This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a real estate property developer in the PRC, specializing in the development and operation of urban mixed-use communities and the development and sale of upscale residential properties in the Yangtze River Delta and the Pearl River Delta regions. Based in Hong Kong and Shenzhen and under the leadership of Mr. Wong, our Founder, Chairman and Chief Executive Officer, as at December 31, 2010, we had a total of 13 projects at various stages of development in Shenzhen, Changzhou, Hangzhou, Chengdu, Dongguan and Tianjin with an Aggregate GFA of approximately 2.3 million sq.m. for which we have entered into land grant contracts and/or obtained land use rights, and an Aggregate GFA of approximately 0.8 million sq.m. for which we have yet to enter into land grant contracts. With more than two decades of experience in the PRC and Hong Kong real estate industry, Mr. Wong has in-depth knowledge of the real estate business environment and market dynamics in the PRC. Mr. Wong has been involved in the development of and investment in over 20 diverse projects since the late 1980's. Since 2002, the residential properties and urban mixed-use communities we have developed under our "水榭" (Water Flower) brand and our "萊蒙" (Top Spring) brand have been recognized locally and nationally as top property developments by various industry bodies.

During the Track Record Period, the majority of our property projects were developed in partnership with the Scarborough Group or CR Company. A number of our projects are held through SZITIC Property, in which Mr. Wong has held an indirect controlling stake since July 2006 and CR Company held an indirect 49% interest until our Group's acquisition of the entire interest in SZITIC Property in August 2010. During the Track Record Period, we were mainly responsible for the day-to-day management and operation of SZITIC Property, its subsidiaries and the projects under its control. We also maintained control over the board of directors of SZITIC Property during that time as we appointed three out of five directors on the board of SZITIC Property. We acquired CR Company's 49% interest in SZITIC Property on August 31, 2010.

We have developed and maintained strong strategic relationships with domestic and international partners, including the Scarborough Group. The Scarborough Group is a global real estate and leisure activities group based in the United Kingdom and was founded by Dr. McCabe in 1980.

Our Group's relationship with the Scarborough Group dates back to 2003, when Dr. McCabe, the founder and chairman of the Scarborough Group, first cooperated with our Founder and Chairman, Mr. Wong, in the development of Changzhou Landmark by providing funding to the project by way of subscription of loan notes. Since 2003, the core management team of the Scarborough Group has met regularly with our core management team. The Scarborough Group has been influential in assisting our Group in establishing our business relationships overseas by introducing overseas investors with the potential to provide funding to us. Although we have retained daily management and control of our projects in which the Scarborough Group has been involved, we believe that our cooperation with the Scarborough Group has greatly improved our corporate image and reputation among investors, government officials and customers in the PRC. In addition, the Scarborough Group's extensive international network has also helped us to establish relationships with professional parties in project management and with other areas of expertise. Additionally, in September 2010, we entered into a strategic partnership framework memorandum with a domestic strategic partner, the Rainbow Group. Through our relationship with Rainbow Group, we believe that we are in a strong position to secure it as an Anchor Tenant or co-developer in future retail developments.

As at December 31, 2010, in Shenzhen alone, we held an Aggregate GFA of approximately 0.6 million sq.m. for which we have entered into land grant contracts and/or obtained land use rights, consisting of the Aggregate GFA of Shenzhen Hidden Valley, Shenzhen Water Flower Garden, The Spring Land and Shenzhen Blue Bay, and an Aggregate GFA of approximately 0.8 million sq.m. in Shenzhen New City Plaza for which we have yet to enter into land grant contracts.

We believe our ability to acquire land reserves with high growth potential at relatively low cost provides us with a competitive advantage in the PRC real estate market. During the Track Record Period, our land cost accounted for an average of approximately 7.5% of the selling price of our property developments. We believe that under the leadership and vision of Mr. Wong, we have been able to identify land with investment potential at advantageous times, and therefore, to acquire it at a relatively low cost.

We believe our strong and proven execution capability in developing, selling and holding retail properties and high-quality urban mixed-use communities and developing and selling upscale residential properties sets us apart from other real estate developers in the PRC, as evidenced by our flagship projects, such as Shenzhen Water Flower Garden, Shenzhen Hidden Valley, The Spring Land, Changzhou Le Leman City and Changzhou Landmark.

As at December 31, 2010, we had a total of 13 projects in various stages of development, including an Aggregate GFA of approximately 211,982 sq.m. in completed property developments, an Aggregate GFA of approximately 545,046 sq.m. under development, an Aggregate GFA of approximately 1,580,890 sq.m. held for future development and an Aggregate GFA of approximately 770,400 sq.m. contracted to be acquired (although there can be no assurance that we will be successful in such acquisitions), totaling an Aggregate GFA of approximately 3.1 million sq.m.

The following table sets out a summary of our property development projects as at December 31, 2010. Our classification of our properties may differ from classifications employed by other developers. For more details regarding how we classify our properties, please see the section headed "Business — Our Property Projects — Overview of our Property Developments" in this prospectus.

Projects	Use/ Planned use	Total saleable/ leasable GFA (sq.m.)[1]	Aggregate GFA (exclusive of GFA sold) (sq. m.)	Total leasable GFA held as investment (sq. m.)	Completion Date/Expected Completion Date	Interest attributable to us (as at the Latest Practicable Date)
Completed projects						
Shenzhen Hidden Valley (Phases 1 to 3)[2]	Residential	70,200	9,243	—	November 2010	100%
The Spring Land (Phase 1)[2]	Residential/ Commercial	50,322	5,649	—	November 2010	100%
Shenzhen Water Flower Garden[2]	Residential	216,545	4,992	4,992	October 2006	100%
Changzhou Landmark (Phases 1 to 3)	Residential/ Commercial	225,137	80,368	77,581	May 2009	100%
Changzhou Le Leman City (Phases 1 to 3)[2]	Residential/ Commercial	226,086	14,615	—	December 2010	100%
Changzhou Holiday Inn[2, 3]	Commercial	50,716	50,716	—	August 2009	100%
Dongguan Landmark[2]	Residential/ Commercial	65,107	20,217	20,172	July 2008	100%
Hangzhou Landmark[4]	Commercial	36,880	26,182	24,667	July 2007	100%
Sub-Total		940,993	211,982	127,412		
Projects under development						
Shenzhen Hidden Valley (Phase 4)[2]	Residential	14,861	14,861	—	June 2011	100%
The Spring Land (Phases 2 and 3)[2]	Residential/ Commercial	238,008	238,008	—	December 2011	100%
Changzhou Le Leman City (Phases 4 to 6)[2]	Residential/ Commercial	196,221	196,221	—	December 2011	100%
Changzhou Landmark (Phase 4)	Residential/ Commercial	95,956	95,956	—	June 2013	100%
Sub-Total		545,046	545,046	—		
Projects held for future development						
The Spring Land (Phases 4 to 6)[5]	Residential/ Commercial	270,489	270,489	—	December 2013	100%
Shenzhen Blue Bay[2]	Residential	15,000	15,000	—	December 2013	92%
Changzhou Le Leman City (Phases 7 to 10)[2]	Residential/ Commercial	606,735	606,735	—	September 2015	100%
Chengdu Landmark[6]	Commercial	111,226	111,226	38,525	June 2013	100%
Hangzhou Hidden Valley	Residential	337,440	337,440	—	September 2017	100%
Taihu Hidden Valley (Phase 1)	Residential	240,000	240,000	—	December 2016	100%
Sub-Total		1,580,890	1,580,890	38,525		
Projects contracted to be acquired						
Taihu Hidden Valley (Phases 2 and 3)[7]	Residential/Commercial	N/A	N/A	–	N/A[10]	100%
Shenzhen New City Plaza[8]	Residential/ Commercial	770,400	770,400	—	December 2015	100%
Tianjin Le Leman City[9]	Residential/ Commercial	N/A	N/A	—	December 2016	40%
Sub-Total		770,400	770,400	—		
Total		3,837,329	3,108,318	165,937		

Notes:

1 Total GFA (including GFA that has been sold) minus car parks, club houses and other public areas.

2 Projects developed by SZITIC Property and/or its subsidiaries under Mr. Wong's control since July 2006.

3 Changzhou Holiday Inn is a part of Changzhou Le Leman City (Phase 11).

4 Under joint development by the Scarborough Group and Mr. Wong (through SIL) prior to June 2008 and under Mr. Wong's control after June 2008.

5 We classify The Spring Land (Phases 4 to 6) as a project held for future development. In 2004, we entered into land grant contracts to obtain land use rights for The Spring Land (Phases 4 to 6), then known as Shenzhen Longhua Lots 3 to 5. However, 深圳市規劃局 (Shenzhen Planning Bureau*) subsequently rezoned the land and as a result, we were required to enter into supplemental land grant contracts. We have entered into supplemental land grant contracts for The Spring Land (Phases 4 to 6) and have obtained land use right certificates for The Spring Land (Phase 6). Our PRC legal adviser has advised that the original land grant contracts obtained in 2004 remain legal and valid. Please see the section headed "Business — Our Property Projects — Description of Our Projects — 2. The Spring Land — 深圳水榭春天" in this prospectus for further information. The Aggregate GFA of The Spring Land (Phase 4) is 70,009 sq.m.

6 Under development by the Scarborough Group prior to June 2008, and under Mr. Wong's control after June 2008.

7 We entered into a land grant contract for one of the parcels of land for Taihu Hidden Valley (Phase 2) in February 2011 and we expect to enter into land grant contracts for the remaining parcels of land for Taihu Hidden Valley (Phases 2 and 3) by December 2011, if we are successful in the listing-for-bidding process.

8 We have not entered into any land grant contracts for this project.

9 Tianjin Le Leman City has a site area of 4,000,020 sq.m. with an expected plot ratio of more than 1.0. In January 2011, we entered into a land grant contract in respect of one parcel of land for Tianjin Le Leman City of a site area of 30,399.8 sq.m. We have not entered into any land grant contracts in respect of the remaining parcels of land for Tianjin Le Leman City.

10 A detailed development schedule is currently not available.

PRC GOVERNMENT'S AUSTERITY MEASURES IN THE PROPERTY MARKET

The PRC government has recently introduced a host of new policies intended to curtail overheating of the property market in the PRC, including the following:

- In March 2010, the Ministry of Land and Resources issued a notice which requires, among other things, that a land grant contract be executed within ten days after the land is granted, and that a down payment of 50% of the purchase price be paid within one month of the execution of the land grant contract with the remainder to be paid in accordance with the land grant contract, but no later than one year from the execution of the land grant contract. Our Directors are of the view that these requirements have not materially affected and will not materially affect our Group as a whole as our Group has adequate funding sources from internal operations to fund the payment of land premiums as the need arises.

- In April 2010, the State Council issued a notice which specified that families buying their first residential property with a GFA of 90 sq.m. or more must pay a down payment of at least 30% of the purchase price. The notice also specified that families buying their second residential property must make a down payment of at least 50% of the purchase price and the interest for the relevant mortgage must not be lower than 110% of the relevant PBOC benchmark interest rate. In September 2010, the minimum down payment for all purchases of principal residences was increased to 30% of the purchase price. In January 2011, the minimum down payment for the purchase of a second residential property was further increased to 60% of the purchase price. These requirements on minimum down payments make our properties less affordable to potential customers and hence may reduce the demand for our properties.

- In September 2010, the Ministry of Land and Resources and the Ministry of Construction issued a notice requiring land authorities to prohibit real estate developers and their controlling shareholders who have engaged in illegal activities (such as obtaining land use rights through fraudulent means, transferring land use rights improperly, holding land which has been idle for more than one year due to the fault of the developer or the controlling shareholder(s), or whose development of land has been in breach of the relevant land grant contract) from participating in land bidding processes until the aforesaid activities have been rectified. Our Directors believe that, as none of the companies in our Group or our Controlling Shareholders have engaged in any of the aforesaid activities, these measures will not have any impact on our Group as a whole.

- In September 2010, the PBOC and the CBRC issued a notice requiring commercial banks to suspend the extension of loans to individuals for the purchase of third or subsequent residential properties. All commercial banks are also required to suspend the extension of loans for the purchase of residential properties by non-residents who cannot provide certificates evidencing the payment of local taxes or social insurance for more than one year. In addition, commercial banks are prohibited from extending loans to real estate developers, who hold idle land, who have changed the land use and land status, delayed the commencement date or completion date of construction or delayed the commencement of sales of property for speculative purposes. Our Directors believe that these measures tightening the availability of credit will limit the availability of credit facilities to potential customers to purchase our properties. Our Directors believe that these measures will not affect the availability of credit to us as we have not changed the land use or status of the land held by us without government approval, nor have we delayed the commencement of sales for speculative purposes or delayed the commencement date or completion date of construction without approval or held land which has been idle due to the fault of our Group. Further, as confirmed by our PRC legal adviser, the land for Shenzhen Blue Bay has a relatively low risk of again being deemed to be idle land by the government as the recent delay in commencement of construction has been due to the government's revision of the land's development planning.

In January 2011, the State Council further issued a notice which specified that:

(i) individuals who resell a residential property within five years of purchase would be subject to a business tax on the proceeds from the resale;

(ii) if a property developer fails to obtain the relevant construction permits and fails to commence construction within two years from the designation of land for property development, the relevant land use rights granted would be forfeited and an idle land penalty would be imposed;

(iii) transfers of land or a property development project is prohibited if the amount of property development investment (excluding the land premium) incurred is less than 25% of the total investment amount in respect of the project;

(iv) families holding local residency and owning two or more residential properties and families holding non-local residency and owning at least one residential property or who cannot provide a local tax payment certificate or a social security certificate are prohibited from purchasing additional residential properties in the local district.

Our Directors believe that the introduction of these austerity measures has affected the availability of credit facilities to potential customers, the general investment appetite in the industry and the availability of funding for property developers for land acquisitions and development, thereby adversely impacting our GFA sold and our turnover from sales. Additionally, the increase in the fair value of our investment properties decreased significantly in the nine months ended September 30, 2010 to HK$22.6 million as compared to HK$174.3 million in the nine months ended September 30, 2009 and we believe this was a direct result of the slowdown in the increase in property prices due to the implementation of these austerity measures. However, it is not possible to ascertain the full extent of the impact of the austerity measures on the performance of our Group or to accurately estimate what the sales volume and turnover of our Group might have been had the measures not been introduced. There can be no assurance that the recently introduced austerity measures have not had a material adverse effect on our business and results of operations or that they will not have a materially adverse effect on our business and results of operations in the future.

Despite the introduction of the austerity measures in 2010, there was an increase in our pre-sales volume and turnover from pre-sales in the nine months ended September 30, 2010 as compared to the nine months ended September 30, 2009. Additionally, for properties in Changzhou Le Leman City (Phase 3) and Shenzhen Hidden Valley (Phase 3), the ASP of the properties sold or pre-sold during the year 2010 were higher compared to the previous year. Further, for The Spring Land (Phase 1), over 90% of our 501 residential units were sold within a month from the commencement of sales, and over 90% of the 818 residential units in The Spring Land (Phase 2) were sold within five months of the commencement of sales. As the austerity measures have only recently come into effect, it is too early for us to fully assess the specific impact that the austerity measures have had or may have on our business.

The Spring Land (Phase 1), Changzhou Le Leman City (Phase 3) and Shenzhen Hidden Valley (Phase 3) were completed and delivered during the fourth quarter of 2010 and we estimate that we will recognize revenue of no less than HK$872.7 million, HK$233.9 million and HK$1.06 billion, respectively, from these projects in 2010. Please see the section headed “Profit Estimate” in Appendix III to this prospectus and the section headed “Financial Information — Profit Estimate for the year ended December 31, 2010” in this prospectus.

The PRC government adjusts its macroeconomic control policies to encourage or restrict development in the private property sector through regulations relating to, among other things, land grants, pre-sales of properties, bank financing and taxation, from time to time. These policies have led, and may continue to lead, to changes in market conditions, including changes in price stability, costs of ownership, costs of development and the balance of supply and demand in respect of residential and commercial properties. As at December 31, 2010, we had not experienced any difficulty selling our property units. Please see the section headed “Risk Factors — Risk Relating to the Property Sector in the PRC — PRC government policies, regulations and measures intended to discourage speculation in the property market may adversely affect our business” for further information.

As confirmed by the Group’s independent property valuer, there had been no impairment in the value of the Group’s properties as at December 31, 2010. Therefore, our Company is of the view that the austerity measures have not had a material adverse impact on the value of our properties.

INTEREST RATES

Our financing costs and, as a result, our results of operations, are affected by changes in interest rates. Since December 2008, the PBOC has raised the benchmark one-year lending rate three times, by 25 basis points each time. The PBOC made these increases recently (in October and December 2010 and February 2011) and they have resulted in a PBOC benchmark one-year lending rate of 6.06%. We expect that the increase in interest rates will increase our borrowing costs in general and the financing cost of leveraged property buyers and as a result, may or may not delay potential purchasers from making a purchase. The effect of the increases in interest rates on our borrowing costs may not be immediately apparent due to our capitalization of a significant portion of borrowing costs as shown in the financial statements. Upon completion of a project and once the property has been delivered to buyers, the capitalized interest expenses of the relevant property will be recognized as cost of sales in our income statement.

SUMMARY COMBINED FINANCIAL INFORMATION

The following combined income statements and combined statements of comprehensive income for the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 and the selected combined balance sheets information as at December 31, 2007, 2008 and 2009 and September 30, 2010, are derived from our audited combined financial statements prepared in accordance with HKFRS, which are included in the section headed "Accountants' Report" in Appendix I to this prospectus. You should read the combined financial information set forth below in conjunction with our combined financial statements, including the notes thereto, included in Appendix I to this prospectus and the section headed "Financial Information" in this prospectus.

Combined income statements and statements of comprehensive income

	Year ended December 31,			Nine months ended September 30,	
	2007	2008	2009	2009	2010
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Turnover	679,583	662,218	3,228,072	2,521,757	286,948
Direct costs	(315,134)	(335,388)	(2,110,780)	(1,398,426)	(217,086)
Gross profit	364,449	326,830	1,117,292	1,123,331	69,862
Other revenue	21,570	12,420	14,550	9,054	9,144
Other net income/(loss)[1]	120,243	9,867	(2,582)	990	64,750
Selling and marketing expenses	(33,869)	(72,544)	(70,721)	(46,739)	(68,275)
Administrative expenses	(96,957)	(163,465)	(207,288)	(127,316)	(160,081)
Profit/(loss) from operations before changes in fair value of investment properties	375,436	113,108	851,251	959,320	(84,600)
Increase in fair value of investment properties[2]	50,146	152,867	179,978	174,264	22,601
Profit/(loss) from operations after changes in fair value of investment properties	425,582	265,975	1,031,229	1,133,584	(61,999)
Finance costs	(33,857)	(3,767)	(6,375)	(4,565)	(37,000)
Share of losses of an associate	(2,832)	—	—	–	–
Profit/(loss) before taxation	388,893	262,208	1,024,854	1,129,019	(98,999)
Income tax	(209,054)	(159,037)	(501,362)	(506,281)	616
Profit/(loss) for the year/period	179,839	103,171	523,492	622,738	(98,383)
Attributable to:					
Equity shareholders of the Company	121,262	9,465	376,586	504,252	(89,436)
Non-controlling interests[3]	58,577	93,706	146,906	118,486	(8,947)
Exchange differences on translation of financial statements of PRC subsidiaries	50,656	45,744	2,191	60,811	51,248
Total comprehensive income for the year/period	230,495	148,915	525,683	683,549	(47,135)
Total comprehensive income attributable to:					
Equity shareholders of the Company	154,102	44,369	376,957	554,955	(44,108)
Non-controlling interests[3]	76,393	104,546	148,726	128,594	(3,027)
	230,495	148,915	525,683	683,549	(47,135)

Notes:

1 Other net income/(loss) included, among other things: (i) a gain of HK$105.8 million in 2007 for the disposal of our investment in Shenzhen Shen Guo Tou Shang Yong Zhi Ye Company Limited; (ii) certain government grants from government bodies in connection with our Group's investments in the relevant districts; and (iii) a gain on disposal of a subsidiary of HK$64 million (Kunming Xin He Min) in the nine months ended September 30, 2010. Please see the section headed "Financial Information — Description of Certain Income Statement Items — Other net income" in this prospectus.

2 These fair value gains are unrealized capital gains. Our results of operations have in the past been affected by adjustments in the estimated fair value of our investment properties and may continue to be affected by such adjustments in the future. Please see the section headed "Financial Information — Factors Affecting Our Results of Operations — Changes in estimated fair value of our investment properties" in this prospectus. For the year ended December 31, 2008, our Group would have had a net loss if fair value gains for that year were excluded.

3 Non-controlling interests primarily included interests held by non-controlling shareholders of SZITIC Property, in which our Company held a controlling interest (through a subsidiary holding a 51% interest in SZITIC Property) during the Track Record Period. Please see the section headed "Financial Information — Description of Certain Income Statement Items — Profit for the year/period attributable to non-controlling interests" in this prospectus.

Turnover

For the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010, our turnover was HK$679.6 million, HK$662.2 million, HK$3,228.1 million, HK$2,521.8 million and HK$286.9 million, respectively. The significant decrease in our turnover in the nine months ended September 30, 2010 was primarily due to a decrease in the total GFA we sold and delivered as a result of fewer scheduled deliveries of pre-sold properties for our Shenzhen and Changzhou projects for the nine months ended September 30, 2010, which was in accordance with our delivery schedules.

Turnover represents revenue generated from the proceeds, net of business tax and other sales related taxes, from the sale of properties, rental income, income from hotel operations and property management and related services income received during the Track Record Period.

The following table sets forth our turnover by source for each of the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010, respectively.

	Year ended December 31,			Nine months ended September 30,	
	2007	2008	2009	2009	2010
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Turnover					
Sale of properties	664,475	603,291	3,105,943	2,441,995	151,538
Rental income	13,168	40,948	59,797	39,528	62,027
Hotel operations	—	11,020	45,940	29,139	46,213
Property management and related services income	1,940	6,959	16,392	11,095	27,170
Total	679,583	662,218	3,228,072	2,521,757	286,948

As we derive substantially all of our turnover from sales of properties, our results of operations for a given period are dependent upon the amount of total GFA, location and type of properties we complete and deliver during such period, the market demand and the price we obtain for such properties at the time they were sold or pre-sold. Conditions in the property markets in which we operate change from period to period and are affected significantly by general economic, political and regulatory developments in the PRC. Please see the section headed "Financial Information — Factors Affecting Our Results of Operations" in this prospectus.

Gross Profit

Gross profit represents turnover less direct costs. Our gross profit for the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 was HK$364.4 million, HK$326.8 million, HK$1,117.3 million, HK$1,123.3 million and HK$69.9 million, respectively. Our gross profit margin for the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 was approximately 54%, 49%, 35%, 45% and 24%, respectively. The significant decrease in our gross profit margin in the nine months ended September 30, 2010 to 24% compared to 45% for the same period in 2009 was due to a higher proportion of our turnover coming from the sales of units in Changzhou Landmark (Phase 3). The proportion of our sales of properties coming from Changzhou Landmark (Phase 3) increased from 1.7% in the nine months ended September 30, 2009 to 51.5% in the nine months ended September 30, 2010. In addition, the ASP of the retail units in Changzhou Landmark (Phase 3) was 85.5% lower than the ASP of the retail units of Changzhou Landmark (Phase 2) that we sold in the nine months ended September 30, 2010. We believe that the relatively low ASP of retail units in Changzhou Landmark (Phase 3) as compared to Changzhou Landmark (Phase 2) was mainly due to its less desirable location (which is further away from the area's main streets). The decrease in our gross profit margin from 49% in 2008 to 35% in 2009 was due to a lower proportion of our sales coming from units in our relatively high profit margin projects, namely Shenzhen Hidden Valley and Dongguan Landmark, in the year ended December 31, 2009 compared to the year ended December 31, 2008. The proportion of our turnover from Shenzhen Hidden Valley and Dongguan Landmark decreased from 98.2% for the year ended December 31, 2008 to 42.5% for the year ended December 31, 2009. The decrease in our gross profit margin from 2007 to 2008 was mainly due to our sales primarily coming from Dongguan Landmark in 2008 as compared to Shenzhen Water Flower Garden and Changzhou Landmark (Phase 1) in 2007, and the difference in our profit margins in respect of our sales of properties in those projects.

Profit/loss for the year/period

For the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010, we had a profit of HK$179.8 million, HK$103.2 million, HK$523.5 million, HK$622.7 million and a loss of HK$98.4 million, respectively. For the same periods we had a net profit margin of 26%, 16%, 16%, 25% and a net loss margin of 34%, respectively. The decrease in our profit and profit margin for the year ended December 31, 2008, compared to the year ended December 31, 2007, was primarily due to a one-time gain of HK$105.8 million in 2007 from the disposal of our investment in a company. Our having relatively low net profit margins in 2008 and 2009 was primarily a result of our sales of properties in those years being largely from projects with low profit margins. Our incurring a net loss for the nine months ended September 30, 2010 was mainly due to reduced gross profit from decreased sales and increased selling and marketing expenses and administrative expenses. Our decrease in sales in the nine months ended September 30, 2010, compared to the same period in 2009, was primarily attributable to the majority of our properties being scheduled for delivery in the fourth quarter of 2010. We incurred an increase in selling and marketing expenses and administrative expenses in the nine months ended September 30, 2010, as a result of the pre-sale activities conducted for The Spring Land, Shenzhen Hidden Valley and Changzhou Landmark and an increase in the number of our employees in line with the general expansion of our business. For the year ended December 31, 2010, we estimate to have recognized sales revenue from our sales of properties in The Spring Land (Phase 1), Changzhou Le Leman City (Phase 3) and Shenzhen Hidden Valley (Phase 3), which, we believe, contributed significant turnover to our Group. Please see the section headed "Financial Information — Profit Estimate for the year ended December 31, 2010" in this prospectus and the section headed "Profit Estimate" in Appendix III to this prospectus. .

Profit for the year/period attributable to non-controlling interests

Non-controlling interests primarily include interests held by non-controlling shareholders of SZITIC Property. Our Company held a controlling interest in SZITIC Property (through a subsidiary holding a 51% interest in SZITIC Property) throughout the Track Record Period (we completed our acquisition of the remaining 49% of SZITIC Property on August 31, 2010). We had profit attributable to non-controlling interests of HK$58.6 million, HK$93.7 million and HK$146.9 million and HK$118.5 million and loss attributable to non-controlling interests of HK$8.9 million for the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010, respectively, representing 32.6%, 90.8%, 28.1%, 19.0% of our total profit and 9.1% of our total loss for the same periods.

Non-controlling interests during the Track Record Period accounted for a significant portion of our profit/loss as compared to our profit/loss attributable to equity holders of our Company primarily because substantially all of our profit/loss recognized during the Track Record Period was attributable to projects we held through our non-wholly owned subsidiary, SZITIC Property, in which the non-controlling shareholder, CR SZITIC Investment, held a significant interest (49%). In addition, our profit attributable to equity holders of our Company during the Track Record Period was offset by losses incurred by other projects (mainly through wholly-owned subsidiaries). These projects primarily consist of projects under development, namely Changzhou Landmark and projects held for future development, namely The Spring Land (Phases 4 to 6). Non-controlling interests represented 90.8% of our profit in 2008 primarily due to losses we incurred from Changzhou Landmark.

Immediately prior to June 18, 2008, Mr. Wong held a 50% indirect interest in SIL through Original TSI which held such interest through a wholly-owned subsidiary. The remaining 50% interest was held by the Scarborough Group. On June 18, 2008, Original TSI, through its subsidiary, acquired from the Scarborough Group the remaining 50% interest in SIL, which held Top Spring (Chengdu) and Top Spring International (Yuhang). The results of Top Spring (Chengdu) and Top Spring International (Yuhang) have only been included in our Group's combined financial statements since June 18, 2008. In March 2009, Original TSI acquired from SIL its entire beneficial interest in each of Fortune Mega (which indirectly held Top Spring (Chengdu)) and Le Leman Yuhang (which held Top Spring International (Yuhang)). Subsequent to the above acquisitions, Original TSI directly held the above companies and the projects thereunder. Our profit attributable to non-controlling interests in 2008 was mainly contributed by the projects held by SZITIC Property.

Increase in fair value of investment properties

During the Track Record Period, fair value gain on investment properties accounted for a significant portion of our profit/loss before taxation. Our results of operations may continue to be affected by adjustments in the estimated fair value of our investment properties. Fair value gain on investment properties reflects unrealized capital gains in the estimated fair value of our investment properties at the relevant reporting date and does not constitute profit generated from our operations.

We recognize changes in the fair value of our investment properties, including investment properties under development, on our combined income statements, unless their fair value cannot be reliably determined at that time. Please see the sections headed "Financial Information — Critical Accounting Policies — Investment Properties" and "Financial Information — Factors Affecting Our Results of Operations — Changes in estimated fair value of our investment properties" in this prospectus. As at December 31, 2007, 2008 and 2009 and September 30, 2010, the fair value of our investment properties was HK$1,021.1 million, HK$1,799.5 million, HK$1,981.6 million and HK$2,081.1 million, respectively. For the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2010, the net fair value of our investment properties increased by HK$50.1 million, HK$152.9 million, HK$180.0 million and HK$22.6 million, respectively, and the relevant deferred tax for these fair value gains charged under income tax expenses on our combined income statements was HK$18.9 million, HK$36.4 million, HK$44.9 million and HK$5.6 million, respectively. Accordingly, the change in fair value of our investment properties (net of deferred tax) represented approximately 17.4%, 112.9% and 25.8% of our profit for the years ended December 31, 2007, 2008 and 2009 and 17.2% of our loss for the nine months ended September 30, 2010.

Selected combined balance sheet items and other information

	As at December 31,			As at September 30,
	2007	**2008**	**2009**	**2010**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
Total assets	5,278,572	7,416,397	9,837,072	13,225,349
Current assets	3,829,432	4,872,024	7,155,993	10,327,788
Cash and cash equivalents	596,982	546,907	1,282,905	2,943,696
Non-current assets	1,449,140	2,544,373	2,681,079	2,897,561
Total liabilities	4,933,677	6,528,737	8,438,403	12,950,520
Current liabilities	4,087,699	6,267,652	5,077,380	8,724,314
Including: bank loans	980,766	1,428,085	571,580	1,723,599
Non-current liabilities	845,978	261,085	3,361,023	4,226,206
Including: bank loans	631,432	187,455	3,247,411	4,076,976
Total equity	344,895	887,660	1,398,669	274,829
Attributable to equity shareholders of the Company	128,273	525,138	897,911	248,886
Attributable to non-controlling interests	216,622	362,522	500,758	25,943

From December 31, 2009 to September 30, 2010, our total equity decreased by 80.3%, or HK$1,123.8 million, from HK$1,398.7 million to HK$274.8 million. This decrease was the combined result of our total liabilities increasing by 53.5%, or HK$4,512.1 million, from HK$8,438.4 million to HK$12,950.5 million and our total assets increasing at a lower rate of 34.0%, or HK$3,388.3 million, from HK$9,837.1 million to HK$13,225.3 million.

Our total liabilities increased from December 31, 2009 to September 30, 2010 primarily due to an increase in receipts in advance of HK$3,961.1 million (which was primarily from pre-sales activities in relation to our Shenzhen Hidden Valley, The Spring Land and Changzhou Le Leman City projects) and an increase in bank borrowings of HK$1,981.6 million (which was primarily a result of increased funding needs for construction of our property development projects). Our total assets did not increase as much as our total liabilities during the relevant period primarily because we used assets to acquire the non-controlling 49% interest in SZITIC Property that we did not already own (though SZITIC property's assets were already consolidated on our balance sheet as a result of our controlling interest in it), and because we had a total loss for the period of HK$98.4 million. For further details, please see "Financial Information — Description of Certain Balance Sheet Items".

Capitalized Borrowing Costs

We have incurred a significant amount of borrowing costs (including interest expense) in relation to our bank and other borrowings for our development projects. Most of the borrowing costs have been capitalized as properties under development, completed properties held for sale or hotel properties under development, rather than being expensed in our income statement at the time they were incurred. The amount of capitalized borrowing costs incurred by our Company for the years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 were HK$102.9 million, HK$148.4 million, HK$182.2 million, HK$86.3 million and HK$168.9 million, respectively. As at September 30, 2010, the amount of capitalized borrowing costs included in our combined balance sheet as properties under development was approximately HK$143.9 million and the amount of capitalized borrowing costs included in our combined balance sheet as completed properties held for sale was approximately HK$25.0 million. In the future, the capitalized borrowing costs included in our combined balance sheet will be expensed in our combined income statements as a portion of our direct costs upon the delivery of our properties under development and completed properties held for sale and upon the completion of construction of our hotel properties. As a result, such capitalized borrowing costs may adversely affect our Group's gross and net profit margin upon the sales of such properties in 2010 and future periods.

Out of the six projects which our Group has been involved in with the Scarborough Group, two of the projects, namely Chengdu Landmark and Hangzhou Landmark, did not contribute any revenue to our Group prior to June 18, 2008 as Top Spring (Chengdu) and Top Spring International (Yuhang) have only been under Mr. Wong's control and management since June 18, 2008.

THE GLOBAL OFFERING

The Global Offering consists of:

- the offer by us of initially 25,000,000 Shares for subscription by the public in Hong Kong, referred to in this prospectus as the Hong Kong Public Offering; and

- the offer by us of initially 225,000,000 Shares outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S and in the United States to QIBs in reliance on Rule 144A or another exemption from the registration requirements under the US Securities Act, referred to in this prospectus as the International Offering.

The number of Hong Kong Offer Shares and International Offer Shares is subject to adjustment and reallocation. Please see the section headed "Structure and Conditions of the Global Offering" in this prospectus.

GLOBAL OFFERING STATISTICS[1]

	Based on Offer Price of HK$6.23	Based on Offer Price of HK$8.10
Market capitalization of our Shares[2]	HK$6.23 billion	HK$8.10 billion
Price/earnings multiple		
(a) basic[3]	13.8 times	18.0 times
(b) weighted average[4]	13.9 times	18.0 times
Pro forma adjusted consolidated net tangible asset value per Share[5]	HK$1.61	HK$2.08

Notes:

1 All statistics in this table are on the assumption that the Over-allotment Option is not exercised.

2 The calculation of market capitalization is based on the 1,000,000,000 Shares expected to be in issue immediately after completion of the Global Offering.

3 The calculation of the prospective price/earnings multiple is based on estimated basic earnings per Share for the year ended December 31, 2010 on a pro forma fully diluted basis at the respective Offer Prices of HK$6.23 and HK$8.10.

4 The calculation of the prospective price/earnings multiple on a weighted average basis is based on the forecast earnings per Share on a weighted average basis at the respective Offer Prices of HK$6.23 and HK$8.10.

5 The unaudited pro forma adjusted net tangible asset value per Share is calculated after making the adjustments referred to in the section headed "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus and taking into account the indicative Offer Prices of HK$6.23 and HK$8.10 per Offer Share and 1,000,000,000 Shares expected to be in issue immediately after completion of the Global Offering.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2010

We have prepared our estimated net profit for the year ended December 31, 2010 based on the audited combined results of our Group for the nine months ended September 30, 2010 and unaudited consolidated results of our Group for the three months ended December 31, 2010. The significant accounting policies adopted in the preparation of the profit estimate are consistent, in all material respects, with those adopted by our Group as set out in the section headed "Accountants' Report" in Appendix I to this prospectus.

Our revenue, cost of sales and gross profit margin have increased from September 30, 2010 to December 31, 2010 mainly as a result of the recognition of revenue derived from the sale of our properties under Shenzhen Hidden Valley (Phase 3), The Spring Land (Phase 1) and Changzhou Le Leman City (Phase 3) in the fourth quarter of 2010. An announcement of our results for the year ended December 31, 2010 will be available by March 31, 2011.

Estimated net profit attributable to the equity holders of our Company[1]	not less than HK$450.0 million
Estimated gross fair value gains on investment properties	HK$82.0 million

Less: Provision for net deferred tax liabilities on increase in fair value of investment properties . . . . HK$20.5 million

Estimated fair value gains on investment properties (excluding deferred tax effect) . . HK$61.5 million

Estimated combined net profit attributable to the equity holders of our Company (excluding fair value gains) . . . . not less than HK$388.5 million

Unaudited pro forma estimated earnings per Share [2] 0.45

Notes:

1 The principal bases on which the profit estimate has been prepared are set out in Appendix III to this prospectus. On the bases set out in Appendix III to this prospectus, and in the absence of the occurrence of unforeseen circumstances, we have estimated that the net profit attributable to the equity holders of our Company for the year ended December 31, 2010 will be no less than HK$450 million, which includes an increase of HK$61.5 million in fair value of investment properties, net of deferred tax effect, and takes into account the staff compensation costs arising from the Pre-IPO Share Option Scheme in the amount of HK$6.2 million.

2 The calculation of the unaudited pro forma fully diluted estimated earnings per Share is based on the estimated consolidated profit attributable to equity holders of our Company for the year ended December 31, 2010 and on the bases that our Company had been listed since January 1, 2010 and a total of 1,000,000,000 Shares were in issue during the year ended December 31, 2010 without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option, the Pre-IPO Options and any options which may be granted under the Share Option Scheme.

OUR COMPETITIVE STRENGTHS

We believe that we possess the following competitive strengths that enable us to compete in the property markets in China:

- Strong strategic relationships with domestic and international partners;
- Leadership and expertise of Mr. Wong, our Founder, Chairman and Chief Executive Officer;
- One of the major property developers in Shenzhen;
- Land reserves with high growth potential acquired at relatively low cost;
- Strong execution capabilities and a proven track record in developing, selling and holding urban mixed-use communities and retail properties and developing and selling upscale residential properties;
- Strong brand recognition supported by quality products and services; and
- Anchor Tenants for our investment properties that provide stable occupancy and recurring income.

OUR STRATEGIES

Our strategies to achieve our goals include the following:

- Increase our market share in our core markets and selectively expand into new markets
- Continue to focus on developing and operating urban mixed-use communities and developing and selling upscale residential properties in the near term and to increase our exposure to developing and operating urban mixed-use communities in the long term
- Increase our development and operation of investment properties
- Continue to leverage our domestic and international relationships
- Continue to acquire land reserves with high growth potential at relatively low cost
- Continue to enhance our established brand names
- Use environmentally friendly designs and construction processes

RISK FACTORS

There are certain risks relating to an investment in the Offer Shares. Some of the particular risks in investing in the Offer Shares are further described in the section headed “Risk Factors” in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. The following is a list of risk factors discussed in that section.

Risks Relating to our Business

- Our business prospects depend heavily upon the performance of the PRC property market, particularly in the Pearl River Delta and the Yangtze River Delta regions
- As we expand into new markets, we may not be able to replicate the success we have achieved in our core markets
- We depend on Mr. Wong, our Founder, Chairman and Chief Executive Officer, and other key management personnel, and our business may be adversely affected if we lose their services
- We maintain a substantial level of indebtedness, which may affect our business, financial condition, results of operations and prospects
- We may not be able to obtain adequate funding on commercially reasonable terms for land acquisitions or property developments
- We may not be able to obtain land use right certificates for certain of our current projects or for projects we may acquire in the future
- We face risks relating to our urban redevelopment project

- We guarantee mortgage loans provided to our customers and consequently are liable to the mortgagee banks if our customers default on their mortgage loan repayments

- We may not be able to successfully manage our growth

- Our results of operations include fair value gains on investment properties, which are unrealized, may fluctuate from time to time and may decrease significantly in the future

- We had net cash outflows from operating activities for the year ended December 31, 2009 and may experience net cash outflows again in the future

- Our financing costs may increase due to increases in interest rates

- Our business depends on the availability of sites that are suitable for property development at commercially acceptable prices

- We may not be able to successfully complete projects that we are currently developing, or plan to develop, in a timely manner or at all

- We may be liable to our customers for damages if we do not deliver individual property ownership certificates in a timely manner

- We are a holding company that is dependent on distributions from subsidiaries and associates, and our ability to pay dividends and financial condition could be adversely affected if those distributions are not made in a timely manner or at all

- Our property valuation may differ materially from the actual realizable value of our properties, which is subject to change

- Since we recognize our sales revenues only upon delivery of the properties sold, our operating results fluctuate from period to period depending on the timing of completion of our projects and such fluctuations make it difficult to predict our future performance which may vary significantly from period to period

- We face risks related to the pre-sale of properties, including the risk that property developments will not be completed and regulatory risks relating to such pre-sales

- We rely on independent contractors and other third parties for construction, design, property management, sales and other key aspects of our property development business

- Increases in the price of construction materials and equipment may increase our cost of sales and reduce our gross margins

- We may be involved in legal and other proceedings arising out of our operations from time to time and may face significant liabilities and a deterioration of our corporate image as a result which may adversely affect our business

- We have records of non-compliance with the Companies Ordinance
- We may suffer losses and be subject to liabilities that are not sufficiently covered, or covered at all, by insurance
- PRC tax authorities may challenge the basis on which we calculate our LAT obligations
- Our Controlling Shareholders are able to exercise substantial influence over our corporate policies and direct the outcome of corporate actions
- If our completed property developments are not in compliance with the relevant land grant contracts or construction works commencement permits, we will be subject to additional payments or be required to take corrective measures to cure such non-compliance
- Our hotel operations involve uncertainties
- There is no assurance that the current ancillary facilities providers will continue to provide services to the owners or users of our properties
- Potential liability for environmental problems could result in substantial costs
- Any unauthorized use of our trademarks or other intellectual property may adversely affect our business
- We may be deemed to be a PRC resident enterprise under the new CIT law and subject to PRC taxation on our worldwide income
- Dividends payable by us to our foreign investors and gains on the sale of our Shares may become subject to withholding taxes under PRC tax laws
- Acts of God, epidemics, including the recent outbreak of A/H1N1 influenza, and other disasters could affect our business

Risks Relating to the Property Sector in the PRC

- PRC government policies, regulations and measures intended to discourage speculation in the property market may adversely affect our business
- We may be subject to penalties and our land may be repossessed by the PRC government if we do not comply with the terms of our land grant contracts
- We face intense competition from other real estate developers
- Property markets in the PRC are still at an early stage of development and lack adequate infrastructural support

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

Risks Relating to Conducting Business in the PRC

- PRC economic, political and social conditions as well as government policies could affect our business

- A slowdown in the Chinese economy may have a material and adverse effect on our results of operations and financial condition

- Governmental control of currency conversion may limit our ability to use capital effectively

- Fluctuation in the value of RMB may have a material adverse effect on our business

- The PRC government has recently implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect how quickly we can deploy, as well as our ability to deploy, the funds raised in the Global Offering in our business in the PRC

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

- Our non-compliance with certain housing provident fund contribution regulations in the PRC could lead to the imposition of fines or penalties

- Uncertainty with respect to the PRC legal system could adversely affect us

- It may be difficult to enforce against us in the PRC any judgments obtained from non-PRC courts

Risks Relating to the Global Offering

- There has been no prior public market for our Shares, and the liquidity and market price of our Shares may be volatile

- You will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

- Future sales by our Directors, officers or current Shareholders of a substantial number of our Shares in the public market could materially and adversely affect the prevailing market price of our Shares

- We cannot guarantee the accuracy of official government publications and statistics with respect to the PRC, the PRC economy and the PRC property industry contained in this prospectus

- We strongly caution you not to place any reliance on any information contained in press articles or other media regarding us and the Global Offering.

LEGAL COMPLIANCE

During the Trade Record Period, certain of our land was identified by the relevant government authorities as idle land. For further details, please see the section headed "Business — Legal Compliance" in this prospectus.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,646.7 million, after deducting the underwriting fees and expenses payable by us in the Global Offering, and assuming the Over-allotment Option is not exercised and an Offer Price of HK$7.17 per Share, being the mid-point of the Offer Price range stated in this prospectus. We intend to use these net proceeds for the following purposes:

— approximately 90%, or HK$1,482.0 million, of the net proceeds will be used to acquire new projects for development in the PRC; and

— approximately 10%, or HK$164.7 million, of the net proceeds will be used for general corporate and working capital purposes.

If the Offer Price is fixed at the highest point of the Offer Price range, we estimate that the aggregate net proceeds we will receive from the Global Offering will be approximately HK$1,872.5 million, assuming that the Over-allotment is not exercised. If the Offer Price is fixed at the lowest point of the Offer Price range, we estimate that the aggregate net proceeds we will receive from the Global Offering will be approximately HK$1,420.9 million, assuming that the Over-allotment is not exercised. The above allocation of the net proceeds between acquisition of new projects for development and general corporate and working capital purposes will be adjusted on a pro-rata basis in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the proposed Offer Price range.

In the event the Over-allotment Option is exercised in full, we estimate that we would receive additional net proceeds of approximately HK$259.6 million, assuming an Offer Price of HK$7.17 per Share, being the mid-point of the Offer Price range stated in this prospectus. The additional net proceeds received from the exercise of the Over-allotment Option will be applied pro rata for the above mentioned purposes.

To the extent the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable laws and regulations, we intend to deposit the net proceeds into short-term demand deposits and/or invest them in interest-bearing government securities under the name of our Company or our wholly-owned subsidiaries. Our Directors confirm that we had not entered into any agreement nor do we have any definite plans in relation to any potential acquisition of new projects as at the Latest Practicable Date other than as disclosed in the section headed "Business — Our Property Projects — Description of Our Projects" in this prospectus.

DIVIDENDS AND DISTRIBUTABLE RESERVES

Subject to the Companies Law, we, through a general meeting, may declare final dividends in any currency, but no dividend may be declared in excess of the amount recommended by our Board. Our Articles provide that dividends may be declared and paid out of our profits, realized or unrealized, or from any reserve set aside from profits which our Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of our share premium account or any other fund or account which may be authorized for this purpose in accordance with the Companies Law.

Future dividend payments will also depend upon the availability of dividends received from our subsidiaries in China. PRC laws require that dividends be paid only out of net profit, calculated in accordance with PRC accounting principles, which differ in many aspects from the generally accepted accounting principles in other jurisdictions, including HKFRS. PRC laws also require foreign-invested enterprises to set aside part of their net profits as statutory reserves, which are not available for distribution as cash dividends. Furthermore, distributions from our subsidiaries may be restricted if they incur debts or losses or as a result of any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future.

Subject to the limitations mentioned above and in the absence of circumstances which might affect the amount of available distributable reserves, whether by losses or otherwise, our Board currently intends to distribute to our Shareholders as dividends no less than 20% of any distributable profit for each financial year (excluding net fair value gains or losses on investment properties). Our Directors will declare dividends, if any, in Hong Kong dollars with respect to Shares on a per Share basis and we will pay such dividends in Hong Kong dollars. The amount of dividends actually distributed to our Shareholders will depend upon our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders. There is no assurance that dividends of any amount will be declared or distributed each year or in any given year.

As at September 30, 2010, we had not declared any dividends since the time of our incorporation.