This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Shares. There are risks associated with any investment. Some of the particular risks in investing in the Shares are set out in the section headed "Risk Factors". You should read this section carefully before you decide to invest in the Shares.

OVERVIEW

We are a property developer in Fujian and Jiangsu Provinces, focusing primarily on large-scale, mixed use commercial complexes and integrated residential properties. We are one of the leading property developers in Fujian Province, according to the China Real Estate Top 10 Research Team (中國房地產Top10研究組)[1] based on a number of factors including scale, profitability and growth rate[2]. We are also a well-known developer in Jiangsu Province, where Nanjing Mingfa Riverside New Town (南京明發濱江新城), our flagship integrated residential project with a GFA of approximately 2.2 million sq.m. in Nanjing, Jiangsu Province, was awarded the "Most Influential Property in Nanjing" (南京最具有吸引力品牌樓盤)[3] and the "Riverside Landmark Project" (濱江地標樓盤)[4]. "Mingfa 明發" is formally accredited as a Well-known Trademark in China ("中國馳名商標")[5] and we obtained a "Class one Qualification for Real Estate Development Enterprises in the PRC" certificate[6]. We also engage in the development of other properties including logistics centres, R&D centres and hotels.

We began our real estate development business in Xiamen, Fujian Province in 1994, focusing on industrial and residential property development and quickly established ourselves as one of the

Notes:

(1) China Real Estate Top 10 Research Team is a research team jointly established in 2003 by the Enterprise Research Institute of the Development Research Centre of the State Council (國務院發展研究中心企業研究所), the Real Estate Research Institute of Tsinghua University (清華大學房地產研究所) and the China Index Academy (中國指數研究院), which are independent third parties. In 2006, the China Real Estate Association (中國房地產協會), also an independent third party, joined the China Real Estate Top 10 Research Team. China Real Estate Top 10 Research Team mainly consists of 27 core members. According to the Top 100 China Real Estate Enterprises Research Report, the China Real Estate Top 10 Research Team has conducted research on the Top 100 Real Estate Enterprises in the PRC since 2004. Its research is regarded as an important indicator of the market position of property developers in the PRC and is used by major international financial institutions. Based on the standing of the China Real Estate Top 10 Research Team in the real estate industry in the PRC, our Directors believe China Real Estate Top 10 Research Team's research to be reliable. Our Directors further confirm that the Top 100 China Real Estate Enterprises Research Report was not commissioned by our Company.

(2) We are one of the eight property developers based in Fujian Province selected for inclusion in the Top 100 China Real Estate Enterprises Research Report published by China Real Estate Top 10 Research Team in 2008. We were evaluated based on a composite of indices including a scale index (total assets, net assets, operating income, amount of investment, GFA under construction and GFA completed), a profitability index (net profit, return on assets and return on equity), a solvency index (current ratio and liability ratio), a tax compliance index (amount of tax paid), a growth index (growth rate of sales amount, business income growth rate, net profit growth rate and amount of land reserves) and an operation efficiency index.

(3) Awarded by Nanjing Daily (南京日報) in 2006.

(4) Awarded jointly by Nanjing Broadcasting and Television Group (南京廣電集團), Nanjing Broadcasting and Television (南京廣播電視報) and United Media of Nanjing Broadcasting and Television (南京廣電聯合媒體) in 2008.

(5) Awarded by the Trademark office of the State Administration for Industry and Commerce (國家工商行政管理總局商標局) in 2008.

(6) Awarded by the Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部) in 2009.

leading developers in Fujian Province. We developed and implemented a "selected regional focus" growth strategy, by which we focused on the development of a broad range of properties in cities where we have an established presence, before selectively penetrating neighboring cities experiencing strong economic growth. Leveraging on our well-recognized brand and management capabilities, we expanded our business to Jiangsu Province, one of the most affluent provinces in the Greater Yangtze River Delta, in 2002, and Anhui Province, one of the most populous provinces in central China, in the second half of 2005. Going forward, we plan to continue to implement our "selected regional focus" growth strategy and expand our operations into other selected high-growth areas across China.

We initially focused on the development of industrial and residential properties. From 2004, we gradually expanded our product range to include more large-scale, mixed use commercial complexes and other types of properties, such as logistics centres, R&D centres and hotels, in an effort to diversify our sources of income, improve our financial stability and manage our business exposure to market risks associated with any single category of properties.

Commercial complexes

Our large-scale, mixed use commercial complexes are generally situated in strategic locations and form the landmarks of new city centres in high-growth areas in second and third-tier cities, with easy access to existing city centres and neighboring cities. We believe that our focus on such locations allows us to acquire sizeable sites that are suitable for the development of our large-scale commercial complexes at competitive costs.

Our large-scale, mixed use commercial complexes typically have a total GFA of approximately 400,000 sq.m. or more, and comprise a combination of retail stores, offices, hotels, entertainment centres, residential properties and other ancillary facilities. We sell part of these commercial complexes and retain the remaining units to generate rental income and long-term capital appreciation, depending on local market conditions and cash flow requirements of our Group. We seek to establish long-term relationships with leading international and domestic brands for our commercial complexes. To this end, we have entered into arrangements with international and domestic brands such as B&Q, Carrefour and New World Department Store between 2004 and 2006 for leases with a fixed term of 20 years. We have also entered into arrangements with domestic brands between 2004 and 2007 for leases with a fixed term of less than 20 years. We believe that securing such long-term anchor tenants enables us to enhance the profile, reputation and attractiveness of our commercial complexes, which in turn will increase their overall commercial value.

We believe that our commercial complexes, such as the Xiamen Mingfa Shopping Mall and the Nanjing Mingfa Shopping Mall, are viewed as landmark properties in their cities, and help to stimulate the growth and development of the surrounding neighborhoods. As at the Latest Practical Date, we had four other similar large-scale, mixed use commercial complex projects under development in Wuxi and Yangzhou, both in Jiangsu Province, and Hefei, Anhui Province. Going forward, we plan to increase the number of such commercial complexes in our property portfolio.

Residential properties

Our residential property development projects cover a wide range of products, including high-rise apartment buildings and townhouses that meet the housing needs of broad customer segments, from middle-income customers seeking improved living conditions at a reasonable cost to more affluent customers.

Our large-scale, integrated residential projects generally have a total GFA of approximately 500,000 sq.m. or more. Situated in areas surrounding our large-scale, mixed use commercial complexes, or developed as part of such commercial complexes, our residential properties typically include ancillary facilities and services, such as clubhouses, retail spaces, schools and hospitals. We usually develop these projects in phases over a period of three to five years.

Logistics centres and R&D centres

Our logistics centres and R&D centres are generally located in new economic zones of high-growth second and third-tier cities. These centres consist of multiple types of facilities and services, including exhibition halls, warehouses, data centres and research facilities. We generally lease these properties to generate rental income and also engage third party property management companies to manage the daily operations.

Our logistics centres meet the needs of customers in industries such as construction materials, metals, chemicals, leather, textiles and electronics. We also intend to provide to our customers naming and planning rights to some of our buildings.

Hotels

We currently own three completed hotels, comprising a hotel in Nanjing, Jiangsu Province, and one each in Xiamen and Quanzhou, both in Fujian Province. In addition, we have four hotels that are under development and another three for future development in various cities in Fujian, Jiangsu and Anhui Provinces. We have entered into partnerships with various domestic hotel management groups to manage the daily operations of our hotels and we intend to enter into similar arrangements for our future hotels.

As at August 31, 2009, we had a total of 34 projects at various stages of development. The completed property developments had an aggregate GFA of approximately 2.7 million sq.m., the properties under development had an aggregate GFA of approximately 2.9 million sq.m., and the properties held for future development had an aggregate GFA of approximately 3.1 million sq.m. In addition, as at August 31, 2009, the total planned GFA for the properties that we expect to obtain pursuant to MOUs with governmental bodies and acquisitions of project companies was approximately 3.3 million sq.m. For more details on such MOUs and acquisitions, please refer to the sections headed "Business — Primary Market Land Acquisition — MOUs with governmental bodies" and "Business — Secondary Market Land Acquisition — Acquisitions of project companies" of this prospectus.

For the years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, our revenues were RMB1,296.2 million, RMB2,168.7 million, RMB2,061.1 million and RMB912.9 million, respectively. Our profits for the corresponding periods were RMB482.4 million, RMB415.8 million, RMB417.0 million and RMB146.6 million, respectively.

COMPETITIVE STRENGTHS

We believe we have the following competitive strengths:

- Extensive experience and strong execution capabilities in developing and managing large-scale, mixed use commercial complexes and integrated residential properties
- Leading position in Fujian and Jiangsu Provinces
- Sizeable high quality landbank acquired at competitive costs
- Efficient management structure, experienced management team and professional workforce
- Strong brand recognition in Fujian and Jiangsu Provinces

Please refer to the section headed "Business — Our Competitive Strengths" of this prospectus for a detailed description of these strengths.

BUSINESS STRATEGIES

Our key business strategies are to:

- Further strengthen our position in Fujian and Jiangsu Provinces and penetrate new areas through our "selected regional focus" growth strategy
- Continue to focus on the development of large-scale, mixed use commercial complexes and integrated residential properties
- Expand our landbank by acquiring new high quality sites at strategic locations at competitive costs
- Further grow our investment property portfolio to increase the stability of our income stream
- Continue to maintain strict financial discipline

Please refer to the section headed "Business — Our Strategies" of this prospectus for a detailed description of these strategies.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth a summary of our consolidated financial statements for the periods and as at the dates indicated. This summary has been extracted from, and should be read in conjunction with, our audited consolidated financial statements included in the Accountant's Report in Appendix I to this prospectus. The basis of preparation is set out in Appendix I headed "Accountant's Report — Group reorganisation and basis of preparation — (b) Basis of preparation" of this prospectus.

Consolidated Income Statements

	Year ended December 31,			Six months ended June 30,	
	2006	2007	2008	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Continuing operations					
Revenues[(1)]	1,296,200	2,168,677	2,061,065	1,566,395	912,883
Cost of sales	(877,005)	(1,198,986)	(925,945)	(661,982)	(623,141)
Gross profit	419,195	969,691	1,135,120	904,413	289,742
Fair value gains on investment properties	497,463	235,324	117,830	237,068	47,546
Other gains	8,980	18,827	69,858	57,498	28,976
Selling and marketing costs	(68,754)	(65,937)	(47,426)	(20,190)	(23,311)
Administrative expenses	(65,953)	(102,170)	(110,983)	(55,374)	(46,891)
Other operating expenses	(71,623)	(50,448)	(156,190)	(35,482)	(5,625)
Operating profit	719,308	1,005,287	1,008,209	1,087,933	290,437
Finance income	5,320	2,909	1,584	454	93
Finance costs	(3,608)	(33,844)	(48,075)	(24,169)	(20,577)
Finance income/(costs) — net	1,712	(30,935)	(46,491)	(23,715)	(20,484)
Share of results of:					
— Associated company	—	(69)	(2,707)	(855)	—
— Jointly controlled entities	(633)	(816)	(2,259)	(2,147)	(4)
	(633)	(885)	(4,966)	(3,002)	(4)
Profit before income tax	720,387	973,467	956,752	1,061,216	269,949
Income tax expense	(241,328)	(565,599)	(546,257)	(488,934)	(123,399)
Profit for the year/period from continuing operations	479,059	407,868	410,495	572,282	146,550
Discontinued operations					
Profit for the year/period from discontinued operations	3,369	7,887	6,455	6,455	—
Profit for the year/period	482,428	415,755	416,950	578,737	146,550
Attributable to:					
Equity holders of the Company	480,594	415,328	448,413	578,881	147,612
Minority interests	1,834	427	(31,463)	(144)	(1,062)
	482,428	415,755	416,950	578,737	146,550
Basic and diluted earnings per share for profit from continuing and profit from discontinued operations attributable to equity holders of the Company during the year/period (RMB)					
— From continuing operations	N/A	N/A	40,261	52,122	13,419
— From discontinued operations	N/A	N/A	504	504	—
	N/A	N/A	40,765	52,626	13,419
Dividends	—	—	—	—	—

Note:

(1) The following table shows the breakdown of our revenues for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2006		2007		2008		2008		2009	
	(RMB in thousands, except percentages)									
							(unaudited)			
Sales of properties										
— Commercial	19,515	1.5%	775,313	35.8%	1,358,887	66.1%	1,106,733	70.7%	21,655	2.4%
— Residential	1,234,480	95.3%	1,317,232	60.7%	594,151	28.8%	407,571	26.0%	837,325	91.6%
Subtotal	1,253,995	96.8%	2,092,545	96.5%	1,953,038	94.9%	1,514,304	96.7%	858,980	94.0%
Rental income from investment properties	17,345	1.3%	50,186	2.3%	68,666	3.3%	33,187	2.1%	36,282	4.0%
Hotel operating income	22,520	1.7%	23,643	1.1%	37,505	1.8%	18,327	1.2%	16,945	1.9%
Others	2,340	0.2%	2,303	0.1%	1,856	0.0%	577	0.0%	676	0.1%
Total	1,296,200	100%	2,168,677	100%	2,061,065	100%	1,566,395	100%	912,883	100%

Selected Consolidated Balance Sheet Data

	As at December 31,			As at June 30,
	2006	2007	2008	2009
	RMB'000	RMB'000	RMB'000	RMB'000
Total assets	**7,289,548**	**9,336,006**	**10,125,488**	**10,252,689**
Current assets	4,450,412	6,010,111	7,055,130	6,976,434
Cash and cash equivalents	349,988	172,736	122,233	222,598
Land use rights	688,350	1,246,031	1,464,795	1,425,089
Properties under development	2,309,499	3,088,049	3,900,044	3,604,545
Completed properties held for sale	508,432	944,790	1,155,714	1,161,361
Trade and other receivables and prepayments	286,366	233,540	216,730	239,009
Non-current assets	2,839,136	3,325,895	3,070,358	3,276,255
Property, plant and equipment	333,829	334,745	202,658	197,214
Investment properties	1,404,000	1,860,000	1,967,023	2,014,569
Land use rights	35,916	26,484	25,828	25,499
Jointly controlled entities	629	—	144,888	144,884
Deferred income tax assets	118,886	183,402	125,144	124,364
Other non-current assets	938,116	903,773	590,094	755,002
Total liabilities	**6,649,832**	**8,147,646**	**8,261,898**	**8,242,549**
Current liabilities	6,219,273	6,579,518	7,329,777	6,581,035
Borrowings	260,000	115,000	1,030,010	743,860
Trade and other payables	1,680,061	1,924,668	2,761,450	2,475,672
Advanced proceeds received from customers	2,971,789	2,813,532	1,753,102	1,780,429
Income tax payable	281,112	595,154	942,593	901,991
Non-current liabilities	430,559	1,568,128	932,121	1,661,514
Borrowings	330,000	1,269,000	594,990	1,267,490
Total equity	**639,716**	**1,188,360**	**1,863,590**	**2,010,140**
Capital and reserves attributable to equity holders of the Company	516,613	1,064,830	1,797,123	1,944,735
Minority interests in equity	123,103	123,530	66,467	65,405

PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2009

Below we have provided a profit forecast solely in respect of our forecasted consolidated net profit attributable to the equity holders of the Company for the year ending December 31, 2009. In order to provide you with greater transparency as to the basis of our profit forecast, we have disclosed in this section relevant information in respect of our major projects that are projected to jointly contribute to more than 80% of our revenue for the year ending December 31, 2009. Such information is included in this prospectus to assist you to better understand and assess the reasonableness of the assumptions on which our profit forecast is based.

Basis of preparation

Our Directors have prepared the forecast of our Group's consolidated net profit attributable to equity holders of our Company for the year ending December 31, 2009 based on the audited consolidated results of our Group for the year ended December 31, 2008 and the six months ended June 30, 2009, the unaudited management accounts for the two months ended August 31, 2009 and our forecast of the consolidated results of our Group for the remaining four 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 Accountant's Report in Appendix I to this prospectus and the assumptions set forth below.

Principal assumptions for the profit forecast

The principal assumptions adopted by our Directors in preparing the profit forecast are as follows:

a. there will be no significant changes in the existing government policies or political, legal, fiscal or economic conditions in the PRC and Hong Kong, including changes in legislation, regulations or rules which may have a material adverse effect on the business of our Group;

b. there will be no changes in legislation, regulations or rules in the PRC, Hong Kong or any other country or territory in which we operate or with which we have arrangements or agreements that may materially adversely affect our business;

c. with respect to the real estate industry in particular, the PRC government will not impose material changes or additional austerity measures to dampen the sales and prices of residential and commercial properties in the PRC or which may lead to substantial sales returns having a material adverse impact on our business;

d. there will not be material changes in the bases or rates of taxation, both direct and indirect, in the PRC; and

e. there will be no material changes in inflation, interest and exchange rates in the PRC from those prevailing as at June 30, 2009, being the last audited balance sheet date.

Specific assumptions in respect of estimating the capital value of investment properties as at December 31, 2009 are set out below:

(i) the current financial, economic and political conditions which prevail in the PRC and which are material to the rental income generated from the investment properties are expected to remain unchanged;

(ii) the conditions in which the investment properties are being operated and which are material to the rental income generated and the cost of maintaining such investment properties will remain unchanged;

(iii) the leases of any lease-expired units of the properties will be renewed at normal commercial terms;

(iv) investment properties which are under construction will be developed and completed in accordance with the latest development plan; and

(v) the fair value of the investment properties under construction which will be transferred from the properties under development can be reliably determined upon the transfer.

Such specific assumptions are consistent with those in the valuation undertaken by DTZ Debenham Tie Leung Limited, our independent valuer as set out in Appendix IV to this prospectus.

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

The investment properties were valued by our Group's independent valuer as at June 30, 2009 and August 31, 2009. The investment approach was adopted to assess the fair value of the investment properties.

Transfer of properties to investment properties

A transfer shall be made from properties under development or completed properties held for sale to investment properties when a change in use occurs which results in leasing of the properties. This would involve active searching for tenants, price and contract negotiations with the ultimate leasing out of the properties. Upon the transfer, the difference between the fair value of the properties and its then carrying amount is recognized in the consolidated income statement.

Investment properties under construction

For investment properties under construction, where the fair value cannot be reliably measured, the properties will be measured at cost until the earlier of the date when construction is completed and the date at which fair value becomes reliably measurable. This would depend on a number of factors including the stage of completion of the properties, the leasing activities in place and whether reliable data is available.

For investment properties under construction, the valuer has adopted the direct comparison approach by making reference to (i) comparable sales evidence as available in the relevant market, (ii) the accrued construction costs, (iii) fees relevant to the stage of construction as at the date of valuation; and (iv) the remaining costs and fees expected to be incurred for completing the development.

Completed investment properties

For completed investment properties, the valuer has adopted the income approach by 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. Where appropriate, reference has also been made to the comparable sale transactions as available in the relevant market.

Changes in capital values of investment properties/investment properties under construction

Our Group arrived at the estimated fair value gains on investment properties based on (i) the market value of such investment properties as at June 30, 2009 and August 31, 2009 valued by the independent valuer; and (ii) our estimated capital value as at December 31, 2009 based on the anticipated property-specific market trends of the properties carried out by the independent valuer. We expect that fair value of our investment properties as at December 31, 2009, and in turn any fair value changes, continue to be dependent on market conditions and other factors that are beyond our control, and to be based on the market movement anticipation performed by the independent valuer involving the use of assumptions that are, by their nature, subjective and uncertain. Having taken into account these considerations and the value movements for the relevant property sector markets in Xiamen and Nanjing (where the Group's investment properties are located), the Company forecasts that the capital value of the Group's investment properties and investment properties under construction in Xiamen and Nanjing for the four months from September 1, 2009 to December 31, 2009 is anticipated to change within the range of 0-5%, and 0-5%, respectively.

Completion status of our projects

The following table provides a summary of the property development projects up to August 31, 2009 that together are projected to jointly contribute to more than 80% of the Group's forecast revenue in 2009 ("**Major Projects**"):

Name of project	Type	Up to August 31, 2009 Contracted amount	Pre-sales/sales GFA	2008 ASP per sq.m. in respect of properties pre-sold/sold	First eight months of 2009 ASP per sq.m. in respect of properties pre-sold / sold	Actual/ Expected completion date
		(RMB in millions)	(sq.m.)			
Xiamen Mingfa Shopping Mall	Commercial	21.4	807	20,752	26,556	October 2007
Nanjing Riverside New Town — Phase 1 and 2	Commercial	87.4	8,393	11,750	10,416	November 2009
Nanjing Riverside New Town — Phase 1 and 2	Residential	90.8	23,237	3,799	3,907	November 2009
Nanjing Riverside New Town — Phase 3	Residential	2,218.5	545,013	4,264	4,071	November 2009
Nanjing Riverside New Town — Phase 3	Commercial	—	—	—	—	November 2009
Xiamen Mingli Garden	Residential	131.0	6,790	15,782	19,297	January 2008

As at the Latest Practicable Date, except for certain GFAs of phase 2 and 3 of Nanjing Riverside New Town, all the remaining projects that are projected to contribute to the revenue of the Group in 2009 are already completed. The details of the GFAs that are still in the process of obtaining the completion certificates are:

Phase 2 — total saleable residential and commercial GFA of 89,264 sq.m. at phase 2 of Nanjing Riverside New Town are still in the process of obtaining the completion certificates. The roofs of the three buildings in respect of this 89,264 sq.m. have been topped. Work on (i) interior and exterior decoration; and (ii) installation of various equipment and facilities commenced in early August 2009. The Company expects to obtain the completion certificate in respect of this remaining GFA of 89,264 sq.m. before the end of November 2009.

Phase 3 — the roofs of the remaining saleable GFA of 342,947 sq.m. have been topped. Work on (i) interior and exterior decoration; and (ii) installation of various equipment and facilities commenced in early August 2009. The Company expects to obtain the completion certificate in respect of this remaining GFA of 342,947 sq.m. before the end of November 2009.

Sensitivity analysis

(i) Sensitivity analysis on targeted average selling price

The following table illustrates the sensitivity of the forecasted net profit for the year ending December 31, 2009 attributable to the equity holders of our Company to changes in the targeted average selling price in respect of those GFA targeted to be sold and delivered from July 1, 2009 to December 31, 2009:

% change in targeted selling prices per sq.m.	-15%	-10%	-5%	+5%	+10%
Impact on the net profit attributable to equity holders of our Company forecasted for the year 2009 (RMB in millions)	(170.5)	(113.9)	(57.0)	57.0	113.9

If the targeted average selling prices for all projects increase by 5%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB918.5 million, i.e. 6.6% higher than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted average selling prices for all projects increase by 10%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB975.4 million, i.e. 13.2% higher than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted average selling prices for all projects decline by 5%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB804.5 million, i.e. 6.6% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted average selling prices for all projects decline by 10%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB747.6 million, i.e. 13.2% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted average selling prices for all projects decline by 15%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB691.0 million, i.e. 19.8% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

As more than 70% of the 2009 forecast revenue has been pre-sold as at August 31, 2009, the change in average selling price should only apply to those yet to be sold and therefore the actual impact on our Group's net profit in 2009 attributable to equity holders of our Company should be significantly smaller.

(ii) Sensitivity analysis on targeted GFA sold and delivered

The following table illustrates the sensitivity of the forecasted net profit for the year ending December 31, 2009 attributable to the equity holders of our Company to changes in the targeted GFA sold and delivered from July 1, 2009 to December 31, 2009.

% change in targeted GFA	-15%	-10%	-5%
Impact on the net profit attributable to equity holders of our Company forecasted for the year 2009 (RMB in millions)	(78.0)	(52.0)	(26.1)

If the targeted GFA to be sold for all projects decline by 5%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB835.4 million, i.e. 3.0% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted GFA to be sold for all projects decline by 10%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB809.5 million, i.e. 6.0% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the targeted GFA to be sold for all projects decline by 15%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB783.5 million, i.e. 9.1% lower than our Group's targeted 2009 net profit attributable to equity holders of our Company.

(iii) Sensitivity analysis on fair value changes of investment properties (including investment properties under construction)

The total forecasted amount of fair value gains on investment properties for the year ending December 31, 2009 is RMB477.4 million and the related deferred taxation expense is RMB119.4 million, including a forecasted fair value gain of RMB370.0 million arising from certain investment properties expected to be transferred from properties under development during the remaining period of the year together with the related deferred taxation expense of RMB92.5 million. The following table illustrates the sensitivity of the forecasted net profit for the year ending December 31, 2009 attributable to the equity holders of the Company to changes in percentage on the forecasted total fair value (net of deferred tax effect) as at December 31, 2009 of all investment properties:

Changes in percentage on the forecasted total fair value (net of deferred tax effect) as at December 31, 2009 of all investment properties	-15%	-10%	-5%	+5%	+10%	+15%
Impact on the net profit attributable to equity holders of our Company forecasted for the year 2009 (RMB in millions)	(304.8)	(203.2)	(101.6)	101.6	203.2	304.8

If the estimated fair value of investment properties rises/declines by 5%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB963.1 million/RMB759.9 million, respectively, i.e. 11.8% higher/lower, respectively, than the Group's targeted 2009 net profit attributable to equity holders of our Company.

If the estimated fair value of investment properties rises/declines by 10%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB1,064.7 million/RMB658.3 million, respectively, i.e. 23.6% higher/lower, respectively, than our Group's targeted 2009 net profit attributable to equity holders of our Company.

If the estimated fair value of investment properties rises/declines by 15%, our Group's net profit for the year ending December 31, 2009 attributable to equity holders of our Company will be RMB1,166.3 million/RMB556.7 million, respectively, i.e. 35.4% higher/lower, respectively, than our Group's targeted 2009 net profit attributable to equity holders of our Company.

The above illustrations are intended for reference only and any variation could exceed the ranges given. The above sensitivity analyses are not meant to be exhaustive. While we have considered for the purposes of the profit forecast what we believe is the best estimate of the targeted average selling price, GFA to be sold and delivered, and fair value changes of investment properties for the year ending December 31, 2009, the average selling price, GFA to be sold and delivered, and fair value changes of investment properties as at the relevant time may differ materially from our estimate 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)
Forecast consolidated net profit attributable to the equity holders of our Company (without considering the fair value gains, and the related deferred tax provision, on investment properties)	Not less than 503.5
Forecast gross fair value gains on investment properties	477.4
Less: Provision for deferred tax liabilities on fair value gains on investment properties	119.4
Forecast fair value gains on investment properties (net of deferred tax)	358.0
Forecast consolidated net profit attributable to the equity holders of our Company	Not less than 861.5

Unaudited forecast earnings per Share	
Pro forma basis[(1)]	
— Before fair value gains on investment properties	RMB0.084
— After fair value gains on investment properties	RMB0.144
Weighted average basis[(2)]	
— Before fair value gains on investment properties	RMB0.096
— After fair value gains on investment properties	RMB0.165

Notes:

(1) The calculation of the forecast earnings per Share on pro forma basis is based on the forecast consolidated net profit attributable to equity holders of our Company for the year ending December 31, 2009 assuming that our Company had been listed since January 1, 2009 and a total of 6,000,000,000 Shares were in issue during the entire year.

(2) The calculation of the forecast earnings per Share on weighted basis is based on the forecast consolidated net profit attributable to equity holders of our Company for the year ending December 31, 2009 assuming the Shares to be issued in the Global Offering will be issued on November 13, 2009 and the weighted average number of Shares is 5,220,821,918.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that there has been no material adverse change in our financial or trading position or prospects of our Group since June 30, 2009.

DIVIDENDS AND DIVIDEND POLICY

Our Directors may declare dividends after taking into account, among other things, our results of operations, cash flows and financial condition, operating and capital requirements, the amount of distributable profits based on HKFRS, our Memorandum and Articles of Association, the Companies Law, applicable laws and regulations and other factors that our Directors deem relevant.

OFFER STATISTICS

	Based on an Offer Price per Share of HK$2.00	Based on an Offer Price per Share of HK$2.89
Market capitalization of the Company[(1)]	HK$12,000 million	HK$17,340 million
Prospective price/earnings multiple[(2)(3)]		
(a) Pro forma basis		
— Before fair value gains on investment properties	21.1 times	30.4 times
— After fair value gains on investment properties	12.3 times	17.7 times
(b) Weighted average basis		
— Before fair value gains on investment properties	18.3 times	26.5 times
— After fair value gains on investment properties	10.7 times	15.5 times
Adjusted net tangible asset value per Share[(4)]	HK$0.65	HK$0.77

Notes:

(1) The calculation of market capitalization is based on 6,000,000,000 Shares expected to be in issue following the Global Offering and the capitalization issue.

(2) The calculation of the prospective price/earnings multiple on a pro forma basis is based on the forecast earnings per Share on a pro forma basis assuming that our Company had been listed since January 1, 2009 and a total of 6,000,000,000 Shares were in issue during the entire year.

(3) The calculation of the prospective price/earnings multiple on a weighted average basis is based on the forecast earnings per Share on a weighted average basis assuming that the Shares to be issued in the Global Offering will be issued on November 13, 2009 and the weighted average number of Shares is 5,220,821,918.

(4) The adjusted net tangible asset value per Share is based on 6,000,000,000 Shares expected to be in issue following the Global Offering and the capitalization issue.

USE OF PROCEEDS

We intend to utilize our net proceeds from the Global Offering to finance our property development business. We estimate the net proceeds of the Global Offering accruing to us (after deduction of underwriting fees and estimated expenses payable by us in relation to the Global Offering and assuming an Offer Price of HK$2.45 per Share, being the midpoint of the proposed offer price range of HK$2.00 to HK$2.89 per Share) to be approximately HK$2,076 million. We currently intend to use our net proceeds from the Global Offering for the following purposes:

Approximately 63%, or HK$1,308 million, of our net proceeds will be used for potential acquisitions of new land. For more details, please refer to the section headed "Business — Descriptions of Our Projects" of this prospectus:

- Approximately 8%, or HK$166 million, will be used for the acquisition of land for the Ma An Shan Complex Project, which is expected to be completed in December 2013;
- Approximately 1%, or HK$21 million, will be used for the acquisition of land for the Nanjing Riverside New Town, District II Project, which is expected to be completed in December 2014; and
- Approximately 54%, or HK$1,121 million, will be used for other potential land acquisitions in China.

Approximately 27%, or HK$560 million, of our net proceeds will be used for future project funding purposes, including Wuxi Mingfa Shopping Mall, Hefei Mingfa Shopping Mall, Zhangzhou Mingfa Shopping Mall and Nanjing Mingfa Business Park in the following manner:

- Approximately 4%, or HK$83 million, will be used for the development of Wuxi Mingfa Shopping Mall in Wuxi, Jiangsu Province which is expected to be completed in December 2010;
- Approximately 4%, or HK$83 million, will be used for the development of Hefei Mingfa Shopping Mall in Hefei, Anhui Province which is expected to be completed in December 2010;
- Approximately 8%, or HK$166 million, will be used for the development of Zhangzhou Mingfa Shopping Mall in Zhangzhou, Fujian Province which is expected to be completed in May 2013; and
- Approximately 11%, or HK$228 million, will be used for the development of Nanjing Mingfa Business Park in Nanjing, Jiangsu Province which is expected to be completed in December 2012.

The balance of approximately 10% of the net proceeds from the Global Offering, or HK$208 million, for general working capital purposes.

If the Offer Price is fixed at the highest point of the price range, we estimate that the aggregate net proceeds to be received by us from the Global Offering will be approximately HK$2,460 million (excluding any discretionary incentive fee which may be payable by us to the Joint Bookrunners). If the Offer Price is fixed at the lowest point of the price range, we estimate that the aggregate net proceeds to be received by us from the Global Offering will be approximately HK$1,683 million (excluding any discretionary incentive fee which may be payable by us to the Joint Bookrunners). The above allocation of the net proceeds among our property development projects will be adjusted on a pro-rata basis, in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the proposed Offer Price range. We will bear the expenses of the Global Offering.

If the Over-allotment Option is exercised in full, we estimate that the net proceeds to be received by the Selling Shareholder from the Global Offering will be approximately HK$321 million (assuming the same mid-point of the proposed Offer Price range), after deducting the underwriting fees and commission payable by the Selling Shareholder in relation to the Global Offering. We will not receive any of the net proceeds from the sale of the Sale Shares by the Selling Shareholder in the Global Offering.

As at the date of this prospectus, the Directors have not identified any specific target for our potential land acquisition.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by the relevant laws and regulations, we intend to deposit the net proceeds into short-term demand deposits and money market instruments.

RISK FACTORS

Risks Relating to Our Business

- we are heavily dependent on the performance of the PRC property market, particularly in Fujian and Jiangsu Provinces
- we may not be able to manage our growth and expansion into new business segments or cities
- we may not be able to locate or acquire suitable sites for our future projects at a reasonable cost, or at all
- we require substantial capital resources to acquire land and develop our existing and additional projects, which may not be available on commercially reasonable terms, or at all, and are subject to market demand and policy changes
- we may not be able to meet project development schedules and complete our projects on time, or at all
- we face risks relating to fluctuations in our results of operations from period to period
- a deterioration of our cash flow may affect our ability to service our borrowings and our business, financial conditions and results of operations

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

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

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

- 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 and adversely impact our profitability

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

- we rely on independent third parties to provide various facilities and services and cannot assure you that the services rendered by such third parties will always match our requirements for quality or be available

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

- we may be subject to legal and business risks if we fail to obtain or renew formal qualification certificates

- we may not be able to enforce the full term of our "Transfer of Right to Use Properties Contracts" under PRC laws

- we may become involved in potential disagreement with Baolong regarding the timing by which the allocation of certain investment properties in Xiamen Mingfa Shopping Mall must be implemented

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

- our internal control systems and compliance procedures may have deficiencies and weaknesses such that we may not be able to maintain effective internal control

- our failure to meet all requirements for issuance of property ownership certificates may lead to payment of compensation to our customers

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

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

- we depend heavily on the continuing services of our Chairman, Mr. Wong Wun Ming, and our other executive Directors
- we may not be able to control the individual or collective decisions of certain tenants and property owners of our commercial complexes, logistics centres, R&D centres and other properties
- any failure to protect our brand, trademarks and other intellectual property rights could have a material and adverse impact on our business, financial condition and results of operations
- potential liability for environmental problems could result in substantial costs
- our Controlling Shareholders may take actions that conflict with the best interests of our other Shareholders
- we have limited insurance to cover all potential losses and claims
- we have made certain payments in connection with MOUs and other arrangements in relation to land acquisition and we may suffer as a result of default by any counterparty in its obligation to refund our payments if the land acquisition fails to materialize
- we have experienced periods of net cash used in operating activities in the past and we cannot assure you that we will not experience periods of net cash used in operating activities in the future
- we have experienced periods in which our current liabilities exceeded our current assets in the past and we cannot assure you that we will not experience periods of net current liabilities in the future

Risks Relating to the PRC Real Estate Industry

- PRC Government policies, regulations and measures intended to slow down growth in the property sector may materially and adversely affect our business
- changes of laws and regulations with respect to pre-sale may adversely affect our cash flow position and performance
- our ability to secure new projects and related investments may be restricted by policies and regulations introduced by the PRC Government
- we may be subject to fines and our land may be forfeited by the PRC Government if we fail to comply with the terms of the land use rights grant contracts
- we are exposed to pre-sale related contractual and legal risks
- the property market in the PRC is at an early stage of development and is volatile
- the property market in the PRC is highly competitive and intense competition may materially and adversely affect our business, financial condition and results of operations

- the relevant PRC tax authorities may enforce the payment of LAT and may challenge the basis on which we calculate our LAT obligations
- the current global economic slowdown, crisis in the global financial markets and volatility of property prices may negatively impact our business and our ability to obtain necessary financing for our operations
- any constructed portion of our properties under development or future property developments deemed by the local government authorities to be non-compliant may be subject to government approval and additional payments

Risks Relating to China

- our business, financial condition and results of operations are heavily impacted by the political and economic situation in the PRC
- fluctuations in the value of RMB may have a material adverse impact on your investment
- governmental control of currency conversion may affect the value of your investment
- China's legal system is still developing and there are inherent uncertainties that may affect the protection afforded to our business and Shareholders
- we are a holding company that substantially relies on dividend payments from our subsidiaries for funding, and our corporate structure may limit our ability to receive dividends from, and transfer funds to, our PRC subsidiaries, which could restrict our ability to act in response to changing market conditions and reallocate funds from one affiliated PRC entity to another in a timely manner
- the national and regional economies in China and our prospects may be materially and adversely affected by a recurrence of SARS or an outbreak of other epidemics, such as avian flu or human swine flu
- it may be difficult to enforce against us in the PRC any judgments obtained from non-PRC courts
- acts of God, acts of war and other disasters could affect our business, financial condition and results of operations
- change of tax law may subject us to a higher income tax rate
- gains on the sales of our Shares may become subject to PRC income taxes

Risks Relating to the Global Offering

- there has been no market for our Shares prior to the Global Offering and the Global Offering may not result in an active or liquid market for the Shares, which could adversely affect their market price

- the Offer Price may not be indicative of prices that will prevail in the trading market and such market prices may be volatile

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

- we may be unable to pay any dividends on our Shares

- forward-looking information may prove inaccurate

- certain facts and statistics from official sources contained in this prospectus have come from various government official publications whose reliability cannot be assumed or assured

- as the Offer Price is higher than the net tangible asset value per Share, the value of any Shares you buy will be diluted immediately

- you should read the entire prospectus carefully and we strongly caution you not to place any reliance on any information contained in press article or other media regarding us and the Global Offering, including, in particular, any projections, valuations or other forward-looking information