金翠園林綠化工程有限公司)

(dd) E'zhou Hengda Landscaping Co., Ltd. (鄂州恒大園林綠化工程有限公司)

(ee) Wuhan Hengda Landscaping Co., Ltd. (武漢恒大園林綠化工程有限公司)

(ff) Tianjin Jinrui Landscaping Co., Ltd. (天津金瑞園林藝術有限公司)

(gg) Chongqing Runfeng Landscaping Co., Ltd. (重慶潤豐園林綠化工程有限公司)

(hh) Xian Hengda Landscaping Co., Ltd. (西安恒大園林綠化工程有限公司)

(ii) Nanning Yujing Landscaping Co., Ltd. (南寧市御景園林綠化工程有限公司)

(jj) Taiyuan Hengda Landscaping Co., Ltd. (太原恒大園林綠化工程有限公司)

(kk) Chengsha Junhong Landscaping Co., Ltd. (長沙駿鴻園林綠化工程有限公司)

(ll) Hefei Hengda Landscaping Co., Ltd. (合肥恒大園林綠化工程有限公司)

(mm) Nanjing Jingrun Landscaping Co., Ltd. (南京菁潤園林綠化工程有限公司)

(nn) Chengdu Xinjinkang Landscaping Co., Ltd. (成都鑫金康園綠化工程有限公司)

(oo) Guiyang Hengda Landscaping Co., Ltd. (貴陽恒大園林綠化工程有限公司)

(pp) Changsha Tianxi Real Estate Co., Ltd. (長沙天璽置業有限公司)

(qq) Hengda Real Estate Group Shijiazhuang Company Limited (恒大地產集團石家庄有限公司)

(rr) Hengda Real Estate Group Jinan Company Limited (恒大地產集團濟南有限公司)

(ss) Hengda Real Estate Group Tianjin Company Limited (恒大地產集團天津有限公司)

(tt) Hengda Real Estate Group Shanghai Shengjian Property Company Limited (恒大地產集團上海盛建置業有限公司)

(uu) Hengda Real Estate Group Nanchang Company Limited (恒大地產集團(南昌)有限公司

(vv) Foshan Henghe Wood Industry Company Limited (佛山市恒和木業有限公司)

9.4 The following companies were acquired and held directly or indirectly by Hengda Real Estate Group since June 2006 in China:

(a) Chengdu Hengda Galaxy New City Property Company Limited (成都恒大銀河新城置業有限公司)

(b) Chengdu Wenjiang Xinjinkang Property Company Limited (成都市溫江區鑫金康置業有限責任公司)

(c) Hubei Yi Qing Ya Zhu Property Development Company Limited (湖北怡清雅築房地產開發有限公司)

(d) Jingzhou Architecture Design Institute Company Limited (荊州市晴川建築設計院有限公司)

(e) Xian Qujiang Investment Development Company Limited (西安曲江投資建設有限公司)

(f) Xian Qiyun Property Company Limited (西安祺雲置業有限公司)

(g) Hengda Real Estate Group Baotou Company Limited (恒大地產集團(包頭)有限公司)

(h) Henan Software Institute Industrial Development Company Limited (河南省軟件園實業發展有限公司)

(i) Hunan Xiongzhen Investment Company Limited (湖南雄震投資有限公司)

(j) Nanjing Handian Property Development Company Limited (南京漢典房地產開發有限公司)

(k) Nanning Yinxiang Real Estate Development Company Limited (南寧銀象房地產開發有限責任公司).

(l) Shangxi Jinhong Investment Co., Ltd. (陝西金泓投資有限公司)

(m) Guangzhou Yuxin Property Construction Company Limited (廣州市越秀住宅建設有限公司)

(n) Anhui Sanlin Property Company Limited (安徽三林置業有限公司)

(o) Changsha Xinlin Properties Limited (長沙鑫霖置業有限公司)

(p) Hebei Dadi Panlong Property Development Company Limited (河北大地蟠龍房地產開發有限公司)

(q) Jiangxi Hongji Investment Company Limited (江西宏吉投資有限公司)

9.5 The following new company was established directly by Jiajian (BVI) Limited since June 2006 in China:

(a) Hunan Shengji Real Estate Co., Ltd. (湖南盛基置業有限公司)

9.6 The following company was acquired and held indirectly by Shengyu (BVI) Limited since June 2006.

(a) Minsin International (Holdings) Limited from Yao Quanbao and Wang ZhongMing for an aggregate consideration of HK$3,800,000.

10. *Reorganization of Jinbi Property Management*

10.1 On September 28, 2007, ANJI (BVI) Limited and Pearl River Investment Limited ("Pearl River") entered into a share purchase agreement pursuant to which Pearl River acquired 400 B ordinary shares of Success Will Group Limited, the intermediate holding company of Jinbi Property Management from ANJI (BVI) Limited for US$130,000,000.

(B) Members of our group have conducted the following acquisitions and disposals during the Track Record Period:

On September 28, 2007, ANJI (BVI) Limited and Pearl River entered into a share purchase agreement pursuant to which ANJI (BVI) Limited transferred 400 B ordinary shares of Success Will Group Limited to Pearl River for US$130,000,000.

On October 22, 2007, ANJI (BVI) Limited and the shareholders of Shui Wah Investment Limited (穗華投資有限公司) ("HK Shui Wah") entered into a share transfer agreement pursuant to which ANJI (BVI) Limited acquired the 100% issued share capital of HK Shui Wah for RMB 1,400,000,000.

5. Changes in share capital of subsidiaries

Certain information on our subsidiaries is contained in "Accountants' Report" in Appendix I to this document. In addition to the disclosures in the section entitled "Corporate History — Our History" and "— Reorganization" in this document, the following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the issue of this document:

Name of subsidiary	Date of change	Capital before increase/ decrease	Capital after increase/ decrease
(1) Nanjing Handian Property Development Company Limited	October 17, 2007	RMB 20,000,000	RMB 254,000,000
(2) Hengda Changji (Shenyang) Property Company Limited	October 29, 2007	US$29,900,000	US$49,900,000
(3) Xian Qiyun Property Company Limited	November 10, 2007	RMB 9,000,000	RMB 30,000,000
(4) Hengda Real Estate Group Guiyang Property Company Limited	November 14, 2007	RMB 20,000,000	RMB 54,500,000
(5) Hengda Shengyu (Qingxin) Property Company Limited	November 14, 2007	US$20,000,000	US$119,000,000
(6) Nanjing Fufeng Property Company Limited	November 16, 2007	US$29,900,000	US$128,900,000
(7) Hengda Real Estate Group Guiyang Property Company Limited	November 19, 2007	RMB 54,500,000	RMB 128,100,000
(8) Hengda Xinfeng (Pengshan) Property Company Limited	November 19, 2007	US$20,000,000	US$118,000,000
(9) Wuhan Jinbi Oasis Real Estate Development Company Limited	November 20, 2007	US$29,900,000	US$128,900,000
(10) Chongqing Jiyu Property Company Limited	November 19, 2007	US$29,900,000	US$128,900,000
(11) Hengda Real Estate Group Xi'an Company Limited	November 20, 2007	RMB 10,000,000	RMB 30,000,000
(12) Hengda Xinyuan (Shenyang) Property Company Limited	November 27, 2007	US$29,900,000	US$99,000,000
(13) Hefei Qijia Property Company Limited	December 28, 2007	US$28,000,000	US$126,000,000
(14) Hengda Changji (Shenyang) Property Company Limited	January 28, 2008	US$49,900,000	US$147,900,000
(15) Guangzhou Kailong Land Co., Ltd.	June 26, 2008	RMB 16,000,000	RMB 600,000,000
(16) Hengda Real Estate Group Co., Ltd.	June 27, 2008	RMB 600,000,000	RMB 2,500,000,000
(17) Hengda Real Estate Group Wuhan Company Limited	July 2, 2008	RMB 20,000,000	RMB 1,308,000,000
(18) Hengda Real Estate Group Chongqing Company Limited	July 2, 2008	RMB 50,000,000	RMB 711,000,000
(19) Hengda Real Estate Group Chengdu Company Limited	July 2, 2008	RMB 20,000,000	RMB 521,000,000
(20) Hengda Real Estate Group Tianjin Jixian Company Limited	July 2, 2008	RMB 20,000,000	RMB 437,000,000

Name of subsidiary	Date of change	Capital before increase/ decrease	Capital after increase/ decrease
(21) Hengda Real Estate Group Pengshan Company Limited	July 2, 2008	RMB 10,000,000	RMB 41,000,000
(22) Hengda Real Estate Group Jiangjin Company Limited	July 2, 2008	RMB 30,000,000	RMB 260,000,000
(23) Chengdu Hengda Galaxy New City Property Company Limited	July 2, 2008	RMB 20,000,000	RMB 296,000,000
(24) Chengdu Wenjiang Xinjinkang Property Company Limited	July 2, 2008	RMB 237,500,000	RMB 495,500,000
(25) Hengda Real Estate Group Taiyuan Company Limited	July 2, 2008	RMB 20,000,000	RMB 631,000,000
(26) Xi'an Qiyun Property Company Limited	July 2, 2008	RMB 30,000,000	RMB 315,000,000
(27) Nanjing Handian Property Development Company Limited	July 2, 2008	RMB 254,000,000	RMB 371,000,000
(28) Hengda Xinyuan (Kunming) Property Company Limited	July 3, 2008	US$20,000,000	US$99,700,000
(29) E'zhou Hengda Real Estate Development Company Limited	July 11, 2008	RMB 20,000,000	RMB 390,000,000
(30) Wuhan Donghu Hengda Real Estate Development Company Limited	July 11, 2008	RMB 20,000,000	RMB 1,064,000,000
(31) Hunan Shengji Property Company Limited	June 2, 2009	US$95,000,000	US$20,000,000

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

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

(a) the share transfer agreement dated October 22, 2007 between ANJI (BVI) Limited and the shareholders of Shui Wah Investment Limited (穗華投資有限公司) in relation to acquisition of a 100% issued share capital of Shui Wah Investment Co., Ltd. and a 100% interest in Shanghai Suihua Property Co., Ltd. for RMB 1,400,000,000 (subject to adjustment);

(b) the restructuring agreement dated December 11, 2007 between Dr. Hui, the Original Shareholder, our company, Deutsche Bank AG, Hong Kong Branch, Baytree Investment (Mauritius) Pte Ltd and Indopark Holdings Limited pursuant to which we repurchased and cancelled the 800,000,000 Convertible Preferred Shares for an aggregate consideration of US$400 million;

(c) a loan agreement dated December 11, 2007 between the Original Shareholder, Deutsche Bank AG, Hong Kong Branch, Baytree Investments (Mauritius) PTE Ltd., Merrill Lynch (Bermuda) Services Ltd., DB Trustees (Hong Kong) Limited and Deutsche Bank AG, Hong Kong Branch pursuant to which Deutsche Bank AG, Hong Kong Branch, Baytree Investments (Mauritius) PTE Ltd. and Merrill Lynch (Bermuda) Services Ltd. agreed to provide us with a loan of up to US$400 million;

(d) an amended and restated offshore loan agreement dated January 24, 2008 between Shengjian (BVI) Limited, Credit Suisse, Singapore Branch and Credit Suisse International (as initial lender) in relation to amendments to certain terms of the offshore loan agreement dated August 27, 2007;

(e) the new investment agreement dated June 9, 2008 between Dr. Hui, the Original Shareholder, our company, Merrill Lynch Asian Real Estate Opportunity Fund Pte. Ltd., Deutsche Bank AG, Hong Kong Branch, Real Success Holdings Limited, CVI GVF (Lux) Master SARL, Global Opportunistic Fund II Company B.S.C. (closed), Global Investment House (K.S.C.C.), Topful Holdings Limited and Cavendish Limited pursuant to which the investors named therein agreed to subscribe for an aggregate of 374,104,266 Shares for an aggregate subscription amount of US$506 million;

(f) the amendment agreement dated June 26, 2008 between Dr. Hui, the Original Shareholder, our company, Deutsche Bank AG, Hong Kong Branch, Baytree Investments (Mauritius) Pte. Ltd. and Indopark Holdings Limited in relation to amendments to certain terms of the restructuring agreement dated December 11, 2007;

(g) the amendment agreement dated June 26, 2008 between the Original Shareholder, Deutsche Bank AG, Hong Kong Branch, Baytree Investments (Mauritius) PTE Ltd., Merrill Lynch (Bermuda) Services Ltd., DB Trustees (Hong Kong) Limited and Deutsche Bank AG, Hong Kong Branch in relation to amendments to certain terms of the loan agreement dated December 11, 2007;

(h) the second amended and restated offshore loan agreement dated June 26, 2008 between Shengjian (BVI) Limited, Credit Suisse, Singapore Branch and Credit Suisse International (as initial lender) in relation to amendments to certain terms of the offshore loan agreement dated August 27, 2007 (as further amended by an amended and restated offshore loan agreement dated January 24, 2008);

(i) the sale and purchase agreement dated June 24, 2009 between Tianji Holding Limited, Shikumen Capital Management Limited and Wu Hoi Shan in relation to the purchase by Tianji Holding Limited of the entire issued share capital of Ever Grace Group Limited and a shareholder's loan for a total consideration of US$21.7 million (subject to adjustment);

(j) the sale and purchase agreement dated September 1, 2009 between Shengyu (BVI) Limited, Yao Quanbao and Wang Zhong Ming in respect of the acquisition of the entire issued share capital of Minsin International (Holdings) Limited for an aggregate consideration of HK$3,800,000.

(k) the deed of non-competition dated October 14, 2009 between Hengda Industrial, Dr. Hui, the Original Shareholder and our company pursuant to which each of Hengda Industrial, Dr. Hui and the Original Shareholder have unconditionally

undertaken to us that he/it will not directly or indirectly participate in, hold any right or interest, or otherwise be involved in, any business which may be in competition with our businesses and those of our subsidiaries;

(l) the deed of indemnity dated October 14, 2009 given by Dr. Hui and the Original Shareholder in favor of our company and our subsidiaries in respect of, among others, taxation referred to in the sub-section entitled "— Tax indemnity" in this Appendix;

[•]

2. Intellectual property

As of the Latest Practicable Date, the following intellectual property rights might be material to our business:

Trademarks

(a) As at the Latest Practicable Date, we had registered the following trademarks:

	Application No.	Application date	Class	Place of application
EVERGRANDE .	300945540	Sep 3, 2007	36, 37, 39, 41, 42, 43	Hong Kong
. . .	300945559	Sep 3, 2007	36, 37, 42	Hong Kong

(b) As at the Latest Practicable Date, we had applied for the registration of the following trademarks:

Trademark	Application No.	Application date	Class	Place of application
. . . . .	6269236	Sep 10, 2007	17	PRC
. . . . .	6269237	Sep 10, 2007	37	PRC
. . . . .	6269235	Sep 10, 2007	36	PRC
. . . . .	6269549	Sep 10, 2007	37	PRC
. . . . .	6269548	Sep 10, 2007	36	PRC
. . . . .	6269547	Sep 10, 2007	36	PRC
. . . . .	6269546	Sep 10, 2007	37	PRC
. . . . .	6269545	Sep 10, 2007	37	PRC
. . . . .	6269544	Sep 10, 2007	36	PRC

Trademark	Application No.	Application date	Class	Place of application
	6269543	Sep 10, 2007	37	PRC
	6269542	Sep 10, 2007	36	PRC
	6269541	Sep 10, 2007	37	PRC
	6269540	Sep 10, 2007	36	PRC
	6269536	Sep 10, 2007	37	PRC
	6269539	Sep 10, 2007	37	PRC
	6269538	Sep 10, 2007	36	PRC
	6269535	Sep 10, 2007	37	PRC
	6269537	Sep 10, 2007	37	PRC
EVERGRANDE	6269238	Sep 10, 2007	1	PRC
EVERGRANDE	6269491	Sep 10, 2007	2	PRC
EVERGRANDE	6269492	Sep 10, 2007	3	PRC
EVERGRANDE	6269493	Sep 10, 2007	4	PRC
EVERGRANDE	6269494	Sep 10, 2007	5	PRC
EVERGRANDE	6269495	Sep 10, 2007	6	PRC
EVERGRANDE	6269496	Sep 10, 2007	7	PRC
EVERGRANDE	6269497	Sep 10, 2007	8	PRC
EVERGRANDE	6269498	Sep 10, 2007	9	PRC
EVERGRANDE	6269500	Sep 10, 2007	11	PRC
EVERGRANDE	6269501	Sep 10, 2007	12	PRC
EVERGRANDE	6269502	Sep 10, 2007	13	PRC
EVERGRANDE	6269503	Sep 10, 2007	14	PRC
EVERGRANDE	6269504	Sep 10, 2007	15	PRC
EVERGRANDE	6269505	Sep 10, 2007	16	PRC
EVERGRANDE	6269506	Sep 10, 2007	17	PRC
EVERGRANDE	6269507	Sep 10, 2007	18	PRC

Trademark	Application No.	Application date	Class	Place of application
EVERGRANDE	6269508	Sep 10, 2007	19	PRC
EVERGRANDE	6269509	Sep 10, 2007	20	PRC
EVERGRANDE	6269510	Sep 10, 2007	21	PRC
EVERGRANDE	6269511	Sep 10, 2007	22	PRC
EVERGRANDE	6269512	Sep 10, 2007	23	PRC
EVERGRANDE	6269513	Sep 10, 2007	24	PRC
EVERGRANDE	6269514	Sep 10, 2007	25	PRC
EVERGRANDE	6269515	Sep 10, 2007	26	PRC
EVERGRANDE	6269516	Sep 10, 2007	27	PRC
EVERGRANDE	6269517	Sep 10, 2007	28	PRC
EVERGRANDE	6269518	Sep 10, 2007	29	PRC
EVERGRANDE	6269519	Sep 10, 2007	30	PRC
EVERGRANDE	6269520	Sep 10, 2007	31	PRC
EVERGRANDE	6269521	Sep 10, 2007	32	PRC
EVERGRANDE	6269522	Sep 10, 2007	33	PRC
EVERGRANDE	6269523	Sep 10, 2007	34	PRC
EVERGRANDE	6269524	Sep 10, 2007	35	PRC
EVERGRANDE	6269525	Sep 10, 2007	36	PRC
EVERGRANDE	6269526	Sep 10, 2007	37	PRC
EVERGRANDE	6269527	Sep 10, 2007	38	PRC
EVERGRANDE	6269528	Sep 10, 2007	39	PRC
EVERGRANDE	6269529	Sep 10, 2007	40	PRC
EVERGRANDE	6269530	Sep 10, 2007	41	PRC
EVERGRANDE	6269531	Sep 10, 2007	42	PRC
EVERGRANDE	6269532	Sep 10, 2007	43	PRC
EVERGRANDE	6269533	Sep 10, 2007	44	PRC
EVERGRANDE	6269534	Sep 10, 2007	45	PRC

Domain names

As of the Latest Practicable Date, we were the registered owner of the following domain names:

Domain name	Expiry date
www.evergrande.com	July 24, 2016
www.evergrande.com.cn	July 24, 2011
www.evergrande.cn	July 24, 2011

The contents at the above websites do not form a part of this document.

Except as disclosed herein, there are no other trade or service marks, patents, other intellectual or industrial property rights which are material to our business.

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF

1. Directors

(a) *Disclosure of interests — interests and short positions of our Directors and the chief executives in the shares, underlying shares and debentures of our company and our associated corporations*

Interests and short positions of our Directors and the chief executives 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 be required to be notified to our company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, will be as follows:

(i) *Interest in Shares of our company*

Name of Director	Nature of interest	Number of securities	Approximate percentage of shareholding
Hui Ka Yan [(1)]	Interest of a controlled corporation	[●]	[●]%

1. Of the [●] Shares held, [●] Shares were held by Xin Xin (BVI) Limited, a company wholly owned by Dr. Hui, and [●] Shares were held by Even Honour Holdings Limited, a company wholly owned by Ding Yumei ("Mrs. Hui"), the spouse of Dr. Hui. The interest of Even Honour Holdings Limited in our company is also deemed to be held by Dr. Hui pursuant to the SFO.

(ii) *Interest in the underlying shares of our company*

[●]

(iii) *Interest in associated corporations of our company*

Name of Director	Nature of associated corporations	Number ofsecurities	Approximate percentage of shareholding
Hui Ka Yan	Xin Xin (BVI) Limited	100 shares	100%

(b) *Particulars of service contracts*

Each of our executive Directors has entered into a service contract with our company for a term of three years commencing from [●] until terminated by not less than three months' notice in writing served by either party on the other.

Each of our independent non-executive Directors has entered into a letter of appointment with our company for a term of one year commencing from [●]. Each of the independent non-executive Directors is entitled to an annual fee of RMB 300,000. The appointments are subject to the provisions of retirement and rotation of Directors under our Articles of Association.

(c) *Directors' remuneration*

An aggregate of approximately RMB 710,000, RMB 18,963,000 and RMB 5,619,000 was paid to our Directors as remuneration for 2007, 2008 and the six months ended June 30, 2009, respectively.

Under the arrangement currently in force, the aggregate amount of emoluments, excluding the discretionary bonus, if any, payable by us to our Directors for 2009 will be approximately RMB 21.4 million.

For further information on the remuneration of our Directors, please refer to the Accountants' Report, the text of which is set out in Appendix I to this document.

2. Substantial Shareholders

(a) The following persons (other than the Directors and chief executive of our company) will have interests or short positions in the Shares and the underlying Shares which would fall to be disclosed to us under provisions of Divisions 2 and 3 of part XV of the SFO:

Name of shareholder	Capacity in which interests are held	Interests in Share	Approximate percentage of shareholding
Xin Xin (BVI) Limited[(1)]	Beneficial owner	[●]	[●]%

1. Xin Xin (BVI) Limited is beneficially owned by Dr. Hui.

(b) As at the Latest Practicable Date, so far as is know to the Directors, the following person was 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 shareholders or had option in respect of such capital:

Nature of shareholder	Name of company	Approximate percentage of shareholding
Pearl River Investment Limited . .	Success Will Group Limited	40%
Xian Tianma Investment Management Company Limited (西安天馬投資管理有限公司) . . .	Xian Quijiang Investment Development Company Limited	35%
Henan Xinhuixin Investment Development Company Limited (河南鑫滙鑫投資發展有限公司) .	Henan Software Institute Industrial Development Company Limited	15%
Mou Jinhui (牟錦輝)	Nanning Yinxiang Real Estate Development Company Limited	19.95%
Liu Hongbo (劉紅波)	Hunan Xiongzhen Investment Co., Ltd.	49%
Guangdong Jiedong County Xinheng Jiezin Paper Industry Factory (廣東省揭東縣新亨潔新紙業紙品廠)	Shangxi Jinhong Investment Co., Ltd. (陝西金泓投資有限公司)	20%
Guangdong Jiedong County Huiyue Technology Development Company Limited (廣東省揭東縣輝躍科技開發有限公司)	Shangxi Jinhong Investment Co., Ltd. (陝西金泓投資有限公司)	20%
Dongguan Jiaju Industry Limited (東莞市佳駒實業有限公司)	Changsha Xinlin Property Company Limited (長沙鑫霖置業有限公司)	34%
Li Xiahui (李霞輝)	Changsha Xinlin Property Company Limited (長沙鑫霖置業有限公司)	15%

Nature of shareholder	Name of company	Approximate percentage of shareholding
Hebei Shidai Jinjian Property Development Company Limited (河北時代金建房地產開發有限公司)	Hebei Dadi Panlong Real Estate Development Company Limited (河北大地蟠龍房地產開發有限公司)	15%
Yisite Economic and Trade Development Company Limited (依斯特 (北京) 經濟貿易發展有限公司)	Jiangxi Hongji Investment Company Limited (江西宏吉投資有限公司)	13.6%
Tangshan Jidong Material Group Limited (唐山市冀東物資集團有限責任公司)	Jiangxi Hongji Investment Company Limited (江西宏吉投資有限公司)	23.4%
Hu Yueying (胡月英)	Jiangxi Hongji Investment Company Limited (江西宏吉投資有限公司)	10%
Sichuan Chuanxi Property Company Limited (四川省川喜實業集團有限公司)	Anhui Sanlin Property Company Limited (安徽三林置業有限公司)	40%
Wu Fengping (吳豐平)	佛山市恒和木業有限公司	40%

3. Agency fees or commissions received

Except as disclosed in this document no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this document in connection with the issue or sale of any capital of any member of our company.

4. Disclaimers

Except as disclosed herein:

(a) [●]

(b) [●]

(c) [●]

(d) none of our Directors has any existing or proposed service contracts with any member of our company (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));

(e) None of our Directors knows of any person (not being a Director or chief executive of our company) who will have an interest or short position in the Shares or underlying Shares of our company which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO or be interested, directly or indirectly, 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 member of our company;

(f) [●]

(g) so far as is known to our Directors, none of our Directors, their respective associates (as defined under the Listing Rules) or our shareholders who are interested in more than 5% of the issued share capital of our company has any interest in our five largest customers or our five largest suppliers.

D. OTHER INFORMATION

1. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of our shareholders passed on October 14, 2009.

(a) *Purpose*

The Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions the eligible participants (as described in paragraph (b) below) had or may have made to our group. The Share Option Scheme will provide the eligible participants an opportunity to have a personal stake in our company with the view to achieving the following objectives:

(i) motivate the eligible participants to optimize their performance efficiency for the benefit of our group; and

(ii) attract and retain or otherwise maintain on-going business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of our group.

(b) *Who may join*

The Board may, at its discretion, offer to grant an option to the following persons (collectively the "Eligible Participants") to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (e) below to:

(i) any full-time or part-time employees, executives or officers of our company or any of our subsidiaries;

(ii) any Directors (including non-executive Directors and independent non-executive Directors) of our company or any of our subsidiaries; and

(iii) any advisers, consultants, suppliers, customers and agents and such other persons who in the sole opinion of the Board will contribute or have constructed to our company or any of its our subsidiaries.

Upon acceptance of the option, the grantee shall pay HK$1.00 to our company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

(c) *Maximum number of Shares*

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our company must not in aggregate exceed 10% of the total number of Shares in issue. Subject to the issue of a circular by our company and the approval of our shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of the Shares in issue as at the date of the approval by our shareholders in general meeting; and/or

(ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by our company to our shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing and subject to paragraph (q) below, the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of our company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our company in accordance with paragraph (q) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of our company but in no event shall exceed the limit prescribed in this paragraph.

(d) *Maximum number of options to any one individual*

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

(i) the issue of a circular by our company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

(ii) the approval of our shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine.

(e) *Price of Shares*

Subject to any adjustments made as described in paragraph (q) below, the subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be least the higher of:

(i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and

(iii) the nominal value of a Share.

(f) *Granting options to connected persons*

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of our company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and 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% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and

(ii) having an aggregate value in excess of HK$5 million or such other sum as maybe from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant,

such further grant of options will be subject to the issue of a circular by our company and the approval of the shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) of our company shall abstain from voting in favor, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our company to the shareholders pursuant to the above paragraph shall contain the following information:

(i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

(ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent shareholders as to voting;

(iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

(iv) the information required under Rule 2.17 of the Listing Rules.

(g) *Restrictions on the times of grant of options*

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 pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

(i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our company's annual results, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for our company to publish an announcement of its annual results, or half-year, or quarterly or other interim period (whether or not required under the Listing Rules)

and ending on the date of actual publication of the results announcement, and where an option is granted to a Director:

(iii) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(iv) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(h) *Rights are personal to grantee*

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name the share issued pursuant to the Share Option Scheme may be registered). Any breach of the foregoing shall entitle our company to cancel any outstanding options or any part thereof granted to such grantee.

(i) *Time of exercise of option and duration of the Share Option Scheme*

An option may be exercised in accordance with the terms of the Share Option Scheme at anytime after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

(j) *Performance target*

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(k) *Rights on ceasing employment or death*

If the grantee of an option ceases to be an employee of our company or any of its subsidiaries:

(i) by any reason other than death or termination of his employment on the grounds specified in paragraph (l) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or

(ii) by reason of death, his personal representative(s) may exercise the option within a period of 12 months from such cessation,

which date shall be the last actual working day with our company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

(l) *Rights on dismissal*

If the grantee of an option ceases to be an employee of our company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of our group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our group, or has been convicted of any criminal offence involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(m) *Rights on takeover*

If a general offer is 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 concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(n) *Rights on winding-up*

In the event a notice is given by our company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our company, our company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of our company referred to above by giving notice in writing to our company, accompanied by a remittance for the full amount of the aggregate subscription amount for the Shares in respect of which the notice is given, whereupon our company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

(o) *Rights on compromise or arrangement between our group and its members or creditors*

If a compromise or arrangement between our group and its members or creditors is proposed for the purposes of a scheme for the reconstruction of our company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our company was incorporated, our company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to our company accompanied by a remittance for the full amount of the aggregate subscription amount for the Shares in respect of which the notice is given (such notice to be received by the Company not later than two

business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and our company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(p) *Ranking of Shares*

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank pari passu in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise.

(q) *Effect of alterations to capital*

In the event of any alteration in the capital structure of our company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of the Company, or otherwise howsoever, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of our company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on September 5, 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time. The capacity of the auditors of our company or the approval independent financial advisor, as the case may be, in this paragraph is that of experts and not arbitrations and their certificate shall, in absence of manifest error, be final and conclusive and binding on our company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of our company for which any grantee of an Option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription amount payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than)

as it was be fore such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(r) *Expiry of option*

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(i) the date of expiry of the option as may be determined by the Board;

(ii) the expiry of any of the periods referred to in paragraphs (k), (l), (m), (n) or (o);

(iii) the date on which the scheme of arrangement of our company referred to in paragraph (o) becomes effective;

(iv) subject to paragraph (n), the date of commencement of the winding-up of our company;

(v) the date on which the grantee ceases to be an eligible participant by reason of such grantee's resignation from the employment of our company or any of its subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty of serious misconduct, or has been convicted of any criminal offence involving his or her integrity or honesty, or in relation to an employee of our group (if so determined by the Board) or any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the our group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

(vi) the date on which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (h) above or the options are cancelled in accordance with paragraph (t) below.

(s) *Alteration of the Share Option Scheme*

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

(i) any alteration to the advantage of the grantees or the eligible participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and

(ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted,

shall first be approved by the shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by shareholders in general meeting.

(t) *Cancellation of Options*

Subject to paragraph (h) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph (l).

(u) *Termination of the Share Option Scheme*

Our company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(v) *Administration of the Board*

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (except as otherwise provided herein) shall be final and binding on all parties.

(w) *Condition of the Share Option Scheme*

[●]

(x) *Disclosure in annual and interim reports*

Our company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

(y) *Present status of the Share Option Scheme*

As at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

[●]

2. Tax indemnity

Dr. Hui and the Original Shareholder have entered into a deed of indemnity with and in favor of the Company (for itself and as trustee for each of its present subsidiaries) (being the contract referred to in paragraph (b) of the subsection headed "Summary of material contracts" in this Appendix) to provide indemnities on a joint and several basis in respect of, among other matters, taxation resulting from income, profits or gains earned, accrued or received as well as any claim to which our company or any member of our group that may be subject which might be payable by any member of our group.

3. Litigation

Except as disclosed in the section entitled "Business — Legal Proceedings" in this document, as of the Latest Practicable Date, no member of our group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to our Directors to be pending or threatened by or against any member of our group.

4. Taxation of holders of Shares

(a) *Hong Kong*

The sale, purchase and transfer of Shares registered on our Hong Kong register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration, or if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax. The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for a grant of representation in respect of holders of Shares whose death occurs on or after February 11, 2006. Our Directors have been advised that no material liability for estate duty under the laws of the PRC or Hong Kong would be likely to fall upon any member of our group.

(b) *Cayman Islands*

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(c) *Consultation with professional advisers*

Intending holders of Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in Shares. It is emphasized that none of our company or our Directors can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercise any rights attaching to them.

5. Miscellaneous

(a) Except as disclosed in this document, within the two years immediately preceding the date of this document:

(i) no share or loan capital of our company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) 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 share or loan capital of our company or any of our subsidiaries;

(iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our company or any of our subsidiaries;

(b) Except as disclosed in this document, there are no founder, management or deferred shares or any debentures in our company or any of our subsidiaries;

(c) Our Directors confirm that, there has been no material adverse change in our financial or trading position since June 30, 2009, being the date to which our latest audited consolidated financial statements were made up;

(d) There has not been any interruption in our business which may have or has had a significant effect on our financial position in the 12 months preceding the date of this document;

(e) The principal register of our members will be maintained in the Cayman Islands by Butterfield Fulcrum Group (Cayman) Limited and a register of our members will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our register in Hong Kong and may not be lodged in the Cayman Islands; and

(f) None of our associates is presently listed on any stock exchange or traded on any trading system.