In addition to other information in this prospectus, you should carefully consider the following risk factors before making any investment decision in relation to the Offer Shares, which may not be typically associated with investing in equity securities of companies from other jurisdictions. If any of the possible events described below occur, our business, financial condition or results of operations could be materially and adversely affected and the market price of the Offer Shares could fall significantly.

RISKS RELATING TO OUR BUSINESS

Our business is heavily dependent on the performance of the real estate market in the PRC, particularly in Fujian Province

We have built our business and reputation primarily by developing properties in Fujian Province of the PRC. As a result, we are heavily dependent on the performance of the residential and commercial properties markets in Fujian Province. Most of our properties under development and our properties held for future development, as well as 84.1% of our land bank, are located in Fujian Province. In particular, 70.4% of our land bank is located in Quanzhou in Fujian Province. Our financial condition, results of operations and profitability may be materially and adversely affected by any adverse development in the supply of, or demand for, properties and property prices in Fujian Province, in particular Quanzhou, or other actions taken by the PRC Government in relation to the property market. Policies, measures and regulations introduced and which may be introduced by the PRC Government may lead to changes in market conditions, including price instability and an imbalance between the supply of, and demand for, properties in the PRC. We cannot assure you that significant declines will not take place in the real estate market of Fujian Province (including that of Quanzhou), or the rest of the PRC, in the future. Furthermore, we cannot assure you that the PRC Government will not implement additional measures to restrict the growth and overheating of the PRC real estate market, or that there will not be material adverse changes in the PRC economy and the PRC real estate market as a result of such policies, measures and/or regulations. Any such changes could have a material adverse effect on our business, financial condition and results of operations.

The global financial markets have experienced significant deterioration and volatility since early 2008, which have had negative repercussions on the global economy and, as a result, may adversely affect our business, liquidity, financial condition, results of operations and prospects

Since early 2008, the global financial markets have been affected by a general slowdown of economic growth both in the United States and globally, substantial volatility in global equity securities markets, and volatility and tightening of liquidity in global credit markets. While it is difficult to predict the extent to which we may be affected, these developments could continue to adversely impact the PRC economy, including the property development industry and market. The global financial and economic crisis has affected and will continue to affect the domestic economy in the PRC (and in particular that of the coastal provinces such as Fujian Province), as a substantial portion of China's GDP is derived from exports to the United States, countries of the European Union and other countries more directly impacted by such economic slowdown. Fujian Province has been affected by the global financial and economic crisis; for example, Fujian Province has experienced a decrease in demand for its overseas exports, which has contributed to diminished expectations about future growth, declining business and consumer confidence and decreased demand for residential properties. This has led to a decrease in pre-sales of our properties in 2008 and a decrease in cash flow generated from our operating activities, as well as a decrease in working capital. Our revenue also decreased in 2008 compared with 2007 and, in particular, our results of operations experienced a significant decline in the second half of 2008. While the PRC Government and governments around the world have taken actions to address the global financial and economic crisis, there can be no assurance that these actions will be effective. In the event the global financial and economic crisis continues, becomes more severe, or lasts longer than currently estimated, or if the equity and credit markets remain volatile, our business, liquidity, financial condition, results of operations and prospects could be materially and adversely affected. Our ability to meet capital expenditure requirements to fund our projects depends on access to capital and debt markets. If volatility in these markets continues, we may have difficulty financing our existing and future projects.

We may not be able to obtain land use rights certificates with respect to certain parcels of land in which we currently have interests

We hold certain parcels of land for development for which we have not yet obtained the relevant land use rights certificates from the relevant PRC governmental authorities. In particular, as of November 30, 2009, we had entered into land grant contracts to acquire parcels of land with an aggregate GFA of approximately 209,543 sq.m., for which the land use rights certificates had not been obtained because the land premium was not due under the terms of the land grant contract, and as a result, we had not yet paid the land premium. We have also entered into master agreements with local governments with respect to certain parcels of land with an aggregate GFA of 1,447,883 sq.m. but had not concluded the public tender process and/or entered into relevant land grant contracts. After signing the master agreement, in order to obtain the land use rights certificates, we are still required by relevant PRC laws and regulations to go through a process which may involve public tender, auction or listing for bidding, and, if successful, enter into a land grant contract and pay the relevant land premium. If we fail to obtain the land use rights certificates with respect to such parcels of land in a timely manner, or at all, or if we are required to pay higher land premiums to secure the land use rights certificates or fail to recover the costs that we have incurred, our business, financial condition and results of operations may be materially and adversely affected.

Our profitability may fluctuate substantially due to the periodic reassessment of fair value gains or losses on our investment properties

The Hong Kong Accounting Standard for investment properties issued by the Hong Kong Institute of Certified Public Accountants, HKAS40, provides that investment properties, including investment properties under construction, may be recognized by using either the fair value model or the cost model. We have chosen to recognize investment properties as non-current assets at their fair value, as determined by an independent property valuer, as of each reporting date. According to HKFRS, any gains or losses arising from changes in the fair value of our investment properties are included in our statement of comprehensive income in the period or year in which they arise. DTZ revalued our investment properties as of December 31, 2006, 2007 and 2008 and November 30, 2009, respectively, and such appraised value may be different from the actual value, if any, we realize upon disposal of the property. For details, please refer to the risk factor headed "The appraised value of our properties may be different from the actual realizable value and is subject to change" below. Based on such valuations, we recognized the aggregate fair market value of our investment properties in our consolidated statements of financial position, and we recognized the fair value gains (or losses) and the relevant deferred tax on investment properties in our consolidated statements of comprehensive income.

For the years ended December 31, 2006, 2007 and 2008, the fair value gains on our investment properties were RMB38.1 million, RMB168.2 million and RMB211.4 million, respectively, representing 58.4%, 72.9% and 87.5%, respectively, of our profit before tax. During the nine months ended September 30, 2009, we recorded a fair value gain of RMB222.8 million with respect to our investment properties. Our net profit, excluding the change in fair value of our investment properties (net of deferred tax), was approximately RMB22.7 million, RMB34.2 million, RMB7.3 million and RMB106.6 million for 2006, 2007 and 2008 and the nine months ended September 30, 2009, respectively. The fluctuations in the fair market value of our investment properties in the Track Record Period were primarily due to the addition and completion of new investment properties, as well as their overall appreciation. These upward revaluation adjustments of our investment properties reflect unrealized capital gains relating to our investment properties at the relevant reporting dates and do not generate any cash inflow to us unless and until such investment properties have been disposed of. The amount of the revaluation adjustments has been, and may continue to be, significantly affected by prevailing property market conditions and may be subject to market fluctuations. Consequently, we cannot assure you that changes in the fair value of our investment properties will give rise to the previous or any levels of percentage contribution to our profits, or that any such contribution will not decrease in the future or reflect a loss. In particular, the fair value of our investment properties could decrease in the event that the market for comparable properties in the PRC experiences a downturn as a result of general economic conditions or PRC Government policies, or otherwise. Any such decrease in the fair value of our investment properties could have a material adverse effect on our financial position and results of operations.

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

The appraised value of our properties as contained in the property valuation report, prepared by DTZ, in Appendix IV to this prospectus is based on multiple assumptions that include elements of subjectivity and uncertainty. Therefore, the appraised value of our properties should not be taken as their actual realizable value or a forecast of their realizable value. As such, the actual realizable value upon disposal of our properties may be lower than the appraised value. Therefore, we may recognize lower than expected revenues. Unforeseeable changes to the development of our property projects as well as national and local economic conditions may affect the value of our property holdings.

As noted above, the appraised value of our property development projects and our land reserves are based on many assumptions, including the assumptions that:

- each of our properties will be developed and completed in accordance with our latest development proposals;

- all consents, approvals and licences from relevant government authorities for the development proposals have been or will be obtained without onerous conditions or delays; and

- the design and construction of the developments are or will be in compliance with local planning regulations and have been or will be approved by the relevant authorities.

The appraised values of properties in which we hold less than a 100% interest are allocated to us according to our pro rata ownership of the relevant project companies.

Our business depends on our ability to acquire suitable sites with long-term appreciation potential for property development

Our Directors believe our in-depth understanding of the property market dynamics in areas where we operate has enabled us to identify and capitalize on land acquisition opportunities in relation to land sites in locations with long-term appreciation potential. We cannot assure you that the parcels of land we have acquired will appreciate in value in the future or that we will continue to be able to capitalize on such land acquisition opportunities or that we will be able to identify and acquire attractive land sites. Any inability to identify, acquire and capitalize on sufficient attractive land sites for our land reserves could result in uncertainties in our future development costs and schedules, which in turn could have a material adverse effect on our future growth prospects, profitability and profit margins.

Because we derive our revenue principally from the sale of our completed projects, our results of operations may vary significantly from period to period

A substantial portion of our revenue is derived from the sale of our self- or jointly-developed residential and commercial properties. Our results of operations may fluctuate in the future due to a combination of factors, including the overall development schedule of our property development projects, the level of acceptance of our properties by prospective customers, the proposed timing for completion and sale of our developed properties, our revenue recognition policies, land acquisition costs and price volatility in construction-related and development expenses. Most of our property development projects require several years to complete and must be undertaken in phases. Selling prices of developed properties are often higher closer to completion, due in part to the comparatively more established community available to prospective purchasers. Furthermore, according to our accounting policy for revenue recognition, we recognize revenue from the sale of properties upon the delivery of completed properties to purchasers. A period of time ranging from several months to several years may pass between the date on which we commence pre-sale of properties under development and the date on which completed properties are delivered to purchasers. Please refer to the section headed "Financial Information — Critical Accounting Policies — Revenue recognition" in this prospectus. Accordingly, our results of operations may vary significantly from period to period depending, in part, on the GFA sold and the timetable for the completion of pre-sold properties. Historically, periods in which we completed more GFA have often generated a higher level of revenue. Periods in which we pre-sell a considerable amount of aggregate GFA, however, may not necessarily generate a higher level of revenue if such pre-sold properties are not completed within the same period. Our results of operations are also affected by the limitation that during any particular period of time, we can only undertake a limited number of projects due to the substantial capital requirements for land acquisitions and construction costs and the limited supply of land. Our ability to complete projects may also be affected by seasonal factors, such as heavy winter rainfall and typhoons, which could hinder the construction, and in turn, the completion of our property projects.

Accordingly, the results of our operations for any given period may not be indicative of the relative strength of our performance during such period as compared with other periods. As such, our Directors believe that period-to-period comparisons of our operating results may not be as meaningful as they might be for a company with a greater proportion of recurring revenues. If our results of operations in one or more periods do not meet market expectations, the price of our Shares could be materially and adversely affected.

We may not be able to obtain adequate funding for our property developments

The property development business is capital intensive. We generally fund our development projects through bank borrowings, capital contributions from shareholders and internal cash flows, including proceeds from the pre-sale and sale of our properties. There can be no assurance that we will always have sufficient funds available, or available on favorable or acceptable terms, to fund our current and future property developments.

In relation to bank financing, our ability to arrange adequate financing for our property developments on terms that will enable a particular property development to achieve a reasonable return may depend on a number of factors, including general economic conditions, our financial strength and performance, the availability of credit from financial institutions, the value of security pledged, and monetary policies in the PRC. The PBOC announced several increases in the deposit reserve ratio of commercial banks since June 2006 as a result of which the reserve ratio had gradually increased from 8.0% in July 2006 to 17.5% in June 2008, being the historical high since 1988. The reserve ratio has since been adjusted down to 15.5% since December 2008, reflecting the PRC Government's policy to stimulate economic growth amid the global economic crisis. The deposit reserve ratio refers to the amount that banks must set aside when they lend. On January 12, 2010, the PBOC further tightened the amount that banks may lend by increasing the required deposit reserve ratio from 15.5% to 16%, and such increase is effective from January 18, 2010. In addition, the PRC Government has implemented a number of other measures to prevent the PRC economy from overheating. Among these measures are policy initiatives implemented by the PRC Government to use taxation, bank credit and land policies to regulate housing demand (please see "Risk Factors — The restrictive measures adopted from time to time by the PRC Government to curtail the overheating of, and foreign investment in, the PRC property market could slow the industry's rate of growth or cause the property market to decline" below for more details regarding these measures). Such regulations may limit the amount commercial banks can make available for lending to us and may thereby adversely affect our ability to obtain financing from or renew existing credit facilities granted by financial institutions.

We also utilize proceeds from pre-sales of our properties as an important source of financing for our property developments. There can be no assurance that we will be able to achieve and continue achieving sufficient proceeds from the pre-sales and sale of properties to fund our current and future property developments. Any restriction on our ability to pre-sell our properties, including any increase in the amount of initial expenditure we must incur prior to obtaining a pre-sale permit and any restriction on our ability to utilize the pre-sale proceeds, including future changes to PRC laws and regulations governing the use of pre-sale proceeds, could extend the time required to recover our capital outlay and could thereby require us to seek alternative means to finance our property developments, which, in turn, could have an adverse effect on our cash flow, business, profitability and financial position.

Our business may be adversely affected by future increases in interest rates

Interest rates in the PRC have been relatively stable in the past decade. However, since October 2004, the PBOC began to raise its one-year benchmark lending rates until it peaked at 7.47% in December 2007. The PBOC then left interest rates unchanged until September 2008, when it took action to reduce interest rates in the wake of the global financial crisis. The PBOC cut rates four times in the last quarter of 2008, as a result reducing the one-year benchmark lending rate by a total of 189 basis points. As of September 30, 2009, the one-year benchmark lending rate was 5.31%. Finance costs before capitalization incurred in the years ended December 31, 2006, 2007 and 2008, and the nine months ended September 30, 2009 was RMB24.5 million, RMB61.7 million, RMB84.6 million and RMB65.3 million, respectively, while the total amount of interest capitalized in 2006, 2007 and 2008 and the nine months ended September 30, 2009 was RMB24.3 million, RMB60.3 million, RMB81.3 million and RMB63.0 million, respectively.

Any further increases in interest rates introduced by the PBOC will make mortgage financing more expensive for potential purchasers of our properties, which would adversely affect our ability to generate cash through pre-sales and affect our sales revenue. Our cost of borrowing may increase as a result of an interest rate increase, which, in turn could adversely affect our results of operations. To the extent that the PRC Government or PBOC changes its policy of keeping interest rates relatively low, our business and results of operations 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 expenditure prior to and during the construction period. It may take more than a year from the commencement of construction before a project generates positive cash flows through pre-sales or sales of properties. The progress and costs of a property development project may be materially and adversely affected by many factors, including:

- delays in obtaining necessary licences, permits or approvals from PRC Government agencies or authorities;
- changes in property market conditions;
- changes in PRC Government policies, regulations and/or measures;
- relocation of existing residents and/or demolition of existing structures;
- shortages or increased costs of materials, equipment, contractors and skilled labor;
- labor disputes;
- construction accidents;
- natural disasters or catastrophes; and
- adverse weather conditions.

Construction delays or failure to complete the construction of a property development project according to its planned specifications, schedule or budget as a result of the above or any other factors may have a material adverse effect on our business, financial condition and results of operations and may result in reputational damage to us. There can be no assurance that we will not experience any significant delays in completion or delivery of any of our property development projects or that we will not be subject to any liabilities for any such delays.

We may not be successful in expanding into geographic areas where we have not historically operated

While we have in the past primarily focused our business in Fujian Province, we have recently expanded into other regional markets such as Beijing, Shanxi Province and Guangdong Province. Cities in other regions may differ from cities in which we currently have operations in terms of the level of economic development, real estate market trends and regulatory practices. In addition, as we enter new markets, we may not have the same level of familiarity with local contractors, business practices, customs and customer tastes, behavior and preferences and other market dynamics as compared to the cities in which we currently have operations. Therefore, we may not be able to successfully leverage our experience in the cities in which we currently have operations in other markets. Our expansion, and the need to integrate operations arising from our expansion into new markets, may place a significant strain on our managerial, operational and financial resources and may further increase our financing requirements. In addition, we may encounter intense competition from other property developers with more experience or better established presences in those areas. Any failure to leverage our experience or to understand the property market in new markets that we target for expansion may have a material adverse effect on our financial condition and results of operations. Furthermore, if we are unsuccessful in our strategy to expand beyond the cities in which we currently have operations, our development and growth prospects may be adversely affected.

Our business strategies, plans for expansion to new business segments, and new products may not be successful

Our business experience and focus to date has primarily been in developing and constructing high-quality residential properties for sale and management of residential developments. We may expand into other property-related businesses, such as development of mid- to high-end commercial property sectors in the PRC to diversify our product offerings (further details of our expansion plan are set out in the section headed "Business — Our Business Strategies" in this prospectus). There can be no assurance that we will be able to develop new businesses successfully or at all, and we may not be able to leverage our experience in the residential properties sector if we further expand into new business areas. If we unsuccessfully pursue a strategy of expanding into new business segments, our development, growth prospects and results of operations may be adversely affected.

We had net current liabilities during the Track Record Period, and our ability to raise funding may be adversely affected by our net current liability position

As of December 31, 2006, 2007 and 2008 and September 30, 2009, we had net current liabilities of approximately RMB86.8 million, RMB1,548.6 million, RMB1,678.8 million and RMB681.1 million, respectively, representing in part receipts in advance, trade payables and short-term bank borrowings.

Our trade payables mainly comprise land costs and construction costs payable. Receipts in advance represent sales proceeds received from buyers in connection with the pre-sale of our properties. We may rely on receipts in advance or other deposits from customers to maintain liquidity. Our net current liabilities over the Track Record Period included non-recurring payments, such as balances due to related parties. During the Track Record Period, we financed our long-term capital requirements, such as property development projects and land acquisitions, primarily through receipts in advance, trade payables and short term bank borrowings. For further details, please refer to the section headed "Financial Information — Liquidity and Capital Resources — Net Current Liabilities" in this prospectus.

There can be no assurance that we will be able to record positive net current assets in the future, and our business operations and our ability to raise funding may be materially and adversely affected by our net current liabilities. There can be no assurance that we will maintain sufficient working capital, revenues or raise necessary funding to pay off our current liabilities and meet our capital commitments. In such circumstances, our business, financial position and prospects may be materially and adversely affected.

We have limited cash resources and are dependent on future cash flows generated from our business and obtaining additional financing to support our expansion and property developments

We have cash requirements both for ongoing operating expenses, working capital, general corporate purposes and for interest and principal payments on our outstanding indebtedness. As of September 30, 2009, we had cash and cash equivalents of RMB405.6 million and net current liabilities of RMB681.1 million, respectively. Our cash used in operations principally comprises amounts that we pay for our property development activities including the acquisition of land parcels for which land use rights certificates have not been obtained. For the years ended December 31, 2006, 2007 and 2008, we recorded net cash outflow from operating activities of RMB107.0 million, RMB72.5 million and RMB379.2 million, respectively, primarily due to a large increase in properties under development for sale and completed properties held for sale. Our cash outflow from investing activities primarily reflects the acquisition of property and equipment and acquisition of property project companies. Our cash inflow from investing activities primarily reflects the disposal of subsidiaries and jointly-controlled entities. For the years ended December 31, 2006, 2007 and 2008 and the nine months ended September 30, 2009, we recorded net cash outflow from investing activities of RMB237.3 million, RMB197.8 million, RMB427.8 million and RMB765.8 million, respectively, primarily due to additions to prepaid land lease payments in each of the years and acquisition of subsidiaries, jointly-controlled entities and associates. For further details on changes in our cash flows, please refer to the section headed "Financial Information — Liquidity and Capital Resources — Cash Flow" in this prospectus.

We cannot assure you that we will be able to generate sufficient net cash inflow from our operations in the future. If we are unable to generate sufficient cash from our operations or secure additional financing to meet our obligations, we may be forced to reduce our capital expenditures or may not be able to continue as a going concern. Reduction of our capital expenditures could have a negative impact on our business and would make it more difficult for us to execute our strategy, including our expansion plans, in accordance with our expectations.

We face contractual risks relating to the pre-sale of properties, including the risk that property developments cannot be completed, or cannot be completed on time

We face contractual risks relating to the pre-sales of properties. Failure to timely complete and/or deliver a pre-sold property may cause us to be liable to the relevant purchasers for losses suffered by them. Our failure to complete property developments on time as may be required by pre-sale contracts may entitle purchasers of pre-sold units to claim damages under the relevant pre-sale contracts, and in the event that such a failure causes a delay that extends beyond a grace period that may be stipulated in pre-sale contracts, purchasers may be entitled to terminate the pre-sale contracts, claim damages and request a return of their purchase amount together with interest. We cannot assure you that we will not experience any delays in completion or delivery of our properties or that we will not be subject to any liabilities for any such delays in the future.

Proceeds from pre-sales of our properties are an important source of funds for our property developments and have an impact on our liquidity position. Under current PRC laws and regulations, property developers must fulfill certain conditions before they can commence pre-sale of properties and may only use pre-sale proceeds to finance the relevant development. On the other hand, PRC Government authorities have put forward a number of proposals with respect to the abolition of the pre-sales of properties since 2004. Although such proposals have not been adopted, we cannot assure you that the practice of pre-selling properties will not be materially limited or prohibited in the future. Future implementation of any policies, regulations or measures restricting our ability to pre-sell our properties, including any requirements to increase the amount of upfront expenditure we must incur prior to obtaining the pre-sale permit, would extend the time required to recover our capital outlay, limit our internal funding generated from pre-sale proceeds and would force us to seek alternative means of financing for land acquisitions and/or for various stages of property developments. This could, in turn, have a material and adverse effect on our business, cash flows, financial condition and results of operations.

We guarantee the mortgage loans of our pre-sale customers until the relevant property ownership certificates are delivered to the mortgagee banks, and we may become liable to the mortgagee banks if our customers default on their mortgage payments during this period and any changes in laws and regulations governing the guarantee in respect of such mortgage loans may affect our sales

Because we pre-sell properties before the completion of construction, banks typically require us to guarantee our customers' mortgage loans until the construction and the development of the relevant properties have been completed and the building ownership certificates are delivered to the mortgagee banks. We do not conduct independent credit checks on our customers but rely instead on the credit checks conducted by the mortgagee banks. If a purchaser defaults on a mortgage payment, we may have to repay the outstanding mortgage principal together with the accrued interest and penalties owed by the defaulting purchaser to the banks. If we fail to do so, the mortgagee bank may dispose of the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage loan. We cannot assure you that no purchaser will default on a mortgage payment in the future. If substantial defaults occur and we are called upon to perform our guarantees, our financial condition and results of operations could be materially and adversely affected.

In addition, if there are changes in laws, regulations, policies and practices that have the effect of prohibiting property developers from providing guarantees to banks in respect of mortgage loans offered to purchasers and these banks do not accept any alternative guarantees by other third parties, or if no third party is available in the market to provide such guarantees, it may become more difficult for property purchasers to obtain mortgage loans from banks during pre-sales. Such difficulties in obtaining financing could result in a substantially lower rate of pre-sales of our properties, which could adversely affect our business, financial condition and results of operations. We are not aware of any impending changes in laws, regulations, policies or practices which would prohibit such practice in the PRC. However, we cannot assure you that such changes in laws, regulations, policies or practices will not occur in the future.

We are subject to legal and business risks if we fail to maintain qualification certificates

Property developers must maintain formal qualification certificates in order to legally carry out property development business in the PRC. For further details, please refer to the section headed "Summary of PRC Laws Relating to the Property Sector" in Appendix VI to this prospectus. Certain qualification certificates are subject to renewal on an annual basis. In reviewing an application to renew a qualification certificate, local authorities may consider factors such as the property developer's registered capital, property development investments, history of property development, quality of property construction, the expertise of the developer's management, and whether the developer has conducted any illegal or inappropriate operations. In particular, the total GFA of World City and the total planned GFA of Seashore Suite No.1 exceeded the maximum GFA that may be constructed by the corresponding project companies, namely SCE World City and SCE Seashore Suite No.1, respectively, as allowed under their qualification certificates. Our PRC legal advisor has advised us that under the relevant PRC laws and regulations, the local authorities will normally grant that project company a grace period to rectify any non-compliance, subject to payment of a one-time penalty of between RMB50,000 and RMB100,000. Failure to rectify the non-compliance within the specified time frame could result in revocation of the qualification certificate and the business licence of the project company. In addition, the qualification certificate of SCE Golden Coast has been cancelled as it has not conducted any property development business in the past three years. We cannot assure you that formal qualification certificates for SCE Golden Coast or our new project companies will be obtained in a timely manner, or at all. In addition, we cannot assure you that the qualification certificates of all of our existing projects will continue to be renewed and that the qualification certificates of SCE World City and SCE Seashore Suite No. 1 will not be revoked. If our project companies fail to obtain, renew or maintain qualification certificates in the future or their qualification certificates become revoked, our property development business may be limited and our business and financial condition may be materially and adversely affected.

Our operations may be affected if the land use rights relating to the SCE Building are revoked due to inconsistent land use

Our corporate headquarters are located at Phase 1 of the SCE Building, and we have been leasing out certain office units in the SCE Building to third parties. However, the use of SCE Building for commercial purposes is inconsistent with the use prescribed in the relevant land use rights contract, which is specified for storage purpose. Our PRC legal advisor has advised us that we may be subject to a penalty for such inconsistent land use and that the PRC authority in charge of land administration may order us to pay an additional land premium to amend the condition in the land use rights certificate or even issue an order to revoke the grant of land. We estimate that the penalty that may be imposed on us for such inconsistent land use will not exceed RMB409,331. Our PRC legal advisor has also advised us that in the event an order to revoke the grant of land is issued, we may be required to terminate lease agreements with tenants in the SCE Building and may be required to indemnify losses suffered by such tenants as a result of early termination of such lease agreements. Please refer to the section headed "Business — Properties Used by Us — Properties Owned by Us" in this prospectus for further details on inconsistent land use and its potential legal and other consequences. In the event that the relevant PRC authority in charge of land administration revokes the land grant for the SCE Building, our corporate headquarters may have to be relocated and we may have to terminate the lease agreements with tenants in the SCE Building; as a result, our business and financial condition could be adversely affected.

The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations

Our PRC Group companies are subject to LAT on the appreciation in the value of their land and the improvements on the land under relevant PRC tax laws and regulations. According to the audited taxation method, all income from the sale or transfer of land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation in value as defined by the relevant tax regulations. On the other hand, according to the *Notice on Further Strengthening Administration of LAT of Real Estate Development Enterprise in our Province (Min Di Shui Fa [2008] No. 64) (《福建省地方稅務局關於進一步加強我省房地產開發企業土地增值稅管理的通知》(閩地稅發 [2008] 64 號))*, LAT liabilities are assessed at a fixed rate, which ranges from 1.0% to 5.0% of the proceeds from pre-sales of the properties, depending on the type of real estate development project. LAT will be separately assessed based on a rate that shall be no less than the average rate for real estate development with substantial appreciation in value. Subject to the approval of the local tax authorities, property developers are permitted to select the method of tax calculation they adopt. Certain exemptions are available for the sale of ordinary residential houses if the appreciation in value does not exceed 20% of the total deductible amount, but such exemptions do not extend to sales of commercial properties.

We estimate and make provision for the amount of applicable LAT at the time the relevant property sales revenue is recognized and recorded in our books, but actual LAT payment will only be made at the time specified by the relevant PRC tax laws and regulations. We cannot assure you that the local tax authorities will agree with the basis on which we calculate our LAT obligations during the Track Record Period. In addition, we cannot assure you that the applicable tax rate for LAT will not increase, or that the PRC Government or local tax authorities will not abolish the authorized taxation method, or that we will be able to obtain approval in the future to use the authorized taxation method. If the relevant tax authorities determine that a higher amount of LAT should be paid, our profits could be materially and adversely affected.

Furthermore, relevant notices issued by the PRC Government relating to the settlement of LAT allow provincial tax authorities to formulate their own implementation rules according to the local situation. If the implementation rules promulgated in the cities in which our projects are located require us to settle all unpaid LAT at the same time, or impose other conditions, our cash flows may be materially and adversely affected.

Our success depends significantly on our ability to retain our senior management team and our ability to attract additional management and other qualified personnel

Our future success depends significantly on the ongoing services and performance of our management and in particular, our chairman, Mr. Wong. In addition, we depend on the continued service of members of our senior management team (as disclosed in the section headed "Directors, Senior Management and Employees" in this prospectus) who possess extensive experience in the PRC real estate and property development industry and, in particular, in the property market in Fujian Province. If one or more of our senior executives or other key personnel are unable or unwilling to continue in their present position, we may not be able to replace them easily or adequately or at all, and our business may be disrupted and our financial condition and results of operations may be materially and adversely affected.

In addition, we believe our ability to attract and retain skilled staff is significant to our effective growth and successful implementation of our strategies. If we cannot attract and retain suitable human resources, our business and future growth will be materially and adversely affected.

Our Controlling Shareholders may exert substantial influence over us and may not act in the best interests of our independent shareholders

Upon completion of the Global Offering and the Capitalization Issue, our Controlling Shareholders will collectively beneficially own approximately 57.5% of our enlarged issued share capital assuming no exercise of the Over-allotment Option, or approximately 55.7% if the Over-allotment Option is exercised in full. The interests of our Controlling Shareholders may differ from the interests of our independent Shareholders.

Our Controlling Shareholders will be in a position to exert significant influence over our affairs and in determining the outcome of any corporate action or other matters submitted to the shareholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. In addition, our Controlling Shareholders will also have the power to prevent or cause a change in control of our Company. Without the consent of our Controlling Shareholders, we may be prevented from entering into transactions that could be beneficial to us and our independent Shareholders. We cannot assure you that they will act completely in our or our other Shareholders' interests or that conflicts of interest will be resolved in our or our other Shareholders' favor.

We rely on our trade name and trademarks, and any infringement or inappropriate use of our trade name or trademarks may be detrimental to our reputation and profitability

Our Directors believe that our logo, trade name and trademarks form an integral basis for our strong brand recognition and are important to our business. As of the Latest Practicable Date, we were the registrant of 19 registered trademarks in the PRC and Hong Kong including our "中駿", " " and " 中駿置業" trademarks in a number of classes (including those for our property development businesses) and we had applied for the registration of 30 trademarks in the PRC, including "SCE", "中駿" and " " in a number of other classes. Our Company or our relevant subsidiaries have the sole and exclusive ownership of our logo, trade name and trademarks for the classes in which they are registered. Details of our registered logo, trade name and trademarks are listed in the section headed "Statutory and General Information" in Appendix VII to this prospectus.

We are not aware of any material violations, infringements or unauthorized use of our logo, trade name or trademarks. We are also not aware of any infringement of any third parties' intellectual property rights through our use of the logo, trade name and trademarks. However, we cannot assure you that our trade name or trademarks will not be subject to any infringement in the future. Any unauthorized or inappropriate use of our logo, trade name or trademarks could harm our market image and reputation, which may materially and adversely affect our financial condition and results of operations. In particular, Fujian Quanzhou Transformer Manufacturing Company Limited* (福建省泉州變壓器製造有限公司), a company controlled by Mr. Wong, has registered the trademarks "中骏", "SCE" and " " in the PRC in the areas of manufacturing of transformers and other electric machinery. We do not have any control over the use of these trademarks by Fujian Quanzhou Transformer Manufacturing Company Limited in these areas of goods and services and any negative publicity concerning such use of these trademarks by Fujian Quanzhou Transformer Manufacturing Company Limited may have an adverse impact on the image and brand recognition of our Group. Any litigation or dispute in relation to our logo, trade name or trademarks could result in substantial costs and the diversion of resources and may materially and adversely affect our business and results of operations.

Potential liability for non-compliance with environmental laws and regulations could result in substantial costs

We are subject to certain laws and regulations concerning the protection of the environment. The particular environmental laws and regulations that apply to each property development project vary according to its location, the environmental factors associated with such development, construction and/or operations and the current and future use of the land and the properties. As the PRC Government increases its focus on the environment, our projects may be more strictly reviewed and inspected, and approval processes for future projects or any alteration to existing projects may be prolonged. Compliance with environmental laws and conditions may result in delays, cause us to incur substantial compliance and other costs and prohibit or severely restrict our activity in environmentally-sensitive regions or areas.

We cannot assure you that future environmental investigations will not reveal material environmental liabilities. Also, we cannot assure you that the PRC Government will not change existing laws and regulations or impose additional or stricter laws or regulations, compliance with which may cause us to incur a significant cost. In addition, we cannot assure you that we will be able to comply with all such laws and regulations in the future. If we are unable to effectively and promptly comply with these changes, we may incur significant costs and may be subject to fines or be forced to suspend or shut down certain operations, which could have a material and adverse effect on our operations.

We may suffer losses and claims arising from uninsured risks

Other than the types of insurance that are mandatory under the PRC law and which are generally obtained by real estate developers in the PRC, we do not maintain insurance coverage against potential losses, destruction or damage with respect to our properties developed for sale before their delivery to customers, nor do we maintain insurance coverage against liability from tortious acts or other construction-related personal injuries on our project sites or environmental damage arising from our operations. Under PRC laws, construction companies bear primary civil liability for personal injuries of their employees arising out of their construction work. The owner of a property under construction may also bear liability supplementary to the liability of the construction company if the latter is not able to fully compensate the injured. We cannot assure you that we will not be sued or held liable for damages due to any tortious acts. In addition, there are certain types of losses for which insurance is not generally available on commercially practical terms, such as losses suffered due to business interruption, earthquake, flooding or other natural disaster, war or civil disorder. Therefore, while our Directors believe that our practice is in line with the general practice in the PRC property development industry, there may be instances when we will have to internalize losses, damage and liabilities because of our lack of insurance coverage. If we suffer any losses, damages or liabilities in the course of our business operations, we may not have sufficient funds to cover such losses, damages or liabilities or to replace any property under development that has been destroyed. In addition, any payment we make to cover any losses, damages or liabilities could have a material adverse effect on our business, results of operations and financial condition.

Our reliance on independent contractors for completion of our projects may result in substantial costs and delays

We engage independent contractors to provide various services, including but not limited to, pile setting, foundation digging, construction, equipment installation, internal decoration, electromechanical engineering, pipeline engineering and utilities installation. For the three years ended December 31, 2006, 2007 and 2008 and the nine months ended September 30, 2009, the total amount of contractors' fees paid by the Group to our independent contractors amounted to RMB317.9 million, RMB550.6 million, RMB652.2 million and RMB358.6 million, respectively. We assess and select independent contractors based on their reputation for reliability, timeliness, quality, track record and references, and we supervise the construction progress once a contract is awarded. We cannot guarantee that any of our independent contractors will provide satisfactory services that meet our quality standards, or follow applicable laws, rules and regulations. In addition, the independent contractors may undertake projects from other developers, engage in risky undertakings or otherwise encounter financial or other difficulties, which may delay the completion of our property projects or impose additional costs on us. If we need to terminate the engagement of a contractor, we may not be able to find a replacement contractor on suitable terms, if at all, and the timetable for completing projects could be affected. All of these factors could materially and adversely affect our reputation, financial position and business operations.

Disputes with our project development partners may adversely affect our business

We carry out some of our business through joint ventures with our property development partners. Details of our property development partners are set out in the section headed "History, Reorganization and Group Structure" in this prospectus. Such joint venture arrangements involve a number of risks, including but not limited to:

- disputes with project development partners in connection with the performance of their obligations under the relevant project or joint venture agreements;

- disputes as to the scope of each party's responsibilities under these arrangements;

- financial difficulties encountered by a project development partner affecting its ability to perform its obligations under the relevant project or joint venture agreements; and

- conflicts between the policies or objectives adopted by the project development partners and those adopted by us.

Any of the above and other factors may adversely affect our ability to complete projects on a timely basis and within budget, which would affect our results of operations.

Volatility in the prices of construction materials could adversely affect our business and financial performance

Our results of operations and financial performance are affected by volatility in the prices of construction materials. The cost of construction materials constitutes a substantial proportion of our construction costs. The cost of raw materials, including cement, iron, steel and other key building materials increased significantly during the period from the beginning of 2006 to September 2008, right before raw materials prices slumped due to the global economic crisis. Although, as part of our cost control measures, we typically cap the prices of such materials in our construction contracts with our contractors, we are still subject to long-term movements in the prices of construction materials as the capped price may be subject to adjustment due to a substantial price increase or decrease in construction materials. We cannot assure you that the prices of raw materials will stabilize in the near future or that the prices of raw materials will be or remain at a relatively low level. In addition, despite the efficiencies and pricing advantages of our bulk purchases when we purchase ancillary construction materials directly from suppliers, any increase in the cost of any construction materials will impact our overall construction costs and cost of sales. If our cost of raw materials were to increase without our being compensated for such an increase or if we cannot pass any or all of the increased costs on to our customers, our profitability may be materially and adversely affected.

Resettlement negotiations may add costs or cause delays in completion of our development projects

Under PRC laws and regulations, where we are responsible for the demolition of existing properties on a site for development and relocation of existing residents, we will be required to pay resettlement costs to those residents.

On March 16, 2007, the National People's Congress of China adopted the Property Rights Law, which expressly provides legal protection to the private rights of home owners. This may increase the difficulties in effecting demolition and resettlement through administrative intervention, and the cost of demolition and resettlement may increase.

Even if we are not responsible for the demolition and relocation, if the party responsible for the demolition and relocation and the party subject to the demolition and relocation fail to reach an agreement for compensation and resettlement, either of them may apply for a ruling of the relevant governmental authorities and if a party is not satisfied with the ruling, it may initiate proceedings in a people's court within three months from the date of service of such ruling, which may cause delays in the development projects. Such proceedings and delays, if they occur, could adversely affect our reputation. In addition, any such delays to our development projects could lead to an increase in the cost and a delay in the expected cash inflow resulting from pre-sales of the relevant project, which may in turn materially and adversely affect our business, financial position and results of operations.

We rely heavily on dividend payments from our subsidiaries and jointly-controlled entities for funding

We are a holding company established in the Cayman Islands and conduct substantially all of our operations through our subsidiaries and jointly controlled entities that are established and operate in the PRC. Most of our assets are held by, and substantially all of our earnings and cash flows are attributable to, our subsidiaries and jointly controlled entities. As such, the availability of funds from which we are able to pay dividends to our Shareholders and to service our indebtedness depends upon dividends received from these subsidiaries and jointly controlled entities. PRC laws and regulations require that dividends be paid only out of the net profit calculated according to the Accounting Standards for Business Enterprises issued by Ministry of Finance, which differ in many aspects from HKFRS. PRC laws and regulations also require all companies in the PRC, including foreign-invested enterprises, such as some of our subsidiaries or jointly controlled entities in the PRC, to set aside 10% of their net profit as statutory reserves, which are not available for distribution as cash dividends. We cannot assure you that our subsidiaries and jointly controlled entities will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to enable us to meet our financial obligations or declare dividends. If the distributable dividends from our subsidiaries and jointly controlled entities decline for any reason, our earnings and cash flows will be materially and adversely affected and our ability to pay dividends to our Shareholders and to service our indebtedness would be restricted.

We have not paid any dividends in the past and there can be no assurance that we will pay dividends in the future

During the Track Record Period, we have not paid or declared any dividends and there can be no assurance as to whether and when we will pay dividends in the future. Any future declaration of dividends will be proposed by our Board and the amount of any dividends will depend on various factors, including our results of operations, financial condition, future business prospects and other factors that our Board may determine to be important. Please refer to the section headed “Financial Information — Dividends and Distributable Reserves — Dividends” in this prospectus for further details.

Acts of God, epidemics, including the recent outbreak of A/H1N1 influenza, and other disasters could affect our business

Our business is subject to general and social conditions. Natural disasters, epidemics, acts of God and other events and disasters that are beyond our control may materially and adversely affect the economy, infrastructure and livelihoods of the people in the PRC. Some cities in the PRC are under the threat of flood, typhoon, earthquake or drought. For example, in the past, Fujian Province has been hit by typhoons from time to time. Our business, financial condition and results of operations may be materially and adversely affected if natural disasters or other events occur.

Certain areas of the PRC have experienced epidemics such as A/H1N1 influenza. There can be no assurance that this epidemic will not intensify or recur, or that other similar outbreaks or epidemic will not occur, in Asia or China. Any epidemic occurring in areas in which we operate, or even in areas in which we do not operate, may materially and adversely affect our business, financial condition and operating results.

RISKS RELATING TO THE PROPERTY SECTOR IN THE PRC

We face intense competition from other real estate developers

In recent years, a large number of property developers, including a number of leading Hong Kong property developers and foreign developers, have begun undertaking property development and investment projects in Fujian Province and elsewhere in the PRC. Some of these developers may have better track records and greater financial, land or other resources, broader name recognition or greater economies of scale than we do. In the past, the PRC Government has introduced various policies and measures in order to limit the growth and to prevent the overheating of the property development sector, which has further increased competition for land amongst real estate developers. For further details on some of these policies, and measures, please refer to the paragraph headed "Risks Relating to the Property Sector in the PRC — The restrictive measures adopted from time to time by the PRC Government to curtail the overheating of, and foreign investment in, the PRC property market could slow the industry's rate of growth or cause the property market to decline".

Competition among property developers may result in an increase in acquisition costs of land for development, an increase in costs of raw materials, oversupply of properties, decrease in property prices in certain parts of the PRC or inability to sell such properties, slowdown in the rate at which new property developments will be approved or reviewed by the relevant PRC Government authorities or increase in administrative costs for hiring or retaining qualified personnel, any of which may adversely affect our business, financial position and results of operations. In addition, the recent market downturns or other market downturns in the PRC may further decrease property prices. If we cannot respond to changes in market conditions in Fujian Province or other markets more swiftly and effectively than our competitors, our business, financial position and results of operations may be materially and adversely affected.

The restrictive measures adopted from time to time by the PRC Government to curtail the overheating of, and foreign investment in, the PRC property market could slow the industry's rate of growth or cause the property market to decline

In response to concerns over the scale of the increase in property investment and the overheating of the real estate sector in the PRC over the past few years, the PRC Government has introduced a number of policies, including the following, to control the growth and curtail the overheating of, and to control foreign investment in, the PRC property sector:

On May 24, 2006, the General Office of the State Council issued the *Circular of the General Office of the State Council on Forwarding the Opinion of the MOHURD and other relevant PRC Government authorities on Adjusting the Housing Supply Structures and Stabilizing Property Prices (Guo Ban Fa [2006] No. 37) (《國務院辦公廳轉發建設部等部門關於調整住房供應結構穩定住房價格意見的通知》(國辦發[2006] 37號))* which, among other things:

- prohibits commercial banks from lending funds to property developers whose total capital funds amount to less than 35% of the total investment amount in an intended development project; and

- requires that from June 1, 2006, the total area of units with a GFA of less than 90 sq.m. must equal at least 70% of a residential property project's total GFA.

On July 11, 2006, the MOHURD, MOFCOM, the NDRC, the PBOC, the SAIC and SAFE jointly issued the *Opinions of the MOHURD, MOFCOM, the NDRC, the PBOC, the SAIC and the SAFE on Regulating the Access and Management of Foreign Capital in the Real Estate Market (Jian Zhu Fang [2006] No. 171) (《建設部、商務部、 國家發展和改革委員會等關於規範房地產市場外資准入和管理的意見》(建住房 [2006] 171 號))* in order to regulate foreign investment in the domestic real estate market. Pursuant to such measures, offshore entities without an onshore branch or representative agency, or foreign individuals who study or work in the PRC for less than a year, are not allowed to purchase commercial or residential properties.

On May 23, 2007, MOFCOM and SAFE jointly issued the *Notice of MOFCOM and SAFE on Further Strengthening and Regulating the Examination, Approval and Supervision of Foreign Direct Investment in the Real Estate Industry (Shang Zi Han [2007] No. 50) (《商務部、國家外匯管理局關於進一步加強、規範外商直接投資房地產業審批和監管的通知》(商資函 [2007] 50 號))*, which imposes strict control to round-tripping investment in real estate companies incorporated in the PRC and requires that:

- the relevant land use rights have to be obtained or a contract for the grant or transfer of land use rights has to be in place before a foreign party can apply for the establishment of a real estate company; and

- all newly established real estate companies approved by the local bureau of commerce with foreign investment are required to file a registration with MOFCOM.

On September 27, 2007, the PBOC and CBRC issued the *Notice of the PBOC and CBRC on Strengthening the Administration of Commercial Real Estate Credit Loans (Yin Fa [2007] No. 359) (《中國人民銀行、中國銀行業監督管理委員會關於加強商業性房地產信貸管理的通知》(銀發 [2007] 359 號))*, which further emphasizes the PRC Government's existing policies on commercial property loans and provides, among other things, that:

- loans obtained from commercial banks, in principle, must be used solely for property developments in the same area as the project company; and

- purchasers who purchase additional properties subsequent to the purchase of a residential property with a mortgage loan should pay at least 40% of the purchase price as a down payment with a loan interest rate of not less than 1.1 times the basic interest rate then published by the PBOC for the purchase of additional properties, whereas first-time purchasers who purchase property with a GFA of 90 sq.m. or less are only required to make a down payment of at least 20% of the purchase price. First-time purchasers who purchase property with a GFA of more than 90 sq.m. are required to make a down payment of at least 30% of the purchase price.

According to the *Regulations on the Grant of State-owned Land Use Rights for Construction through Public Tender, Auction or Listing-for-Sale (Guo Tu Zi Yuan Bu No. 39) (《招標拍賣掛牌出讓國有建設用地使用權規定》(國土資源部令第39號))* issued by the MLR effective from November 1, 2007, land use rights for construction purposes, including for industrial use, commercial use, tourism, entertainment and commodity housing development, shall be granted by means of public tender, auction or listing for bidding. No land use rights certificates may be issued before the land premium has been fully paid up pursuant to the land grant contract, and land use rights certificates may not be issued in parts in proportion to the payment of the land premium. Our PRC legal advisor has advised us that these regulations do not prohibit us from paying the land premium by installment, if such an arrangement is stipulated in the land grant contract and approved by the relevant local land bureau.

Most recently, the PRC government has tightened land-sale regulations for developers. The new rules include a minimum down payment requirement on land purchases from the government. The new rules, which were issued jointly by the Ministry of Finance, MLR, PBOC, the Ministry of Supervision of the PRC (中國監察部) and the National Audit Office of the PRC (中國審計署) on November 18, 2009, require a minimum down payment of 50% of the land premium relating to land purchases from the PRC government. Developers will not be permitted to acquire any new land if they fail to pay off such land premium in time. The new rules also provide that the installment period stipulated in the relevant land grant contracts may not exceed one year generally, provided that, for special projects, upon collective approval by the relevant government authorities, the installment period stipulated in the relevant land grant contracts can be two years. The new rules also forbid local governments from giving discounts to developers or allowing developers to delay payments except as stipulated by the State Council.

Further details of the above regulations and other regulations intended to curtail the overheating of, and foreign investment in, the PRC property market are set out in the section headed "Industry Overview — Regulatory Measures Affecting the Property Market in the PRC — Measures aiming at restricting and regulating foreign investment in domestic real estate market" and Appendix VI to this prospectus.

The PRC Government's restrictive measures to control the industry's rate of growth could limit our access to capital resources, reduce market demand and increase our operating costs. The PRC Government may adopt additional and more stringent measures in the future, which could further slow the development of the construction and property development industries and materially and adversely affect our business and results of operations. In particular, any additional or more stringent measures imposed by the PRC Government in the future to curb high-end residential property projects may materially and adversely affect our business and results of operations.

The real estate and property development industry in the PRC is still in a relatively early stage of development and lacks adequate infrastructure support

Private ownership of real property in the PRC is still in a relatively early stage of development. It is extremely difficult to predict how much demand will develop and when, as many social, political, economic, legal and other factors beyond our control may affect the development of the market. The level of uncertainty is increased by the limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC.

The lack of a liquid secondary market for residential and commercial properties may discourage investors from acquiring new properties because resale can be a difficult, long and costly process. The relatively limited amount of property mortgage financing available to PRC individuals, compounded by the lack of security of legal title and enforceability of proprietary rights, may further inhibit demand for residential developments.

In addition, the PRC property market is volatile and may experience under-supply or over-supply and property price fluctuations. The PRC Government has in the past adjusted monetary and other economic policies on a frequent basis in order to stimulate the PRC economy or to prevent or curtail the overheating of the PRC and local economies, and such economic adjustments have affected the property market in the PRC. The PRC Government may, from time to time, continue to make policy adjustments and adopt new regulatory measures in order to encourage or control the development of the property market in the PRC. Such policies may lead to further changes in market conditions, including price instability and imbalance of supply and demand in respect of residential and commercial properties, which may materially and adversely affect our business, financial condition and results of operations. We cannot assure you that there will not be over-development in the property sector in the PRC in the future. Any future over-development in the property sector in the PRC may result in an over-supply of properties and a decrease in property prices, as well as an under-supply of available sites for future development and an increase in the cost of acquiring land in our target property markets, which may adversely affect our business, financial condition and results of operations. Because changes in the property markets are difficult to predict, and because of the long lead times necessary to develop projects from planning through construction to completion, we may not be able to respond to fluctuations in the market quickly enough to prevent losses.

The PRC Government may reclaim our land and impose other penalties on us if we fail to comply with the terms of the relevant land grant contracts

Under PRC laws and regulations, if a property developer fails to develop land according to the terms of a land grant contract, including the designated use of the land and the time of commencement and completion of the property development, the PRC Government may issue a warning or impose a penalty on the developer or reclaim the land. Specifically, according to relevant land grant contracts, if we fail to pay any outstanding land premium by the stipulated deadline, we may be subject to a late payment penalty of 0.05% to 0.1% of the unpaid land premium per day. If we fail to commence development for more than one year from the commencement date as stipulated in the land grant contract, the relevant land bureau may serve a warning notice on us and impose an idle land fee on the land of up to 20% of the land premium or require us to pay an additional land premium. If we fail to commence development for more than two years from the relevant commencement date, the land may become subject to reclamation by the PRC Government.

In addition, notwithstanding that the commencement of the land development may be in compliance with the timeframe set out in the land grant contract, if the developed GFA on the land is less than one-third of the total GFA of the project or the total capital invested is less than one-fourth of the total investment of the project, and the period of suspension of the development of the land exceeds one year, the land may be treated as idle land. For further details, please refer to the section headed "Summary of PRC Laws Relating to the Property Sector" in Appendix VI to this prospectus.

We cannot assure you that circumstances leading to payment of idle land fees and additional land premium, reclamation of land or significant delays in development schedules may not arise with respect to one or more properties developed or acquired by us. If any of our land is reclaimed, we could lose the opportunity to develop our property projects on such land, and we may also lose all of our past investments in such land, including land premiums paid and development costs incurred, which could adversely affect our business, results of operations and financial condition.

RISKS RELATING TO CONDUCTING OPERATIONS IN THE PRC

All of our assets, business and operations are located in the PRC and all of our revenue is sourced from the PRC. Accordingly, our business, financial condition, results of operations and prospects are subject to a significant degree to economic, political and legal developments in the PRC.

Our remittance of offshore funds into the PRC is subject to approval by the PRC Government, as a result of which we may encounter delays in respect of the use of, or may not be able to use for our intended purposes, the net proceeds from the Global Offering

In recent years, in an effort to stabilize the growth of its economy, the PRC Government introduced a series of austerity measures, including those aimed at controlling the inflow of offshore funds into the property development industry or for property-related speculative activities. In particular, the notice issued on May 23, 2007 jointly by MOFCOM and SAFE, often referred to as Notice 50, requires that newly approved and established foreign invested real estate companies must comply with certain registration requirements with MOFCOM. In addition, Notice 50 requires that established foreign invested real estate companies with new property projects or property business must comply with the relevant approval requirements. In light of a further notice issued by SAFE on July 10, 2007, often referred to as Notice 130, if we establish new foreign-invested real estate enterprises, and/or increase the paid-up capital of existing foreign invested real estate enterprises in the PRC on or after June 1, 2007, we must complete the requisite filing procedures with MOFCOM before we can apply for foreign exchange registration. On June 18, 2008, MOFCOM issued a Notice, often referred to as Notice 23, which provides that such filings must first be examined by the provincial branch of MOFCOM and that MOFCOM may spot-check five to 10 registered foreign invested real estate enterprises in every quarter.

Our PRC legal advisor has confirmed that, except SCE Regent, the foreign-invested real estate enterprises of the Group's PRC subsidiaries which obtained approval certificates from the relevant local government's commerce department on or after June 1, 2007 have made the relevant filings with MOFCOM or the provincial branch of MOFCOM pursuant to Notice 50, Notice 130 and Notice 23. As confirmed by the Company, SCE Regent is making the relevant filings with the provincial branch of MOFCOM. Our PRC legal advisor, has also advised us that, as long as SCE Regent follows the normal procedure regarding such filing, there will be no material legal impediment for SCE Regent to complete such filing. However, in the future, if we propose to establish new foreign-invested real estate enterprises in the PRC, and/or intend to use the net proceeds from our Global Offering to increase the paid-up capital of our existing foreign invested real estate enterprises, we must complete the requisite filing procedures with MOFCOM or the provincial branch of MOFCOM before we can apply for foreign exchange registration to allow the proceeds (including the proceeds from our Global Offering) to be remitted into the PRC for such purposes.

Furthermore, pursuant to Notice 130, if we intend to use such offshore funds to provide shareholder loans to such foreign-invested enterprises, local branches of SAFE will no longer be permitted to register such foreign-invested loans or allow the proceeds to be remitted into the PRC as a foreign loan.

In addition, any capital contributions made to our PRC operating subsidiaries, including from the proceeds of the Global Offering, are subject to the foreign investment regulations and foreign exchange regulation in the PRC. For example, in accordance with a notice promulgated by SAFE in August 2008, often referred to as Notice 142, with respect to the administration of conversion of foreign exchange capital contributions of foreign invested enterprises into Renminbi, unless otherwise permitted by PRC laws or regulations, Renminbi converted from foreign exchange capital contributions can only be applied to activities within the approved business scope of the relevant foreign invested enterprise and cannot be used for domestic equity investment or acquisitions. Pursuant to Notice 142, we may not be able to increase the capital contribution to our non-foreign invested project companies which were invested in by our foreign-invested companies and subsequently convert such capital contribution into Renminbi for equity investment or acquisition in China.

Because of our offshore holding company status, we typically conduct our property development operations in the PRC through project companies established as foreign invested real estate companies or established as non-foreign invested companies invested in by our foreign-invested subsidiaries. As disclosed in the section headed "Future Plans and Use of Proceeds" in this Prospectus, the net proceeds of the Global Offering are intended to be applied for the development of our existing property development projects in the PRC, the acquisition of new land for development in the PRC and working capital and general corporate purposes. We intend that the net proceeds of the Global Offering will be remitted to our PRC subsidiaries by way of capital contribution and not by way of offshore shareholders' loans. If we plan to increase the registered capital of our PRC subsidiaries that are foreign-invested real estate enterprises or convert a PRC subsidiary that is a non-foreign invested real estate enterprise into a foreign-invested real estate enterprise through a capital increase, upon being approved by MOFCOM or the relevant branch of MOFCOM, we are required to make a filing with MOFCOM or the provincial branch of MOFCOM and wait until such filing is complete before we may transfer the proceeds of the Global Offering into the PRC for use in connection with our development of future projects and potential acquisition of new land. We cannot assure you that this process will not take a long time or will not cause delays. We also cannot assure you that our request for investment approval will be granted by MOFCOM or the provincial branch of MOFCOM filing. Failure to obtain such government approvals, or any material delays in the approval or filing process, will prevent us from using the proceeds of the Global Offering to fund our businesses in the PRC, and will adversely affect our development and expansion plans, as a result of which our results of operations may be adversely affected. In addition, under the new policies pursuant to Notice 130 as stated above, our Directors are of the view that in the future, it may be difficult for us to obtain funding by way of foreign shareholders' loans.

Changes in the economic and political environment in the PRC and policies adopted by the PRC Government to regulate its economy may adversely affect our business, operating results and financial condition

Prior to 1978, the PRC's economy was a planned economy. Since 1978, the PRC Government has been pursuing economic reform policies that encourage the utilization of market forces and greater economic decentralization, with an increasing level of freedom and autonomy in areas such as allocation of resources, production and management and a gradual shift in emphasis to a “market economy” and enterprise reform. Although our Directors believe the economic reform policies will have a positive effect on the PRC’s overall long-term development, our operations and financial results could be adversely affected by changes in political, economic and social conditions or the relevant policies of the PRC Government, such as changes in laws and regulations (or the interpretations thereof), measures which might be introduced to control inflation, changes in the rate or method of taxation, imposition of additional foreign exchange controls and restrictions on currency conversion and the imposition of additional import restrictions. Moreover, even if new policies may benefit property developers in the long run, we cannot assure you that we will be able to successfully adjust to such policies.

As a result of these economic reform policies, China’s GDP has grown at a rapid rate in the past three decades. In 2008, China’s GDP grew at approximately 16.9% year-on-year to RMB30,067.0 billion, compared to RMB25,730.6 billion in 2007. However, we cannot assure you that such growth will continue, or that China’s GDP will not shrink, in the future. The PRC economy differs from the economies of most developed countries in many aspects, including but not limited to, its structure, level of development, economic growth rate, foreign exchange control, allocation of resources and balance of payment position. If there is a slowdown in the economic growth of the PRC or if its economy experiences a recession, demand for real estate may also decrease and our business, financial condition and results of operations may be materially and adversely affected.

In addition, our operations may be affected by a variety of factors, some of which may be beyond our control, including:

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

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

The treatment of our companies for PRC corporate income tax purposes is unclear

The new PRC Corporate Income Tax Law and its relevant implementing rules became effective on January 1, 2008. Pursuant to the PRC Corporate Income Tax Law, as amended, foreign enterprises with *de facto* management located in the PRC are considered resident enterprises, with their worldwide income normally being subject to CIT at an applicable tax rate of 25%. In April 2009, the State Administration of Taxation further specified certain criteria for the determination of “*de facto* management” of foreign enterprises that are controlled by PRC enterprises. These criteria include: (i) the enterprise's day-to-day operations management is primarily exercised in China, (ii) decisions relating to the enterprise's financial and human resource matters are made or subject to approval by organizations or personnel in China, (iii) the enterprise's primary assets, accounting books and records, company seals, board and shareholders' meeting minutes are located or maintained in China, and (iv) 50% or more of voting board members or senior executives of the enterprise habitually reside in China. If all of these criteria are met, the relevant foreign enterprises that are controlled by PRC enterprises will be deemed to have its "*de facto* management" in China and therefore be deemed a PRC "resident enterprise". However, there has been no official implementation rules regarding the determination of the "*de facto* management" for foreign enterprises that are not controlled by PRC enterprises. Therefore, it remains unclear how the PRC tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise and ultimately controlled by PRC individual residents. Since some members of our management are located in the PRC, we cannot assure you that we will not be considered a PRC "resident enterprise" by the PRC tax authorities and that we will not be subject to CIT at a tax rate of 25% on our worldwide income accordingly. However, pursuant to the Corporate Income Tax Law and the *Notice on Issues Regarding Tax Credit for Enterprises Foreign Income (Cai Shui [2009] No.25) (《關於企業境外所得稅收抵免有關問題的通知》) (財稅[2009]25號)* jointly issued by the Ministry of Finance and the SAT on December 25, 2009 and became effective retrospectively on January 1, 2008, part of the corporate income tax may be relieved if the "resident enterprise" has already paid the corporate income tax offshore. In addition, enterprises that previously enjoyed a preferential tax rate will gradually transition to the new tax rate over the five years from January 1, 2008. Other tax benefits, such as fixed periods of corporate income tax exemption or reduction, will continue until the expiry of the prescribed period. For the preferential tax treatment which has not commenced due to lack of profit, such preferential treatment was deemed to have commenced on January 1, 2008. In the past, we have received certain tax benefits. For further details, please refer to the section headed "Financial Information — Key Factors Affecting our Results of Operations — Tax — CIT" in this prospectus. We cannot give assurance that the PRC Corporate Income Tax Law will not further change and that PRC Government's policies on preferential tax treatment will not be changed or cancelled. If such changes and cancellation occur, the resulting increase in our tax liability may have a material and adverse effect on our net profits and cash flow.

Furthermore, in connection with the Corporate Income Tax Law, the Ministry of Finance and SAT jointly issued, on April 30, 2009, the *Circular on Issues Concerning Process of Corporate Income Tax in Enterprise Restructuring Business (Cai Shui [2009] No.59) (《關於企業重組業務企業所得稅處理若干問題的通知)》) (財稅[2009]59號)*, which became effective retrospectively on January 1, 2008. During the year ended December 31, 2009, in preparation for the Global Offering, our Group and its subsidiaries underwent the Reorganization. For more details of the Reorganization, please refer to the section headed "History, Reorganization and Group Structure" in this prospectus. Under the circular, the transfer of equity interests in certain PRC subsidiaries held by offshore subsidiaries of our Group to other offshore subsidiaries of our Group is subject to an income tax of 10% on capital gains which may be determined as the difference between the fair value of the equity interests transferred and the cost of investment. On December 10, 2009, the SAT issued the *Notice on Strengthening the Management on Corporate Income Tax for Non-resident Enterprises Equity Transfer (Guo Shui Han [2009] No.698) (《關於加強非居民企業股權轉讓所得企業所得稅管理的通知》) (國稅函[2009]698號)*, which became effective retrospectively on January 1, 2008. The notice clarified the definition of fair value, cost of investment and other relevant details on Corporate Income Tax management regarding the share transfer of a PRC resident enterprise by non-PRC resident enterprises directly or indirectly. It is currently unclear how the relevant PRC tax authorities will implement or enforce the above circular and notice and whether such income tax on capital gains treatment will be subject to further change. In case we are required to pay the income tax on capital gains by the relevant PRC tax authorities, our tax liability may increase and our net profits and cash flow may be affected.

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 law

We are incorporated under the laws of the Cayman Islands and have numerous subsidiaries incorporated in the British Virgin Islands and Hong Kong. Under the new PRC Corporate Income Tax Law and the implementation regulations issued by the State Council, PRC income tax at the rate of 10% is applicable to dividends payable by a PRC "resident enterprise" to investors that are a "non-resident enterprise" (that is, a company that does not have an establishment or place of business in the PRC, or even if there is such an establishment, the relevant income is not effectively connected with or derived in the PRC) to the extent such dividends have their source within the PRC. Similarly, unless a preferential rate is provided by tax treaties or arrangements entered into between the country or region where the enterprise is established and the PRC, any gain realized on the transfer of Shares by such investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC. As described in the risk factor headed "The treatment of our companies for PRC corporate income tax purposes is unclear" above, there is uncertainty in determining the "*de facto* management" and tax residency of our Company and therefore we are uncertain as to whether we shall be considered a PRC "resident enterprise". Accordingly, it is unclear whether the dividends we pay in respect of our Shares, or the gain you may realize from the transfer of our Shares, would be treated as income derived from sources within the PRC and be subject to PRC tax therefor. Our tax liability may depend, in part, on how the PRC tax authorities interpret, apply or enforce the new PRC Corporate Income Tax Law and the implementation regulations. If we are required under the new PRC Corporate Income Tax Law to withhold PRC income tax on our dividends payable to our foreign Shareholders, or if you are required to pay PRC income tax on the transfer of Shares, the value of investment in our Shares may be materially and adversely affected.

Fluctuation of the Renminbi may adversely affect our operations and financial results

All of our sale proceeds and expenses are denominated in Renminbi, a currency not freely convertible into other currencies. The value of Renminbi against other foreign currencies is subject to changes in the PRC's policies and international economic and political developments. The PRC Government has, with effect from July 21, 2005, reformed the exchange rate regime by moving into a managed floating exchange regime based on market supply and demand with reference to a basket of currencies, pursuant to which the Renminbi is no longer pegged solely to the US dollar. From 2005 to 2007, there were several instances where the PRC Government and the PBOC widened the daily trading band for Renminbi against non-US dollar currencies and enlarged the floating band for the trading prices in the inter-bank spot exchange market of the Renminbi against the US dollar around the central parity rate.

There has been pressure from foreign countries on the PRC Government to adopt a more flexible currency system that could lead to appreciation of the Renminbi. The exchange rate may become volatile, the Renminbi may be revalued further against the US dollar or other currencies, or the Renminbi may be permitted to enter into a full or limited free float, which may result in an appreciation or depreciation in the value of the Renminbi against the US dollar or other currencies. Fluctuations in exchange rates may adversely affect the value, translated or converted into US dollars or Hong Kong dollars (which are pegged to the US dollar), of our net assets, earnings or any declared dividends (which would be funded by Renminbi but paid in Hong Kong dollars). However, any unfavorable movement in the exchange rate may lead to an increase in our costs or a decline in sales, which could materially affect our results of operations. We have not entered into any agreements to hedge our exchange rate exposure.

We are subject to PRC Government controls on currency conversion

We receive a substantial portion of our revenue in Renminbi which is currently not a freely convertible currency. A portion of our revenue must be converted into other currencies in order to meet our foreign currency obligations including payment of declared dividends to our shareholders.

Subject to certain procedural requirements under existing foreign exchange regulations in the PRC, our Company and our PRC subsidiaries are generally able to undertake current account foreign exchange transactions without prior approval from SAFE. However, the PRC Government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends (which would be funded by Renminbi but paid in Hong Kong dollars) or other payments to us, or otherwise satisfy their foreign currency denominated obligations, and we, in turn, may be unable to pay dividends to our Shareholders. In addition, the PRC Government may, at its discretion, take further measures to restrict access to foreign currencies for current account transactions in the future and any such change may also adversely affect our ability, as well as the ability of our PRC subsidiaries, to pay dividends or satisfy other foreign exchange requirements.

Further, approval from appropriate PRC Government authorities is required when Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of indebtedness denominated in foreign currencies. In addition, restrictions on foreign exchange transactions under capital accounts could also affect our subsidiaries' ability to obtain foreign exchange through debt or equity financing, including by means of loans or capital contribution from us. If the foreign exchange control system prevents us from obtaining sufficient foreign currency to satisfy our currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders.

The implementation of the new labor contract law and the potential increase in labor costs in the PRC may adversely affect our business and profitability

A new labor contract law became effective in the PRC on January 1, 2008. It imposes more stringent requirements on employers in relation to entering into employment contracts with no fixed term, hiring of temporary employees and dismissing employees. In addition, under the newly promulgated *Regulations on Paid Annual Leave for Employees* (職工帶薪年休假條例), which came into effect on the same date, employees who have continuously worked for more than one year are entitled to a paid holiday ranging from five to 15 days, depending on their length of service. Employees who agree to waive part or all of their holiday entitlement at the request of their employers must be compensated with three times their normal daily salaries for each day of holiday entitlement being waived. As a result of the new law and regulations, our labor costs may increase. We cannot assure you that any disputes, work stoppages or strikes will not arise in the future. Increases in our labor costs and future labor or other disputes with our employees could have a material adverse effect on our business, financial condition or results of operations.

The PRC legal system is less developed than legal systems in certain other jurisdictions and embodies inherent uncertainties that could limit the legal protection available to us and to our shareholders

As all of our operations are conducted, and substantially all of our assets are located, in the PRC, our business is generally affected by and subject to the PRC legal system and PRC laws and regulations. The PRC legal system is based, in part, on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, the PRC Government has been developing a comprehensive system of commercial laws, and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, due to the reason that these laws and regulations have not been fully developed, and due to the limited number of published cases and the non-binding nature of prior court decisions, interpretation and enforcement of these PRC laws and regulations involve uncertainties. Interpretations of laws and regulations may differ depending on the way an application or case is presented to a PRC Government agent, as well as to which PRC Government agent such application or case is being presented. We cannot assure that we will receive the same, or more favourable, interpretations of laws and regulations as our competitors.

In addition, the PRC legal system is based, in part, on government policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. Further, the PRC legal system includes restrictions on and penalties, including criminal liability, relating to various activities that may not have appeared to violate any policies or rules at the time such activities were undertaken, or which may cause us to be deemed in violation of certain policies or rules based on the actions of our counterparties in various transactions, even if we were not aware of whether our counterparties were acting in compliance with applicable PRC laws and regulations. As a result, we may not be aware of actual or deemed violations of such policies and rules until some time after such violations take place. Furthermore, any litigation we undertake in the PRC, regardless of its outcome, may be protracted and result in substantial cost to us and diversion of both our resources and management attention.

It may be difficult to effect service of process upon us or our Directors or senior officers who reside in China or to enforce against us or them in China any judgments obtained from non-PRC courts

A significant portion of our assets and our subsidiaries are located in the PRC. In addition, most of our Directors and officers reside in the PRC, and the assets of our Directors and officers may also be located in the PRC. As a result, it may be difficult or impossible to effect service of process outside the PRC upon us or our Directors and officers, including with respect to matters arising under applicable securities laws. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in the PRC if that jurisdiction has a treaty with the PRC or if judgments of the PRC courts have been recognized before in that jurisdiction, subject to the satisfaction of any other requirements. Our PRC legal advisor has advised us that the PRC does not have treaties providing for the reciprocal acknowledgement and enforcement of judgments of courts with Japan, the United Kingdom, the United States or most other Western countries. In addition, Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, recognition and enforcement in the PRC or Hong Kong of judgments of a court in non-PRC jurisdictions are uncertain.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our Shares and the liquidity of our Shares may be low

Prior to the Global Offering, there has been no public market for our Shares. The initial public offering price range per Share under the Global Offering was the result of negotiations among us and the Joint Bookrunners (on behalf of the Underwriters). The Offer Price may differ significantly from the market price for our Shares following the Global Offering. We have applied for the listing of, and permission to deal in, our Shares on the Hong Kong Stock Exchange. However, being listed on the Hong Kong Stock Exchange does not guarantee that an active and liquid public trading market for our Shares will develop, or that if it does develop, it will be sustained following the Global Offering, or that the market price of our Shares will not decline following the Global Offering.

Our Share price may be volatile

The market price and trading volume of our Shares may be highly volatile. Factors such as variations in our revenue, earnings and cash flows, fluctuations in real estate prices in the PRC, changes in or challenges to our business, announcements of new investments or acquisitions, the depth and liquidity of the market for our Shares, investors' perceptions of our Company, changes in laws and regulations in the PRC, general political, economic, social and market conditions in the PRC or Hong Kong and/or any other developments in the PRC or Hong Kong could cause the market price and the trading volume of our Shares to change substantially. We can give no assurance that these developments will not occur in the future. In addition, shares of other companies listed on the Hong Kong Stock Exchange with significant operations and assets in the PRC have experienced substantial price volatility in the past, and it is possible that our Shares will be subject to changes in price that may not be directly related to our financial and business performance.

Our Shareholders may experience immediate dilution and their shareholdings may be further diluted as a result of future equity fund raising

The Offer Price of our Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering. Therefore, purchasers of our Shares in the Global Offering are likely to experience an immediate dilution in pro forma consolidated net tangible asset value of HK$1.80 per Share, based on an Offer Price of HK$2.95, being the mid-point of our indicative Offer Price range, and assuming the Over-allotment Option is not exercised, and our existing Shareholders will receive an increase in the pro forma adjusted consolidated net tangible asset value per Share of their Share. In addition, Shareholders may experience a further dilution of their interest if the International Underwriters exercise the Over-allotment Option or if additional Shares were issued pursuant to our Share Option Scheme.

We may need to raise additional funds in the future to finance our business or for other reasons. If additional funds are raised through the issuance of new equity or equity-linked securities other than on a pro rata basis to our then current Shareholders, the percentage ownership of individual Shareholders will be reduced. Any such new securities may have preferential rights or options that favor their holders over our Shareholders, to the extent permitted by law, exchange rules and our constituent documents.

Facts and statistics in this prospectus relating to the PRC economy and the PRC real estate industry may not be reliable

Facts and statistics relating to the PRC economy and the PRC real estate industry contained in this prospectus have been compiled from various publicly available official publications and industry-related sources which we have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. However, we cannot guarantee the quality or reliability of official publications and sources. In addition, statistics derived from official sources may not be prepared on a comparable basis. While we believe that the sources of the information are appropriate sources and have taken reasonable care in extracting and reproducing such information, they have not been independently verified by us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, nor any of their or our affiliates or advisors. We cannot assure that such facts and statistics are stated or complied on the same basis or with the same degree of accuracy as may be the case elsewhere. Due to possibly flawed or ineffective collection methods or discrepancies between official publications and market practice and other problems, the statistics herein may be inaccurate or may be incomparable to statistics produced for other economies and should not be unduly relied upon for your investment in our Shares or otherwise.

We are incorporated under Cayman Islands law and Cayman Islands law may provide less protection to minority shareholders than Hong Kong law

Our corporate affairs are governed by our Memorandum of Association and Articles of Association and by the Companies Law and common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of interests of minority shareholders differ in some respects from those established under statutes or judicial precedent in existence in Hong Kong. Such differences may mean that our minority shareholders may have less protection than they would have under the laws of Hong Kong. For example, the Cayman Islands does not have a statutory equivalent of section 168A of the Hong Kong Companies Ordinance which provides a remedy for shareholders who have been unfairly prejudiced by the conduct of the company's affairs. A summary of Cayman Islands company laws is set out in Appendix V to this prospectus.