时代地产
TIMES PROPERTY
生 活 艺 术 家

TIMES PROPERTY HOLDINGS LIMITED
時代地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1233

Global Offering

Joint Sponsors and Joint Global Coordinators

UBS 海通國際 HAITONG

Joint Bookrunners and Joint Lead Managers

UBS 海通國際 HAITONG 農銀國際 ABC INTERNATIONAL

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should seek independent professional advice.

TIMES PROPERTY HOLDINGS LIMITED
時代地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**430,740,000 Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**43,074,000 Shares (subject to adjustment)**
Number of International Offer Shares	**:**	**387,666,000 Shares (subject to adjustment and the Over-allotment Option)**
Maximum Offer Price	**:**	**HK$4.50 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal Value	**:**	**HK$0.10 per Share**
Stock Code	**:**	**1233**

Joint Sponsors and Joint Global Coordinators

Joint Bookrunners and Joint Lead Managers

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

A copy of this prospectus, having attached to it the documents specified in the section entitled "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix VI to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other document referred to above.

The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws in the United States and may not be offered, sold, pledged or transferred, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable state securities laws.

The Offer Price is expected to be fixed by agreement between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or about Wednesday, December 4, 2013 and, in any event, not later than Monday, December 9, 2013. The Offer Price will be no more than HK$4.50 and is currently expected to be no less than HK$3.20 unless otherwise announced. Investors applying for the Hong Kong Offer Shares must pay, on application, the maximum Offer Price of HK$4.50 for each Offer Share together with a brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price is lower than HK$4.50.

The Joint Global Coordinators, on behalf of the Underwriters, may, with our consent, reduce the number of Offer Shares and/or the Offer Price range below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, notices of the reduction in the number of Offer Shares and/or the Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Further details are set out in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus. If, for any reason, the Joint Global Coordinators (on behalf of the Underwriters) and us are unable to reach an agreement on the Offer Price by December 9, 2013, the Global Offering will not proceed and will lapse.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. See the section entitled "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination" in this prospectus.

November 29, 2013

If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published in English in the South China Morning Post and in Chinese in the Hong Kong Economic Times and on the websites of the Company and the Stock Exchange.

Latest time to complete electronic applications under the **White Form eIPO** service through the designated website **www.eipo.com.hk**[(2)] . . . . . 11:30 a.m. on Wednesday, December 4, 2013

Application lists open[(3)] . . . . . 11:45 a.m. on Wednesday, December 4, 2013

Last time to lodge **WHITE** and **YELLOW** Application Forms and to give **electronic application instructions** to HKSCC[(4)] . . . . 12:00 noon on Wednesday, December 4, 2013

Latest time to complete payment of the **White Form eIPO** applications by effecting internet banking transfer(s) or PPS payment transfer(s) . . . . . 12:00 noon on Wednesday, December 4, 2013

Application lists close[(3)] . . . . . 12:00 noon on Wednesday, December 4, 2013

Expected Price Determination Date[(5)] . . . . . Wednesday, December 4, 2013

Announcement of:

- the Offer Price;
- the level of applications in the Hong Kong Public Offering;
- the level of indications of interest in the International Offering; and
- the basis of allotment of the Hong Kong Offer Shares

to be published in the *South China Morning Post* (in English) and the *Hong Kong Economic Times* (in Chinese) and on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.timesgroup.cn** on or before . . . . . Tuesday, December 10, 2013

Results of allocations of the Hong Kong Public Offering (including successful applicants' identification document numbers, where appropriate) to be available through a variety of channels (see section entitled "How to Apply for Hong Kong Offer Shares — 11. Publication of Results" in this prospectus)	Tuesday, December 10, 2013
Results of allocations in the Hong Kong Public Offering will be available at **www.iporesults.com.hk**, with a "search by ID" function	Tuesday, December 10, 2013
Dispatch of White Form e-Refund payment instructions/refund checks on or before[6]	Tuesday, December 10, 2013
Share certificates to be posted or deposited into CCASS on or before[6]	Tuesday, December 10, 2013
Dealings in Shares on the Stock Exchange expected to commence	Wednesday, December 11, 2013

Notes:

(1) All times refer to Hong Kong local time, except as otherwise stated. Details of the structure of the Global Offering, including its conditions, are set out in the section entitled "Structure of the Global Offering" in this prospectus.

(2) You will not be permitted to submit your application through the designated website at **www.eipo.com.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website at or before 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, December 4, 2013, the application lists will not open on that day. Further information is set out in the section entitled "How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists" in this prospectus.

(4) If you apply by giving electronic application instructions to HKSCC, you should refer to the section entitled "How to Apply for Hong Kong Offer Shares — 6. Applying by Giving Electronic Application Instructions to HKSCC via CCASS" in this prospectus.

(5) We expect to determine the Offer Price by agreement with the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date. The Price Determination Date is expected to be on or around Wednesday, December 4, 2013 and, in any event, not later than Monday, December 9, 2013. If, for any reason, the Offer Price is not agreed between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and us by Monday, December 9, 2013, the Global Offering will not proceed and will lapse.

(6) We will issue a refund check to you if your application is wholly or partially unsuccessful or if the Offer Price is less than the price per Offer Share payable on application. We will dispatch Share certificates and refund checks by ordinary post to you at your own risk to the address you specified in your Application Form unless you have elected for personal collection. If you have applied for 1,000,000 Hong Kong Offer Shares or more and you have provided all required information you may collect refund checks and/or Share certificates in person from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Tuesday, December 10, 2013 or any other place and date we announce in the newspapers as the place and date of dispatch of Share certificates/e-Refund payment instructions/refund checks. If you are an individual applicant and you have elected for personal collection, you may not authorize any other person to collect on your behalf. If you are a corporate applicant and you have elected for personal collection, you must attend by your authorized representative with your letter of authorization stamped with your corporate chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited. If you fail to collect within the time specified for collection, we will dispatch uncollected Share certificates and/or refund checks by ordinary post at your own risk to the address specified in the relevant Application Forms. Further information is set out in the sections entitled "How to Apply for Hong Kong Offer Shares — 13. Refund of Application Monies" and "How to Apply for Hong Kong Offer Shares — 14. Despatch/Collection of Share Certificates and Refund Monies" in this prospectus.

Share certificates are expected to be issued on December 10, 2013 but will only become valid if the Global Offering becomes unconditional in all respects and neither of the Underwriting Agreements is terminated in accordance with its terms before 8:00 a.m. on the Listing Date, which is expected to be December 11, 2013.

For details of the structure of the Global Offering, including its conditions, you should refer to the section entitled "Structure of the Global Offering" in this prospectus.

CONTENTS

IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by Times Property Holdings Limited solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell, or a solicitation of an offer to buy, any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information not given or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Joint Global Coordinators, any of the Underwriters, any of their respective directors, officers, employees, agents, advisers or affiliates, or any other persons or parties involved in the Global Offering.

Page

Expected Timetable i

Contents iv

Summary 1

Definitions 13

Glossary of Technical Terms 39

Risk Factors 42

Waivers from Strict Compliance with the Listing Rules 74

Forward-looking Statements 77

Information about this Prospectus and the Global Offering 79

CONTENTS

			Page
Directors and Parties involved in the Global Offering			82
Corporate Information			86
Industry Overview			88
Regulatory Overview			107
History and Corporate Structure			159
Business			202
Relationship with Controlling Shareholders			345
Connected Transactions			347
Directors and Senior Management			351
Share Capital			361
Substantial Shareholders			364
Cornerstone Investors			366
Financial Information			371
Future Plans and Use of Proceeds			436
Underwriting			438
Structure of the Global Offering			449
How to Apply for Hong Kong Offer Shares			459
Appendix I	**—**	**Accountants' Report**	I-1
Appendix II	**—**	**Unaudited Pro Forma Financial Information**	II-1
Appendix III	**—**	**Property Valuation Report**	III-1
Appendix IV	**—**	**Summary of the Constitution of our Company and Cayman Islands Company Law**	IV-1
Appendix V	**—**	**Statutory and General Information**	V-1
Appendix VI	**—**	**Documents Delivered to the Registrar of Companies and Available for Inspection**	VI-1

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

BUSINESS OVERVIEW

We are one of the leading property developers in Guangdong Province, focusing on the development of mid-market to high-end residential properties. Our business comprises three areas: (i) property development, i.e., the development of residential and commercial properties for sale, (ii) property leasing, i.e., the development, leasing and sub-leasing of commercial properties owned by us or Independent Third Parties, and (iii) property management, i.e., the provision of property management services to our residential customers.

According to DTZ, in 2012, we ranked 11th among all real estate developers by contracted sales volume in Guangdong Province,[(1)] and third among non-listed developers in Guangdong Province in terms of contracted sales volume. In 2013, we ranked 35th out of the "2013 China's Top 50 Real Estate Developers" (2013中國房地產開發企業50強) and were among the "Star of 2012 China Top 100 Real Estate Developers" (2012中國房地產百強企業 — 百強之星), which were selected by the Development Research Center of the State Council (國務院發展研究中心), Tsinghua University's Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院). In 2012, we received the "2012 Best Enterprise Brand Image Award" (2012最佳企業品牌形象獎) from the China Finance Summit Organization Committee (中國財經峰會組委會). We believe our success is attributable to our market positioning, our well-recognized "Times Property" (時代地產) brand image and our property developments with modern designs.

Property development — We define ourselves as a "life stylist" (生活藝術家), with a vision of introducing contemporary and artistic lifestyles to increasingly affluent middle- to high-income households that have relatively high disposable income and strong purchasing power. To meet the anticipated needs and preferences of our target customers during their progression through different stages of their professional careers and lives, we offer three series of residential property developments, namely the "Growth Series" (成長型), the "Blossom Series" (成熟型) and the "Prosperity Series" (成功型). Our series contain modern and artistic themes designed by reputable architecture and design firms, such as AECOM, Hanhua, HS Architects and SCDA Architects. Substantially all of our residential developments are equipped with well-designed ancillary facilities, such as residents-only parks, clubhouses and swimming pools. We have introduced an art gallery within Times Deconstruction (時代玫瑰園) and we have included private theaters and art salons in some of our property developments to enhance the artistic experience for our customers. We have also developed commercial properties within our residential property developments so that retail shops and other entertainment facilities are made available to our residential neighborhoods.

Property leasing — We seek to sell the commercial properties within our residential developments as soon as practicable. During the Track Record Period, we rented out a small portion of the commercial properties within our residential developments which had not yet been sold. In addition, we occupied certain premises in Times Property Center for our corporate headquarters, with the remaining premises being leased to third parties. Leveraging our experience in leasing and managing our properties, we also engage in the sub-leasing of commercial properties owned by Independent Third Parties.

Note:

1. According to DTZ, Guangdong Province comprises Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou.

Property management — We provide quality property management services to our residential customers through our property management company, Times Property Management, which is a property management enterprise in the PRC (first class) (中華人民共和國物業服務企業(一級)).

BUSINESS MODEL

To increase our operating efficiency and enhance our cost and quality control, we have standardized operating procedures, including our "Times Property Standardized Operational and Management System" (時代地產標準化運營管理體系), which cover our development cycle from site selection and market evaluation, land acquisition, project planning and design, project construction and quality control to sales and marketing, after-sale services and property management. In general, the development cycle of our property projects from the commencement of construction to completion ranges from 20 to 35 months, depending primarily on several factors such as the number of phases, design, construction type, land condition and location of our property projects. We fund our property development principally from cash generated from our operations, borrowings from banks, trust financings and capital contributions from our shareholders. We outsource substantially all of our construction work to external construction contractors. We generally price our properties, both residential and commercial units, on a "cost-plus" basis. Such cost includes all development costs incurred in relation to a property. A premium may be added based on our target rate of return and the overall real estate competitive landscape. Property development is and will continue to be our core business. Except for certain premises in Times Property Center that are leased to third parties, the property projects we develop are mainly for sale.

SELECTED OPERATING INFORMATION

As of September 30, 2013, we had a total of 28 residential property projects at various stages of development, 27 of which were located in Guangdong Province, including ten in Guangzhou, six in Foshan, six in Zhuhai, three in Qingyuan and two in Zhongshan, and one of which was located in Changsha, Hunan Province. These 28 projects have an aggregate site area of approximately 4.3 million sq.m. and an aggregate GFA of approximately 11.3 million sq.m. As of September 30, 2013, approximately 3.0 million sq.m. of the GFA was completed, approximately 3.7 million sq.m. of the GFA was under development and approximately 4.6 million sq.m. of the GFA was held for future development. For further details of our completed projects, projects under development and projects held for future development, see the section entitled "Business — Our Business — Summary Information Regarding Our Property Projects — Property portfolio summary" on page 215 of this prospectus.

The following table sets forth the GFA breakdown of our property portfolio under various stages of development as of September 30, 2013:

Planned Use[1]	**Completed Properties**				**Properties Under Development**	**Properties Held For Future Development**
	(A) Total GFA sold and pre-sold[2]	**(B) GFA available for sale, lease or use[3]**	**(C) Other GFA[4]**	**Total (A+B+C)**	**GFA**	**GFA**
	(sq.m.)	**(sq.m.)**	**(sq.m.)**	**(sq.m.)**	**(sq.m.)**	**(sq.m.)**
Residential	2,359,694	27,120	–	2,386,814	2,877,615	4,263,916
Commercial	67,373	41,187	–	108,561	186,538	80,299
Car park	68,646	56,310	–	124,956	225,473	132,613
Ancillary[5]	376,577	–	20,000	396,577	408,351	77,305
Total GFA	**2,872,290**	**124,618**	**20,000**	**3,016,908**	**3,697,977**	**4,554,133**
Total attributable GFA[6]	**2,872,290**	**124,618**	**20,000**	**3,016,908**	**3,658,581**	**4,516,413**

Notes:

(1) The table above includes saleable GFA and non-saleable GFA. GFA for residential, commercial and car park use consists mostly of saleable GFA. GFA for ancillary use consists mostly of non-saleable GFA.

(2) "Total GFA sold and pre-sold" includes a portion of GFA for ancillary use, which is delivered to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary use.

(3) "GFA available for sale, lease or use" does not include the portion of GFA for ancillary use, which is not available for sale or lease, of each of the completed projects or phases of projects.

(4) "Other GFA" comprises the portion of GFA for ancillary use, which is not available for sale or lease and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the completed projects or phases of projects.

(5) "Ancillary" comprises above-ground and under-ground ancillary facilities, such as clubhouses, which are for purposes other than residential use, retail use or car park use. We did not generate any revenue from this GFA during the Track Record Period.

(6) "Total attributable GFA" comprises the portion of the total GFA that is attributable to us, based on our effective interest in the relevant project. Our interests in the relevant projects are set out in the Property Valuation Report in Appendix III to this prospectus.

In 2010, 2011, 2012 and the six months ended June 30, 2013, our revenue amounted to RMB1,547.2 million, RMB2,466.8 million, RMB3,197.1 million and RMB2,362.7 million, respectively, and we derived 94.8%, 96.1%, 96.7% and 95.3% of our revenue from property development, respectively; 2.5%, 1.5%, 1.2% and 3.0% of our revenue from property leasing, respectively; and 2.7%, 2.4%, 2.1% and 1.7% of our revenue from property management, respectively, for the corresponding periods.

The table below sets forth our revenue from the sale of properties, the aggregate GFA of properties we delivered, and the average selling prices for these properties by type of property for the periods indicated:

	Year ended December 31,									Six months ended June 30, 2013		
	2010			2011			2012					
	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.
	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)
Residential	1,385,872	228,461	6,066	2,198,788	279,442	7,868	3,042,447	378,778	8,032	2,227,117	264,160	8,431
Commercial	13,274	749	17,722	119,858	7,762	15,442	3,856	266	14,496	–	–	–
Car park	66,872	12,566	5,322	50,745	5,719	8,873	44,434	5,304	8,377	24,062	3,025	7,954
Others[2]	316	102	3,098	172	15	11,467	50	–	–	–	–	–
Total	**1,466,334**	**241,878**	**6,062**	**2,369,563**	**292,938**	**8,089**	**3,090,787**	**384,348**	**8,042**	**2,251,179**	**267,185**	**8,426**

Notes:

(1) "GFA delivered" excludes the GFA for ancillary facilities, such as clubhouses, which are delivered in aggregate to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary facilities during the Track Record Period.

(2) "Others" represents the amounts received from property purchasers for the GFA actually delivered if this exceeds the GFA provided in the relevant sale and purchase agreements, less the amounts refunded to property purchasers for the shortfall in GFA where the GFA actually delivered is less than the GFA provided in the sale and purchase agreements.

No commercial properties were delivered in the first half of 2013. The average selling price per sq.m. of our commercial properties generally declined in 2010, 2011 and 2012, primarily due to the location of the properties. Our commercial properties located in Guangzhou and Foshan generally commanded higher selling prices than those in Zhongshan. See the section entitled "Financial Information — Description of Certain Income Statement Line Items — Revenue — Commercial properties" on page 389 of this prospectus for further details.

The table below sets forth a breakdown of our cost of properties sold for the periods indicated:

	Year ended December 31,									Six months ended June 30, 2013		
	2010			2011			2012					
	(RMB in thousands)	(%)	(RMB per sq.m.)	(RMB in thousands)	(%)	(RMB per sq.m.)	(RMB in thousands)	(%)	(RMB per sq.m.)	(RMB in thousands)	(%)	(RMB per sq.m.)
Land acquisition costs	255,221	22.9	1,055	434,877	25.6	1,485	420,479	19.0	1,094	344,593	19.9	1,290
Construction costs	814,983	73.2	3,369	1,178,837	68.6	4,024	1,649,003	74.5	4,290	1,272,056	73.3	4,761
Capitalized finance costs	42,828	3.9	177	98,979	5.8	338	145,124	6.5	378	117,790	6.8	441
Total of cost of properties sold	**1,113,032**	**100.0**		**1,712,693**	**100.0**		**2,214,606**	**100.0**		**1,734,439**	**100.0**	

Our cost of sales generally increased during the Track Record Period, primarily due to a rise in the total GFA of completed and delivered properties, which resulted in higher construction costs and land acquisition costs.

REAL ESTATE-RELATED AUSTERITY MEASURES IMPLEMENTED BY THE PRC GOVERNMENT AND CHANGE OF INTEREST RATES IN THE PRC

During the Track Record Period and up to the Latest Practicable Date, the PRC government had implemented a series of regulations and policies to ensure healthy growth of the property market and stability in property prices, as well as to dampen property speculation. See the section entitled "Regulatory Overview — Land Grants" starting on page 107 of this prospectus. These policies may limit our ability to obtain financing, acquire land for future developments, sell our properties at a profit or generate sufficient operating cash flow from contracted sales. In addition, purchasers of our properties often obtain mortgage loans to purchase our properties. Accordingly, changes in interest rates have affected and will continue to affect the purchasers of our properties. The PBOC benchmark one-year lending rates in the PRC (which directly affects the property mortgage rates offered by commercial banks in the PRC) as of December 31, 2010, 2011 and 2012 and June 30, 2013 were 5.81%, 6.56%, 6.00% and 6.00%, respectively. As reflected in the average selling price per sq.m. in respect of our residential properties, our Directors consider market demand to have been negatively affected by the pessimistic sentiment in some regions as a result of the austerity measures promulgated by the PRC government, which is part of the reason that the increase in the average selling price per sq.m. for our residential properties from 2011 to 2012 was less than the increase in the average selling price per sq.m. from 2010 to 2011. The average selling price per sq.m. for our residential properties increased by 29.7% from RMB6,066 per sq.m. in 2010 to RMB7,868 per sq.m. in 2011, while the average selling price of our residential properties increased by 2.1% from RMB7,868 per sq.m. in 2011 to RMB8,032 per sq.m. in 2012. Our Directors believe that the measures described above will not have a material impact on our Group's working capital sufficiency and business prospects going forward.

Completed projects and project phases

The following table sets forth summary information on our completed projects and project phases in different cities as of September 30, 2013[4]:

City	Project type	Site Area	Completed GFA[1]	Total GFA sold and pre-sold[2]	GFA available for sale, lease or use[2]	Other GFA[2]	Attributable market value[3]
		(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)
Guangzhou	Residential and commercial	365,931	967,821	935,944	26,411	5,466	448.8
Foshan	Residential and commercial	570,760	1,373,577	1,303,223	61,497	8,857	1,432.0
Zhongshan	Residential and commercial	17,118	115,352	113,912	1,299	141	61.0
Zhuhai	Residential and commercial	238,664	560,158	519,211	35,411	5,536	1,551.6
Total		**1,192,473**	**3,016,908**	**2,872,290**	**124,618**	**20,000**	**3,493.4**
Total Attributable GFA[2]			**3,016,908**	**2,872,290**	**124,618**	**20,000**	**3,493.4**

Notes:

(1) "Completed GFA" is based on figures stated in the surveying reports or completion certificates by relevant government departments. It includes the attributable value of amenities.

(2) For "Total GFA sold and pre-sold," "GFA available for sale, lease or use," "Other GFA" and "Total attributable GFA," see the notes of the table in the subsection entitled "— Selected Operating Information" above.

(3) For details as to the valuation of our projects, please refer to pages III-2 and III-3 of the Property Valuation Report in Appendix III to this prospectus. For risks associated with assumptions made in the valuation of properties, see the section entitled "Risk Factors — Risks Relating to Our Businesses — The appraised value of our properties may be different from their actual realizable value and are subject to change" on page 55 of this prospectus.

(4) For further details, see the section entitled "Business — Our Business — Summary Information Regarding Our Property Projects — Completed projects and project phases" on page 216 of this prospectus.

Properties under development and properties held for future development

The following table sets forth summary information on our properties under development and properties held for future development in different cities as of September 30, 2013:[9][10]

			Under development					Held for future development[1]		
City	Project type	Site Area	Total GFA[2][8]	Saleable/ rentable GFA[3]	GFA pre-sold[4]	GFA available for sale[5]	Other GFA[6]	Total GFA[3][8]	Land use rights not yet obtained[8]	Attributable market value[7][8]
		(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)
Guangzhou	Residential, commercial and industrial	544,978	1,023,298	892,508	196,931	705,899	120,468	106,086	74,813[11]	7,818.1
Foshan	Residential and commercial	412,802	551,426	502,476	101,187	363,618	86,621	536,991	115,236	2,514.0
Zhongshan	Residential and commercial	101,821	535,031	490,822	272,473	249,697	12,859	–	–	1,885.0
Zhuhai	Residential and commercial	383,550	587,638	508,056	122,373	388,702	76,563	396,400	396,400	1,100.0
Qingyuan	Residential and commercial	1,232,565	712,444	676,076	34,878	641,198	36,369	2,175,719	–	3,695.0
Changsha	Residential and commercial	460,138	288,140	277,852	213,042	64,810	10,288	1,338,937	–	2,955.0
Total		**3,135,854**	**3,697,977**	**3,347,790**	**940,884**	**2,413,924**	**343,168**	**4,554,133**	**586,449[11]**	**19,967.1**
Total attributable GFA[8]			**3,658,581**	**3,316,578**	**939,492**	**2,383,950**	**335,138**	**4,516,413**	**549,043[11]**	

Notes:

(1) The table above includes properties for which (i) we have obtained the relevant land use rights certificate(s), but have not obtained the requisite construction permits or (ii) we have signed a land grant contract with the relevant government authority, but have not obtained the land use rights certificate(s).

(2) "Total GFA" under development is based on figures stated in the planning permit for construction works.

(3) "Saleable/rentable GFA," "Total GFA" held for future development and "Land use rights not yet obtained" are derived from our internal records and estimates.

(4) "GFA pre-sold" is derived from our internal records and includes a portion of GFA for ancillary use, such as clubhouses, which are delivered to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary use. A property is pre-sold when an agreement for its sale has been executed.

(5) "GFA available for sale" does not include the portion of GFA for ancillary use, which is not available for sale and has yet to be delivered to purchasers of properties in the relevant property developments.

(6) "Other GFA" comprises the portion of GFA for ancillary use, which is not available for sale and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the phases of projects.

(7) For details as to the valuation of our projects, please refer to pages III-2 and III-3 of the Property Valuation Report in Appendix III to this prospectus. For risks associated with assumptions made in the valuation of properties, see the section entitled "Risk Factors — Risks Relating to Our Businesses — The appraised value of our properties may be different from their actual realizable value and are subject to change" on page 55 of this prospectus.

(8) "Total attributable GFA," "Total GFA" and "Attributable market value" include the attributable value of non-saleable amenities. The "Total attributable GFA" comprises the portion of the total GFA that is attributable to us based on our effective ownership interest in the relevant project. Our interests in the relevant projects are set out in the Property Valuation Report in Appendix III to this prospectus.

(9) The figures for total GFA and saleable/rentable GFA that appear in this prospectus are based on figures provided in the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate. The categories of information contained in this prospectus are based on our internal records. The following are estimates only: (a) figures for GFA under development, total GFA for future development, and GFA pre-sold; and (b) information regarding development costs incurred (including land costs, construction costs and capitalized finance costs), estimated construction period schedule and estimated future development costs. The figures for site area, total GFA under development and held for future development, saleable/rentable GFA, GFA pre-sold, GFA available for sale, other GFA, land use rights not yet obtained, development costs incurred, estimated future development costs and attributable market value of our property development projects are stated as of September 30, 2013 and exclude the respective figures for the Guangzhou Tianhe Project and Guangzhou Tiansi Project as we are in the process of converting the land use for the Guangzhou Tianhe Project and Guangzhou Tiansi Project from industrial use to residential and commercial use.

(10) For further details, see the section entitled "Business — Our Business — Summary Information Regarding Our Property Projects — Properties under development and properties held for future development" on page 220 of this prospectus.

(11) On November 7, 2013, we have obtained the land use rights certificate for the GFA of approximately 74,813 sq.m. in relation to Guangzhou Wuyang Paint Factory.

IDLE LAND

As of the Latest Practicable Date, we had six projects which experienced delays and did not commence construction on or before the required commencement date as stated on the relevant construction work commencement permit. However, as advised by our PRC legal advisers, Commerce & Finance, the postponement of commencement of these projects will not result in termination of the land grant contract and such land will not be subject to payment of idle land fees or forfeiture of land for our delay in the commencement of these projects. For further information, see the section entitled "Business — Compliance — Idle land" on page 340 of this prospectus.

OUR COMPETITIVE STRENGTHS

We believe that the following strengths enable us to compete effectively in the property markets in China: (i) we are one of the leading property developers in Guangdong Province, one of the most economically prosperous regions in China, with our well-recognized "Times Property" (時代地產) brand; (ii) we have a diversified product portfolio of quality developments that differentiates our projects from those of our competitors, as we strive to distinguish ourselves from our competitors by developing properties with modern and artistic themes and ancillary facilities based on the needs and preferences of our target customers; (iii) we have land reserves sufficient to support our operation in the next five years; (iv) we have standardized operating procedures that enable us to develop strong execution capabilities and utilize resources efficiently; (v) we have a specialized and experienced sales and marketing team with strong marketing capabilities; and (vi) we have a stable and committed management team with strong credentials and extensive experience in the PRC real estate industry.

OUR BUSINESS STRATEGIES

We intend to implement the following principal strategies to grow our businesses and create value for our Shareholders: (i) strengthen our leadership position in cities in Guangdong Province and expand our presence in Hunan Province and expand into other cities in Guangdong Province with high growth potential; (ii) continue to enhance our well-recognized "Times Property" (時代地產) brand, innovate and improve our project designs, and increase the value of our quality developments; (iii) increase our land reserves in areas with high growth potential at a competitive cost; (iv) capitalize on our standardized operating procedures to achieve healthy growth and operational expansion; and (v) attract, retain and develop a talented workforce through continual training and attractive remuneration packages.

OUR RESULTS OF OPERATIONS

Summary of Consolidated Income Statements

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Revenue	1,547,206	2,466,811	3,197,142	1,817,102	2,362,705
Gross profit	390,837	685,554	908,958	397,973	548,063
Profit before tax	245,608	335,718	621,423	240,888	251,925
Profit for the year/period	165,344	234,871	353,648	162,657	156,693
Attributable to:					
Owners of the Company	165,347	247,169	362,916	167,599	165,946
Non-controlling interests	(3)	(12,298)	(9,268)	(4,942)	(9,253)
	165,344	234,871	353,648	162,657	156,693

Summary of Consolidated Statements of Financial Position

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Non-current assets	2,321,118	2,866,394	3,328,463	4,057,114
Current assets	7,886,755	12,901,030	18,757,145	19,452,834
Current liabilities	5,658,532	8,660,853	15,076,533	16,865,846
Net current assets	2,228,223	4,240,177	3,680,612	2,586,988
Non-current liabilities	2,432,374	4,255,534	3,802,962	4,187,867
Net assets	2,116,967	2,851,037	3,206,113	2,456,235

Summary of Consolidated Statements of Cash Flows

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Net cash flows (used in)/generated from operating activities	(261,426)	(363,607)	281,166	(36,989)	(275,523)
Net cash flows used in investing activities	(77,468)	(529,735)	(326,969)	(312,191)	(646,304)
Net cash flows generated from financing activities	520,454	895,706	416,583	179,826	295,340
Net increase/(decrease) in cash and cash equivalents	181,560	2,364	370,780	(169,354)	(626,487)
Cash and cash equivalents at the beginning of the year/period	381,882	563,389	565,700	565,700	936,446
Effect of foreign exchange rate changes, net	(53)	(53)	(34)	(1)	(50)
Cash and cash equivalents at the end of the year/period	563,389	565,700	936,446	396,345	309,909

KEY FINANCIAL RATIOS

The following table sets out a summary of certain financial ratios for the periods or as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
Current ratio	1.4	1.5	1.2	1.2
Net debt-to-adjusted equity[1] ratio	72.6%	89.0%	116.2%	163.6%
Gearing ratio	125.6%	143.3%	171.6%	224.2%

	Year ended December 31,			Six months ended June 30,
	2010	2011	2012	2013
Adjusted net profit (RMB in millions)[2]	38.7	119.2	271.1	134.0
Gross profit margin	25.3%	27.8%	28.4%	23.2%
Net profit margin	10.7%	9.5%	11.1%	6.6%
Adjusted net profit margin[2]	2.5%	4.8%	8.5%	5.7%
Return on equity[3]	7.8%	10.5%	13.3%	N/A

Notes:

(1) Adjusted equity represents equity attributable to owners of our Company and includes the amounts due to a Director, one of the founders of our Company.

(2) Adjusted net profit represents profit after tax excluding fair value gains on investment properties, deferred tax related to fair value gains on investment properties, gain on acquisition of subsidiaries and re-measurement of previously held equity interests.

(3) Return on equity is our profit attributable to the owners of our Company for a full financial year as a percentage of our equity attributable to the owners of our Company as of the end of such year.

LIQUIDITY AND CAPITAL RESOURCES

Borrowings

The following table shows our borrowings as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Current				
Bank loans	353,689	780,697	2,420,449	1,636,212
Other borrowings	180,000	440,000	756,814	1,215,780
Non-current				
Bank loans	1,794,249	2,501,215	1,878,272	2,771,064
Other borrowings	450,456	509,728	621,264	100,000
Total	2,778,394	4,231,640	5,676,799	5,723,056

Capital Resources

Property development requires substantial capital investment for land acquisition and construction, and it may take many months or years before positive cash flow can be generated. To date, we have funded our growth principally from cash generated from our operations, borrowings from banks, trust financings and capital contributions from our shareholders. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies. We had negative cash flows from operating activities of RMB261.4 million, RMB363.6 million and RMB275.5 million, respectively, for the years ended December 31, 2010 and 2011 and the six months ended June 30, 2013, primarily due to an increase in capital expenditure for properties under development in the respective periods as a result of our business expansion. We recorded positive net operating cash flows of RMB281.2 million for the year ended December 31, 2012. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our aggregate cash and bank balances amounted to RMB1,172.2 million, RMB1,603.2 million, RMB1,833.7 million and RMB1,546.6 million, respectively.

Taking into account our current project development schedules, sales and pre-sales status, property service management and property leasing status, estimated net proceeds from the Global Offering and bank facilities and other borrowings, our Directors confirm that we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this prospectus. For further information, see the section entitled "Financial Information — Capital Resources" on page 422 of this prospectus.

SHARE OPTION SCHEME

We have adopted the Share Option Scheme. For details of the Share Option Scheme, see the section entitled "Statutory and General Information — D. Share Option Scheme" on page V-20 in Appendix V to this prospectus.

DIVIDEND POLICY

We declared a special dividend of approximately RMB442.4 million to Asiaciti Enterprises on June 6, 2013 to offset the debt owed to us by Asiaciti Enterprises. On September 16, 2013, we declared further dividends out of our distributable reserves in accordance with the applicable laws of the Cayman Islands in favor of Asiaciti Enterprises in the amount of approximately US$70.2 million to offset the amounts owed to us by Asiaciti Enterprises. For further information, see the section entitled "Financial Information — Indebtedness and Contingent Liabilities — Exchangeable Notes and Restructuring Deed" on page 429 of this prospectus. In the future, the amount of dividends actually distributed to our Shareholders will depend upon our earnings and financial condition, operating requirements and capital requirements, and any other conditions that our Directors may deem relevant, and will be subject to the approval of our Shareholders. For further information, see the section entitled "Financial Information — Dividends and Distributable Reserves" on page 432 of this prospectus.

RECENT DEVELOPMENTS

Our recent developments subsequent to June 30, 2013 and up to the Latest Practicable Date were as follows:

We purchased new sites for development in Baiyun District (白雲區), Guangzhou, and in Nanhai District (南海區), Foshan, respectively. For further information, see the section entitled "Business — Description of Our Projects" starting on page 227 of this prospectus.

On November 19, 2013, we entered into a land grant contract with the relevant government authority and acquired a parcel of land located in Xishadong in Shiqi District (石岐區細沙東), Zhongshan, Guangdong Province, with a total site area of 46,667 sq.m. for RMB200.0 million to be developed as our Zhongshan Shiqi Project. This parcel of land is designated for residential and commercial use. As of the Latest Practicable Date, we had made a payment of RMB36.4 million for this parcel of land and had an outstanding land premium of RMB163.6 million.

We recorded unaudited revenue and gross profit of approximately RMB3,891.5 million and RMB987.4 million, respectively, for the nine months ended September 30, 2013. Our unaudited gross profit margin was 25.4% for the corresponding period, which represented a slight increase as compared to the gross profit margin of 23.2% for the six months ended June 30, 2013.

We recorded unaudited revenue from the sale of properties of approximately RMB3,705.6 million and GFA delivered of approximately 471,495 sq.m. for the nine months ended September 30, 2013. The average selling price per sq.m. of our properties was RMB7,859 for the nine months ended September 30, 2013, which represented a 6.7% decrease as compared to the average selling price per sq.m. of our properties of RMB8,426 for the six months ended June 30, 2013. This decrease was primarily due to the decline in average selling price for the properties delivered from July 2013 to September 2013, which properties were mainly located in second-tier cities, such as Zengcheng, Foshan and Zhuhai, as compared to the first half of 2013 when most of the properties delivered were located in Guangzhou, a city generally commanding higher selling prices than second-tier cities.

As of September 30, 2013, we had settled RMB10.4 million, or 58.4%, of our accounts receivable as of June 30, 2013.

As of September 30, 2013, we had repaid RMB2,029.3 million, or 35.5%, of our bank loans and other borrowings as of June 30, 2013. We had additional bank loans and other borrowings of approximately RMB3,134.0 million during the period from July 1, 2013 to September 30, 2013. From October 1, 2013 to the Latest Practicable Date, we entered into two additional trust financing arrangements. For further information, see the section entitled "Business — Financing Provided by Trust Financing Companies — Trust Financing Arrangements Entered into by Our Group" starting on page 280 of this prospectus.

Our Directors confirm that the recent real estate-related austerity measures implemented by the PRC government have had no material impact on our Group's operations and financial condition.

Our Directors confirm that, saved as disclosed in this prospectus, up to the date of this prospectus, there has not been any material adverse change in our financial or trading position or the prospects of our Company since June 30, 2013.

OFFER STATISTICS[1]

	Based on Offer Price of HK$3.20	Based on Offer Price of HK$4.50
Market capitalization of our Shares[2] . .	HK$5,513.5 million	HK$7,753.3 million
Unaudited pro forma adjusted net tangible asset value per Share[3]	HK$2.53	HK$2.85

Notes:

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

(2) The calculation of market capitalization is based on 430,740,000 Shares expected to be in issue immediately after completion of the Global Offering.

(3) The unaudited pro forma adjusted net tangible asset value per Share is calculated after making the adjustments referred to in the section entitled "Financial Information — Unaudited Pro Forma Adjusted Net Tangible Assets" on page 433 of this prospectus and on the basis of a total of 1,722,960,000 Shares in issue immediately following the Global Offering.

USE OF PROCEEDS

The net proceeds of the Global Offering we expect to receive (after deduction of underwriting fees and estimated expenses payable by us in relation to the Global Offering) are estimated to be approximately HK$1,548.2 million, assuming the Over-allotment Option is not exercised and assuming an Offer Price of HK$3.85 per Offer Share, being the midpoint of the Offer Price range stated in this prospectus. We intend to use these proceeds for the following purposes:

(a) approximately HK$877.8 million, or approximately 56.7% of the net proceeds, for financing new and existing projects, including the land acquisition and construction costs of potential development projects. We will focus on the acquisition of new land and the development of new projects in our existing markets and other cities in Guangdong Province with high growth potential, and will continue to acquire land primarily through government-organized auctions and the listing-for-sale process, by acquiring equity interests in project companies that hold land use rights and by participating in the "Urban Redevelopment" policies. As of the Latest Practicable Date, our Directors confirm that, save as disclosed, we had not identified any target land parcels for development for our use of net proceeds from the Global Offering. For details of our project selection process, see the section entitled "Business — Project Development Management — Times Property Standardized Operational and Management System — Site Selection and Market Evaluation" starting on page 288 of this prospectus;

(b) up to approximately HK$515.6 million, or approximately 33.3% of the net proceeds, for settling part of the outstanding installments under the Restructuring Deed; and

(c) approximately HK$154.8 million, or 10% of the net proceeds, for working capital and other general corporate purposes.

Our Directors intend to apply the additional net proceeds we will receive if the Over-allotment Option is exercised in full, assuming an Offer Price of HK$3.85 per Offer Share, being the midpoint of the Offer Price range, on a pro rata basis to the purposes described above.

If the Offer Price is fixed at HK$4.50, being the high end of the stated Offer Price range, our net proceeds will be increased by approximately HK$280.0 million, as compared to the net proceeds that we would receive with the Offer Price fixed at the mid-point of the indicative range. Our Directors currently intend to apply any additional net proceeds on a pro rata basis to the purposes described above.

To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes, we will deposit the net proceeds into short-term demand deposits and/or money market instruments.

EXCHANGEABLE NOTES AND RESTRUCTURING DEED

On January 9, 2008, the Investors extended loans to one of our Controlling Shareholders, Asiaciti Enterprises, in an aggregate principal amount of US$200 million (approximately RMB1,440 million). As consideration for these loans, Asiaciti Enterprises issued to the

Investors the Exchangeable Notes in an aggregate principal amount of US$200 million. All of the proceeds of the Exchangeable Notes was provided to us for use in our business. See the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" on page 189 of this prospectus for further details of the Exchangeable Notes and the Restructuring Deed.

On several occasions, we made payments on behalf of Asiaciti Enterprises primarily in connection with the Exchangeable Notes. As of June 30, 2013, these payments totaled RMB460.0 million. To offset the debt owed to us by Asiaciti Enterprises for such payments, we declared a special dividend of approximately RMB442.4 million to Asiaciti Enterprises on June 6, 2013.

Under the terms of the Restructuring Deed dated July 13, 2013, we have assumed the remaining portion of the debt owed to the Investors and will make further payments, totalling approximately US$86.0 million, in the following installments: US$24.3 million on January 15, 2014, US$31.7 million on March 15, 2014 and US$30.0 million on May 15, 2014. On September 16, 2013, we declared a further special dividend of approximately US$70.2 million to Asiaciti Enterprises, an amount which, when coupled with the approximately US$15.7 million we owed to Asiaciti Enterprises, offset the amounts that Asiaciti Enterprises owed to us as a result of the novation under the Restructuring Deed. There was no gain or loss recognized by our Company from the assumption of liability under the novation.

RISK FACTORS

There are certain risks relating to an investment in our Offer Shares. Some of the particular risks in investing in our Offer Shares are further described in the section entitled "Risk Factors" of this prospectus. These can be categorized into (i) risks relating to our businesses, (ii) risks relating to the real estate industry in the PRC, (iii) risks relating to the PRC, and (iv) risks relating to the Global Offering.

We believe a few of the more significant risks relating to our business include:

- Our business is heavily dependent on the growth of the real estate market in the PRC and, in particular, in Guangdong and Hunan Provinces.
- Our business is subject to extensive governmental regulations and policies and, in particular, we are susceptible to policy changes in the PRC property industry.
- If we are unable to comply with the restrictions and covenants and meet the payment schedule under the Restructuring Deed, a termination event (as defined under the Restructuring Deed) could be triggered and there could be a default under the terms of the Restructuring Deed, which could cause repayment of our debt to be accelerated, payment of liquidated damages (in an amount which will yield an internal rate of return of 20% per annum on all avoided, reduced or unpaid installments under the Restructuring Deed) and enforcement of mortgages over the shares of our offshore subsidiaries.
- Our profit margin varies with each property development, and we may not be able to sustain our existing profit margin, which may be affected by a number of factors, including (i) product mix, (ii) selling price and (iii) cost of development.
- We had negative net operating cash flows for the years ended December 31, 2010 and 2011 and the six months ended June 30, 2013. If we are unable to meet our payment obligations, our business, financial condition and results of operations may be materially and adversely affected.
- We may not be able to acquire land reserves of sufficient size in desirable locations and at a commercially acceptable cost in the future.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below:

"AECOM"	AECOM Technology Corporation, the shares of which are listed on the New York Stock Exchange, is a global provider of professional technical and management support services, an Independent Third Party
"Application Form(s)"	**WHITE** application form(s), **YELLOW** application form(s) and **GREEN** applications form(s) or, where the context so requires, any of them
"Articles of Association" or "Articles"	the articles of association of our Company as amended from time to time
"Asiaciti Enterprises"	Asiaciti Enterprises Ltd. (豐亞企業有限公司), a company incorporated in the BVI with limited liability on November 8, 2007 and owned as to 60% by Renowned Brand and 40% by East Profit, one of our Controlling Shareholders
"associate"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board"	our board of Directors
"Business Day"	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"BVI"	British Virgin Islands
"Capitalization Issue"	the issue of Shares to be made upon capitalization of certain sum standing to the credit of the share premium account of our Company as referred to in the section entitled "Statutory and General Information — A. Further Information About Our Group — 3. Resolutions in Writing of the Shareholders Passed on November 19, 2013" in Appendix V to this prospectus

"Catalog"	the amended Catalog for the Guidance on Industries for Foreign Investment (《外商投資產業指導目錄》) jointly issued by MOFCOM and the NDRC in December 2011 and effective on January 30, 2012
"CBRC"	中國銀行業監督管理委員會 (China Banking Regulatory Commission)
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Clearing Participant"	a person admitted to participate in CCASS as a direct participant or a general clearing participant
"CCASS Custodian Participant"	a person admitted to participate in CCASS as a custodian participant
"CCASS Investor Participant"	a person admitted to participate in CCASS as an investor participant who may be an individual, joint individuals or a corporation
"CCASS Participant"	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
"Changsha Meiguiyuan"	長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on September 30, 2002 and an indirect subsidiary of our Company
"China Finance Summit Organizing Committee"	China Finance Summit Organizing Committee (中國財經峰會組委會), the organizer of China Finance Summit (中國財經峰會)
"China Index Academy"	China Index Academy (中國指數研究院), the largest independent real estate research organization in China, which provides real estate price index of major cities in China
"China Real Estate Industry Association"	China Real Estate Industry Association (中國房地產行業協會), a national industrial institution of real estate associations and enterprises engaged in real estate development, real estate transaction, real estate brokerage and property management

"Commerce & Finance"	Commerce & Finance Law Offices
"Companies Law"	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented and/or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Times Property Holdings Limited (時代地產控股有限公司), a company incorporated as an exempted company with limited liability under the laws of the Cayman Islands on November 14, 2007
"Company Law"	the Company Law of the PRC 《中華人民共和國公司法》as enacted by the Standing Committee of the Tenth National People's Congress on October 27, 2005 and effective on January 1, 2006, as amended, supplemented or otherwise modified from time to time
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Construction and Credit Trust"	建信信託有限責任公司 (Construction and Credit Trust Co., Ltd), a trust financing company, an Independent Third Party
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and, in the context of this prospectus, means the controlling shareholders of the Company, being Mr. Shum, Ms. Li, Renowned Brand, East Profit and Asiaciti Enterprises
"CSRC"	中國證券監督管理委員會 (China Securities Regulatory Commission)
"Deed of Non-competition"	a deed of non-competition dated November 21, 2013 given by each of the Controlling Shareholders in favor of our Company

"Development Research Center of the State Council"	the Development Research Center of the State Council (國務院發展研究中心), a PRC state agency responsible for policy research, strategic review and consulting of issues related to the economic and social development in China. It is an advisory body which recommends policies to the Central Committee of the Communist Party of China and the State Council
"Director(s)"	the director(s) of our Company
"Dongguan Trust"	東莞信託有限公司 (Dongguan Trust Co., Ltd), a trust financing company, an Independent Third Party
"DTZ"	DTZ Debenham Tie Leung Limited
"East Profit"	East Profit Management Limited, a company incorporated in the BVI with limited liability on July 9, 2007 and wholly owned by Ms. Li, one of our Controlling Shareholders
"Exchangeable Notes"	any one or all of the exchangeable notes dated (i) January 9, 2008; and (ii) January 30, 2008, issued by Asiaciti Enterprises to the Investors (as contemplated under the Note Subscription Agreement in an aggregate principal amount of US$200 million), a summary of the terms of which is set out in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Note Subscription Agreement and Exchangeable Notes" in this prospectus
"Fogang Bairui"	佛岡柏瑞裝飾工程有限公司 (Fogang Bairui Decoration Engineering Co., Ltd.), a company established in the PRC with limited liability on September 28, 2007 and an indirect subsidiary of our Company
"Fogang Guanheng"	佛岡冠亨投資有限公司 (Fogang Guanheng Investment Co., Ltd.), a company established in the PRC with limited liability on January 19, 2007 and an indirect subsidiary of our Company
"Fogang Real Estate"	佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on March 31, 2004 and an indirect subsidiary of our Company

"Fogang Runxin"	佛岡縣潤信投資諮詢服務有限公司 (Fogang Runxin Investment Consulting Services Co., Ltd.), a company established in the PRC with limited liability on September 17, 2007 and an indirect subsidiary of our Company
"Fogang Shengxin"	佛岡盛欣水電園林工程有限公司 (Fogang Shengxin Water and Electricity Garden Engineering Co., Ltd.), a company established in the PRC with limited liability on September 13, 2007 and an indirect subsidiary of our Company
"Fogang Xinlong"	佛岡縣信隆投資諮詢服務有限公司 (Fogang Xinlong Investment Consulting Services Co., Ltd.), a company established in the PRC with limited liability on June 27, 2007 and an indirect subsidiary of our Company
"Fogang Yongsheng"	佛岡時代永盛投資有限公司 (Fogang Times Yongsheng Investment Co., Ltd.), a company established in the PRC with limited liability on January 11, 2008 and an indirect subsidiary of our Company
"Fogang Zhongyi"	佛岡中意置業有限責任公司 (Fogang Zhongyi Asset Development Limited Liability Company), a company established in the PRC with limited liability on December 29, 2007 and an indirect subsidiary of our Company
"Foshan Chuangxing"	佛山時代創興投資顧問有限公司 (Foshan Times Chuangxing Investment Consultant Company Limited), a company established in the PRC with limited liability on January 19, 2007 and an indirect subsidiary of our Company until it was deregistered on December 11, 2009
"Foshan Fengrui"	佛山市豐睿房地產開發有限公司 (Foshan Fengrui Real Estate Co., Ltd.), a company established in the PRC with limited liability on August 19, 2013 and an indirect subsidiary of our Company
"Foshan Jiefengli"	佛山市捷豐力投資策劃有限公司 (Foshan Jiefengli Investment Planning Co., Ltd.), a company established in the PRC with limited liability on November 15, 2010 and an indirect subsidiary of our Company

"Foshan Meigui Huaye"	佛山市玫瑰華業投資有限公司 (Foshan Meigui Huaye Investment Co., Ltd.), a company established in the PRC with limited liability on November 15, 2010 and an indirect subsidiary of our Company
"Foshan Meiguiyuan"	佛山玫瑰園商業投資有限公司 (Foshan Meiguiyuan Commercial Investment Co., Ltd.), a company established in the PRC with limited liability on November 15, 2010 and an indirect subsidiary of our Company
"Foshan Nanhai Shengyu"	佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on July 6, 2007 and an indirect subsidiary of our Company
"Foshan Yongheng"	佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.), a company established in the PRC with limited liability on August 22, 2012 and an indirect subsidiary of our Company
"Foshan Yudonglong"	佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on January 22, 2002 and an indirect subsidiary of our Company
"Foshan Yuhua"	佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on August 4, 2005 and an indirect subsidiary of our Company
"Foshan Zhide Wangu"	佛山市至德萬谷百貨超市有限公司 (Foshan Zhide Wangu Supermarket Company Limited), a company established in the PRC with limited liability on August 2, 2011 and an indirect subsidiary of our Company until it was transferred to Guangzhou Zhengyuan Investment Co., Ltd (廣州市正元投資有限公司), an Independent Third Party, on March 26, 2013
"Founder BEA Trust"	方正東亞信託有限責任公司 (Founder BEA Trust Co., Ltd), a trust financing company, an Independent Third Party

"GAIC"	廣州市工商行政管理局 (Guangzhou Administration for Industry and Commerce)
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Grand Highway"	Grand Highway International Ltd., a company incorporated in the BVI with limited liability on September 13, 2007 and an indirect subsidiary of our Company
"GREEN application form(s)"	the application form(s) to be completed by the White Form eIPO Service Provider, Computershare Hong Kong Investor Services Limited
"Group," "we" or "us"	our Company and its subsidiaries or, where the context refers to any time prior to its establishment, the businesses which its predecessors or the predecessors of its present subsidiaries were engaged in
"Guangdong Guangchang"	廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.), a company established in the PRC with limited liability on June 19, 1985 and an indirect subsidiary of our Company
"Guangdong Shengyu"	廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on June 19, 2006 and an indirect subsidiary of our Company
"Guangzhou Baiyun"	廣州市白雲合銀泰富小額貸款股份有限公司 (Guangzhou Baiyun Heyintaifu Micro-credit Co., Ltd.), a company established in the PRC with limited liability on December 3, 2012 and owned as to 20% by Guangzhou Zhide, an indirect wholly owned subsidiary of our Company and 80% by Independent Third Parties
"Guangzhou Bolang"	廣州博朗投資有限公司 (Guangzhou Bolang Investment Company Limited), a company established in the PRC with limited liability on June 2, 2005, an Independent Third Party

"Guangzhou Donghe"	廣州東和房地產開發有限公司 (Guangzhou Donghe Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on December 31, 1993 and an indirect subsidiary of our Company
"Guangzhou Enterprise Evaluation Association"	Guangzhou Enterprise Evaluation Association (廣州市企業評價協會), an institution that provides evaluation on the production scale, technology status, management, comprehensive strength, economic efficiency and industrial development of an enterprise
"Guangzhou Fengdu"	廣州市豐都貿易有限公司 (Guangzhou Fengdu Trading Co., Ltd.), a company established in the PRC with limited liability on November 21, 2011 and an indirect subsidiary of our Company
"Guangzhou Fengzhuo"	廣州市時代豐卓投資有限公司 (Guangzhou Times Fengzhuo Investment Company Limited), a company established in the PRC with limited liability on January 14, 2003 and an indirect subsidiary of our Company until it was deregistered on November 9, 2010
"Guangzhou Fujie"	廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.), a company established in the PRC with limited liability on October 27, 2009 and an indirect subsidiary of our Company
"Guangzhou Guangdechang"	廣州市廣德昌商業管理服務有限公司 (Guangzhou Guangdechang Commercial Management Service Co., Ltd.), a company established in the PRC with limited liability on March 25, 2010 and an indirect subsidiary of our Company owned as to 55% by Guangzhou Zhide, 30% by Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司), an Independent Third Party *(Note 1)*, and 15% by Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司), an Independent Third Party *(Note 1)*

"Guangzhou Haorong"	廣州市浩榮貿易有限公司 (Guangzhou Haorong Trading Co., Ltd.), a company established in the PRC with limited liability on October 21, 2010 and an indirect subsidiary of our Company owned as to 100% by Guangzhou Junbao, which is owned as to 70% by Guangzhou Shengyu and 30% by Guangzhou Dafushi Investment Co., Ltd. (廣州大富時投資有限公司), save for the interest in Guangzhou Junbao, Guangzhou Tiansi and Guangzhou Tianlang, an Independent Third Party *(Note 1)*
"Guangzhou Hengde"	廣州時代恒德投資有限公司 (Guangzhou Times Hengde Investment Co., Ltd.), a company established in the PRC with limited liability on July 13, 2009 and an indirect subsidiary of our Company and owned as to 70% by Times Real Estate and 30% by Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司), an Independent Third Party *(Note 1)*
"Guangzhou Hongtai"	廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.), a company established in the PRC with limited liability on January 14, 2010, an indirect subsidiary of our Company and owned as to 60% by Guangzhou Shengyu and 40% by Zhongshan Tianyue *(Note 1)*
"Guangzhou Hongwei"	廣州市時代紅衛投資發展有限公司 (Guangzhou Times Hongwei Investment Development Co., Ltd.), a company established in the PRC with limited liability on March 10, 2011 and owned as to 30% by Times Real Estate, an indirect subsidiary of our Company, and 70% by Guangzhou Hongwei Economic Cooperatives (廣州市羅崗區九龍鎮紅衛村經濟聯合社), an Independent Third Party *(Note 1)*
"Guangzhou Hongwei Economic Cooperatives"	廣州市羅崗區九龍鎮紅衛村經濟聯合社 (Guangzhou Luogang District Jiulong Town Hongwei Village Economic Cooperatives), a collective economic organization established in the PRC on July 28, 2008, an Independent Third Party *(Note 1)*

"Guangzhou Hourun"	廣州經濟技術開發區厚潤投資有限公司 (Guangzhou Economic Development District Hourun Investment Company Limited), a company established in the PRC with limited liability on November 18, 1993, an Independent Third Party
"Guangzhou Huaya"	廣州市華亞投資有限公司 (Guangzhou Huaya Investment Co., Ltd.), a company established in the PRC with limited liability on August 31, 2009 and an indirect subsidiary of our Company
"Guangzhou Junbao"	廣州市駿寶投資有限公司 (Guangzhou Junbao Investment Co., Ltd.), a company established in the PRC with limited liability on July 8, 2010 and an indirect subsidiary of our Company owned as to 70% by Guangzhou Shengyu and 30% by Guangzhou Dafushi Investment Co., Ltd. (廣州大富時投資有限公司), save for the interest in Guangzhou Tianlang, Guangzhou Tiansi and Guangzhou Haorong, an Independent Third Party *(Note 1)*
"Guangzhou Lvdi Baiyun"	廣州綠地白雲置業有限公司 (Guangzhou Lvdi Baiyun Asset Co., Ltd.), a company established in the PRC with limited liability on July 5, 2013 and an indirect subsidiary of our Company owned as to 50% by Times Real Estate and 50% by Guangzhou Lvdi Real Estate Co., Ltd. (廣州綠地房地產開發有限公司), an Independent Third Party *(Note 1)*
"Guangzhou Mingtai"	廣州市茗泰置業發展有限公司 (Guangzhou Mingtai Asset Development Company Limited), a company established in the PRC with limited liability on April 19, 2006 and wholly owned by Times Development Group
"Guangzhou Minhua"	廣州市民華房地產有限公司 (Guangzhou Minhua Real Estate Co., Ltd.), a company established in the PRC with limited liability on April 5, 1994 and an indirect subsidiary of our Company

"Guangzhou Nanying"	廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Company Limited), a company established in the PRC with limited liability on August 6, 1992 and owned as to 79% by Guangzhou Shengyu, an indirect wholly owned subsidiary of our Company, 20% by Daye Trust Company Limited (大業信託有限責任公司), an Independent Third Party *(Note 1)* and 1% by Zhuhai Special Economic Zone Nanying Industrial Co., Ltd. Guangzhou Office (珠海經濟特區南英實業有限公司廣州公司), an Independent Third Party *(Note 1)*
"Guangzhou Ruixian"	廣州市瑞賢園林綠化有限公司 (Guangzhou Ruixian Landscaping Co., Ltd.), a company established in the PRC with limited liability on January 5, 2007 and an indirect subsidiary of our Company
"Guangzhou Shengyu"	廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.), a company established in the PRC with limited liability on April 30, 2005 and an indirect subsidiary of our Company
"Guangzhou Tianhe"	廣州市天合建材有限公司 (Guangzhou Tianhe Construction Material Co., Ltd.), a company established in the PRC with limited liability on August 3, 2010 and an indirect subsidiary of the Company
"Guangzhou Tianlang"	廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.), a company established in the PRC with limited liability on July 15, 2010 and an indirect subsidiary of our Company owned as to 100% by Guangzhou Junbao, which is owned as to 70% by Guangzhou Shengyu and 30% by Guangzhou Dafushi Investment Co., Ltd. (廣州大富時投資有限公司), save for the interest in Guangzhou Junbao, Guangzhou Tiansi and Guangzhou Haorong, an Independent Third Party *(Note 1)*

"Guangzhou Tiansi"	廣州市天斯物業管理有限公司 (Guangzhou Tiansi Property Management Co., Ltd.), a company established in the PRC with limited liability on August 30, 2010 and an indirect subsidiary of our Company owned as to 100% by Guangzhou Junbao, which is owned as to 70% by Guangzhou Shengyu and 30% by Guangzhou Dafushi Investment Co., Ltd. (廣州大富時投資有限公司), save for the interest in Guangzhou Junbao, Guangzhou Tianlang and Guangzhou Tiansi, an Independent Third Party *(Note 1)*
"Guangzhou Tianyi"	廣州市時代天怡諮詢有限公司 (Guangzhou Times Tianyi Consulting Co., Ltd.), a company established in the PRC with limited liability on June 2, 2009 and an indirect subsidiary of our Company
"Guangzhou Yongtai"	廣州市時代永泰投資有限公司 (Guangzhou Times Yongtai Investment Co., Ltd.), a company established in the PRC with limited liability on June 22, 2011 and an indirect subsidiary of our Company
"Guangzhou Zhide"	廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.), a company established in the PRC with limited liability on May 10, 2001 and an indirect wholly owned subsidiary of our Company
"Guangzhou Zhongtong"	廣州市時代中通地產投資有限公司 (Guangzhou Times Zhongtong Real Estate Investment Co., Ltd.), a company established in the PRC with limited liability on April 9, 2003 and an indirect wholly owned subsidiary of our Company until it was deregistered on June 7, 2013
"Guangzhou Zhuorui"	廣州市卓瑞貿易有限公司 (Guangzhou Zhuorui Trading Co., Ltd.), a company established in the PRC with limited liability on November 21, 2011 and an indirect wholly owned subsidiary of our Company until it was transferred to Zhongrong International Trust on November 11, 2013
"Guangzhou Zichen"	廣州市時代紫宸投資有限公司 (Guangzhou Times Zichen Investment Co., Ltd.), a company established in the PRC with limited liability on July 3, 2012 and an indirect wholly owned subsidiary of our Company

"Hanhua"	廣州瀚華建築設計有限公司 (Guangzhou Hanhua Architects and Engineers Co., Ltd), a PRC private architecture firm established in 2000, holding the state-issued construction engineering design qualification (Certificate No.: A144016929) and has extensive experience in the design of large settlements, office, commercial, cultural, educational and other building types, an Independent Third Party
"Heaven Town"	Heaven Town Holdings Ltd., a company incorporated in the BVI with limited liability on June 14, 2007, an Independent Third Party
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Interior Design Association"	Hong Kong Interior Design Association (香港室內設計協會), a non-profit organization established in 1991 which engages in research and education, initiates regional competitions, and carries out community activities
"Hong Kong Offer Shares"	the 43,074,000 Shares being initially offered by us pursuant to the Hong Kong Public Offering, subject to adjustment as described in the section entitled "Structure of the Global Offering" of this prospectus
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong for each at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%), on the terms and subject to the conditions described in this prospectus and the Application Forms
"Hong Kong Share Registrar"	Computershare Hong Kong Investor Services Limited

"Hong Kong Times Investments"	Hong Kong Times Investments Limited (香港時代投資有限公司), a company incorporated in Hong Kong with limited liability on March 24, 2000 and an indirect wholly owned subsidiary of our Company
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering, whose names are set out in the section entitled "Underwriting" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated November 28, 2013 relating to the Hong Kong Public Offering entered into among us, the Controlling Shareholders, the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters
"HS Architects"	深圳華森建築與工程設計顧問有限公司 (Shenzhen Huasen Architecture and Engineering Designing Consultants Company Limited), the first Sino-foreign architecture design joint venture between Hong Kong and Shenzhen in China, which was established in 1980 by the Ministry of Architecture Design Institute (currently known as the China Architecture Design and Research) and Hong Kong SenYang International Co., Ltd., an Independent Third Party
"IFRS"	International Financial Reporting Standards
"Independent Third Party(ies)"	individual(s) or company(ies) not connected with (within the meaning of the Listing Rules) any directors, chief executive or substantial shareholders of our Company or any of its subsidiaries or any of their respective associates
"International Offer Shares"	the 387,666,000 Shares being initially offered by us pursuant to the International Offering, together with any additional Shares offered pursuant to the exercise of the Over-allotment Option, subject to adjustment as described in the section entitled "Structure of the Global Offering" in this prospectus
"International Offering"	the conditional offer of International Offer Shares to professional, institutional and other investors, as described in the section entitled "Structure of the Global Offering" in this prospectus

"International Purchase Agreement"	the underwriting agreement relating to the International Offering and expected to be entered into among us, the Controlling Shareholders, the International Underwriters and the Joint Global Coordinators on or around December 4, 2013
"International Underwriters"	the underwriters of the International Offering
"Investors" or "Noteholders"	Highup Holdings Limited, PA Asset Opportunity IX Limited, PA Capital Opportunity II Limited, Sino-Ocean Land Capital Investment Limited and (after the transfer of Exchangeable Notes in the aggregate principal amount of US$20 million by Highup Holdings Limited to Poplar Victory Limited as contemplated under the Note Subscription Agreement) Poplar Victory Limited
"Jianhou Properties"	廣州建厚房地產有限公司 (Guangzhou Jianhou Real Estate Company Limited), a company established in the PRC with limited liability on February 2, 2007 and owned as to 94% by Times Real Estate, as to 5% by Guangzhou Hourun, an Independent Third Party *(Note 1)*, and as to 1% by 樓汝于 (Lou Ruyu), an Independent Third Party *(Note 1)*, and an indirect subsidiary of our Company until it was deregistered on September 27, 2010
"Joint Bookrunners"	UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and ABCI Capital Limited
"Joint Global Coordinators"	UBS AG, Hong Kong Branch and Haitong International Securities Company Limited
"Joint Lead Managers"	UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and ABCI Securities Company Limited
"Joint Sponsors"	UBS Securities Hong Kong Limited and Haitong International Capital Limited
"LAT"	Land Appreciation Tax (土地增值税) as defined in the Provisional Regulations of the PRC on Land Appreciation Tax (《中華人民共和國土地增值税暫行條例》) and the Detailed Implementation Rules on the Provisional Regulations of the PRC on Land Appreciation Tax (《中華人民共和國土地增值税暫行條例實施細則》)
"Latest Practicable Date"	November 22, 2013, being the latest practicable date prior to the publication of this prospectus for the purpose of ascertaining certain information contained in this prospectus

"Listing"	the listing of our Shares on the Main Board of the Stock Exchange
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date expected to be on or around December 11, 2013, on which the dealings in our Shares first commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended from time to time)
"Market Research Report"	a commissioned research report from DTZ for use in part in this prospectus to provide prospective investors with information relating to the economy of China, the residential market in Guangdong and Hunan Provinces in China, and the industry in which we operate. See the section entitled "Industry Overview" in this prospectus for details
"Memorandum" or "Memorandum of Association"	the memorandum of association of our Company, adopted on November 19, 2013 and as amended from time to time
"Million Sensor"	Million Sensor Management Limited, a company incorporated in the BVI with limited liability on May 25, 2007 and an indirect wholly owned subsidiary of our Company
"Ministry of Finance" or "MOF"	中華人民共和國財政部 (the PRC Ministry of Finance)
"Minmetals International Trust Co., Ltd."	五礦國際信託有限公司 (Minmetals International Trust Co., Ltd.), a trust financing company, an Independent Third Party
"MOFCOM"	中華人民共和國商務部 (the PRC Ministry of Commerce)
"Mr. Cen"	Mr. Cen Zhaoxiong (岑兆雄), one of our executive Directors and the younger brother of Mr. Shum
"Mr. Guan"	Mr. Guan Jianhui (關建輝), one of our executive Directors

"Mr. Shum"	Mr. Shum Chiu Hung (岑釗雄), one of our executive Directors, one of our Controlling Shareholders and the spouse of Ms. Li
"Ms. Li"	Ms. Li Yi Ping (李一萍), one of our Controlling Shareholders and the spouse of Mr. Shum
"Nanhai Shengyu"	佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Company Limited), a company established in the PRC with limited liability on July 6, 2007 and an indirect wholly owned subsidiary of our Company
"NDRC"	中華人民共和國國家發展和改革委員會 (the National Development and Reform Commission of the PRC)
"Nomination Committee"	the nomination committee of our Board
"Note Subscription Agreement"	the note subscription and rights agreement dated December 28, 2007 entered into among Asiaciti Enterprises, Renowned Brand, East Profit, Mr. Shum, Ms. Li and our Company with the Investors (as investors) and Highup Holdings Limited (as agent and security agent and trustee)
"Notice 50"	the Notice on Further Strengthening and Regulating the Approval and Supervision of Foreign Direct Investment in the Real Estate Sector (《關於進一步加強、規範外商直接投資房地產業審批和監管的通知》) jointly issued by MOFCOM and SAFE on May 23, 2007
"Notice 130"	the Notice on Issuing the List of the First Batch of Foreign-Invested Real Estate Projects Having Passed the Procedures for Filing with the Ministry of Commerce (《關於下發第一批通過商務部備案的外商投資房地產專案名單的通知》) issued by SAFE on July 10, 2007

"Offer Price"	the final price per Offer Share in Hong Kong dollars (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering, to be determined as further described in the section entitled "Structure of the Global Offering — Pricing and Allocation" in this prospectus
"Offer Shares"	the Hong Kong Offer Shares and the International Offer Shares
"Over-allotment Option"	the option that we will grant to the International Underwriters, exercisable by the Stabilizing Manager pursuant to the International Purchase Agreement at any time for up to 30 days after the last date for lodging of applications under the Hong Kong Public Offering, to require us to issue up to an aggregate of 64,611,000 additional Offer Shares, representing approximately 15% of the initial Offer Shares, at the Offer Price, to, among other things, cover over-allocations in the International Offering, if any, details of which are described in the section entitled "Structure of the Global Offering — Over-allotment Option" in this prospectus
"PBOC"	中國人民銀行 (the People's Bank of China), the central bank of the PRC
"PRC" or "China"	the People's Republic of China, but for the purposes of this prospectus only (unless otherwise indicated) excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"PRC government"	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"Price Determination Date"	the date, expected to be on or around December 4, 2013 but no later than December 9, 2013, on which the Offer Price is to be fixed by agreement between us and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) for the purposes of the Global Offering

"Principal Share Registrar"	Appleby Trust (Cayman) Ltd.
"Profit City"	Profit City Investment Limited (盈坤投資有限公司), a company incorporated in Hong Kong with limited liability on April 23, 1992 and an indirect wholly owned subsidiary of our Company
"Property Valuation Report"	property valuation report prepared by the Property Valuer and included in Appendix III to this prospectus
"Property Valuer"	DTZ, an independent property valuer
"QIB"	"qualified institutional buyer" within the meaning of Rule 144A
"Qingyuan Rongjing"	清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.), a company established in the PRC with limited liability on February 10, 2010 and an indirect wholly owned subsidiary of our Company
"Qingyuan Xilong"	清遠市喜龍房地產開發有限公司 (Qingyuan Xilong Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on March 12, 2010 and an indirect wholly owned subsidiary of our Company
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"Renowned Brand"	Renowned Brand Investments Limited (佳名投資有限公司), a company incorporated in the BVI with limited liability on March 22, 2006 and wholly owned by Mr. Shum, one of our Controlling Shareholders
"Reorganization"	the reorganization arrangements we have undergone in preparation for the listing of Shares on the Stock Exchange which are more particularly described in the sections entitled "History and Corporate Structure" of this prospectus and "Statutory and General Information — A. Further Information about Our Group — 4. Corporate Reorganization" in Appendix V to this prospectus

"Repayment Agreements"	collectively, the payment deed dated January 20, 2012, the supplemental deed dated March 20, 2012 and the amendment letter dated March 22, 2013 which are more particularly described in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus
"Restructuring Deed"	the restructuring deed dated July 12, 2013 entered into by and among our Company, Mr. Shum, Asiaciti Enterprises, Renowned Brand, East Profit and Highup Holdings Limited, further details of which are set out in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	中華人民共和國國家外匯管理局 (the PRC State Administration of Foreign Exchange)
"SCDA Architects"	SCDA Architects is a multi-disciplinary architectural practice established in 1995 and has extensive experience with private residences, resorts, hotels, apartments and commercial buildings, an Independent Third Party
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of HK$0.10 each
"Share Option Scheme"	the share option scheme that our Company conditionally adopted on November 19, 2013, the principal terms of which are summarized in the section entitled "Statutory and General Information — D. Share Option Scheme" in Appendix V to this prospectus
"Shareholder(s)"	holder(s) of the Share(s)

"Shenzhen Jinhaidi"	深圳市金海地投資有限公司 (Shenzhen Jinhaidi Investment Co., Ltd.), a company established in the PRC with limited liability on February 9, 2002 and an indirect wholly owned subsidiary of our Company
"Stabilizing Manager"	UBS AG, Hong Kong Branch
"State Council"	中華人民共和國國務院 (the State Council of the PRC)
"Steelmine Minerals"	Steelmine Minerals (H.K.) Development Limited (香港樂居礦業發展有限公司), a company incorporated in Hong Kong with limited liability on October 4, 2000 and an indirect wholly owned subsidiary of our Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules, unless the context otherwise requires
"Sweetland Real Estate"	廣州市翠逸房地產開發有限公司 (Guangzhou Sweetland Real Estate Development Company Limited), a company established in the PRC with limited liability on March 1, 1999, an Independent Third Party
"Times Development (HK)"	Times Development (HK) Company Limited (時代發展(香港)有限公司), a company incorporated in Hong Kong with limited liability on March 24, 2000, an Independent Third Party
"Times Development Group"	廣州市時代發展企業集團有限公司 (Guangzhou Times Development Enterprise Group Co., Ltd.) (formerly known as Guangzhou Times Investment Development Company Limited (廣州市時代投資發展有限公司)), a company established in the PRC with limited liability on October 11, 1999 and owned as to 90% by Mr. Cen Jiancai (岑建財), father of Mr. Shum, and as to 10% by Mr. Cen, the younger brother of Mr. Shum

"Times Group"	廣州市時代地產集團有限公司 (Guangzhou Times Property Group Co., Ltd.) (formerly known as Guangzhou Times Mingyuan Real Estate Development Co., Ltd. (廣州市時代名苑房地產開發有限公司)), a company established in the PRC with limited liability on May 9, 2001 and an indirect wholly owned subsidiary of our Company
"Times Property Management"	廣州市時代物業管理有限公司 (Guangzhou Times Property Management Co., Ltd.), a company established in the PRC with limited liability on December 18, 1998, and an indirect wholly owned subsidiary of our Company
"Times Real Estate"	廣州市時代企業地產投資有限公司 (Guangzhou Times Enterprise Real Estate Investment Co., Ltd.), a company established in the PRC with limited liability on March 17, 2005 and an indirect wholly owned subsidiary of our Company
"Track Record Period"	the period comprising the three financial years ended December 31, 2012 and the six months ended June 30, 2013
"Trademark"	the 23 trademarks, the particulars of which are set out in the section entitled "Statutory and General Information — B. Further Information about Our Business — 2. Intellectual Property Rights of Our Group" in Appendix V to this prospectus
"Trademark License Agreement"	the trademark license agreement entered into between Times Group and Times Development Group dated March 13, 2013 (amended and supplemented by a supplemental agreement dated July 1, 2013)
"Tsinghua University Real Estate Institute"	Tsinghua University Real Estate Institute (清華大學房地產研究所), an institution of Tsinghua University established for real estate education and research in China
"Underwriters"	collectively, the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Purchase Agreement

"United States" or "U.S."	the United States of America, including its territories and possessions
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"US$"	United States dollars, the lawful currency of the United States
"Venus Tower"	Venus Tower Limited, a company incorporated in the BVI with limited liability on September 21, 2007 and an indirect wholly owned subsidiary of our Company
"Wah Tai"	Wah Tai (H.K.) Development Limited (華泰(香港)發展有限公司), a company incorporated in Hong Kong with limited liability on May 28, 1992 and an indirect wholly owned subsidiary of our Company
"White Form eIPO"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website of **www.eipo.com.hk**
"White Form eIPO Service Provider"	Computershare Hong Kong Investor Services Limited
"Wisdom Sharp"	Wisdom Sharp Investments Limited (智銳投資有限公司), a company incorporated in the BVI with limited liability on March 22, 2006 and a direct wholly owned subsidiary of our Company
"Zhide Property Management"	廣州市至德物業管理有限公司 (Guangzhou Zhide Property Management Co., Ltd.), a company established in the PRC with limited liability on September 30, 2009 and an indirect wholly owned subsidiary of our Company
"Zhide Technology"	廣州市至德科技企業孵化器有限公司 (Guangzhou Zhide Technology Business Incubator Co., Ltd.), a company established in the PRC with limited liability on August 31, 2009 and an indirect wholly owned subsidiary of our Company

"Zhide Zhengxing"	佛山市至德正興物業管理有限公司 (Foshan Zhide Zhengxing Property Management Co., Ltd.), a company established in the PRC with limited liability on April 28, 2011 and an indirect wholly owned subsidiary of our Company
"Zhongrong International Trust"	中融國際信託有限公司 (Zhongrong International Trust Co., Ltd), a trust financing company, an Independent Third Party
"Zhongshan Kaixuan"	中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.), a company established in the PRC with limited liability on May 15, 2007 and an indirect wholly owned subsidiary of our Company
"Zhongshan Tianyue"	中山市天悦房地產投資有限公司 (Zhongshan Tianyue Real Estate Investment Company Limited), a company established in the PRC with limited liability on March 10, 2010. See the section entitled "History and Corporate Structure — Our Reorganization — Establishment of Onshore Companies — (e) Establishment of Guangzhou Hongtai" for further details
"Zhongshan Wanlian"	中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on June 19, 2007 and an indirect wholly owned subsidiary of our Company
"Zhongzhu Holdings"	珠海中珠股份有限公司 (Zhuhai Zhongzhu Holdings Company Limited), a company established in the PRC with limited liability on March 8, 1991, an Independent Third Party
"Zhuhai Baifuchen"	珠海百富辰投資有限公司 (Zhuhai Baifuchen Investment Company Limited), a company established in the PRC with limited liability on June 20, 2001, an Independent Third Party
"Zhuhai Fengzhuo"	珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.), a company established in the PRC with limited liability on July 11, 2007 and an indirect wholly owned subsidiary of our Company

"Zhuhai Guoji"	珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on March 18, 2011 and an indirect wholly owned subsidiary of our Company
"Zhuhai Jiayu"	珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on November 2, 2012 and an indirect subsidiary of our Company and owned as to 60% by Guangzhou Shengyu and 40% by Guangzhou Zhuorui
"Zhuhai Jingrun"	珠海景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on June 4, 2007 and an indirect wholly owned subsidiary of our Company
"Zhuhai Jinwu"	珠海市斗門區金屋房地產發展有限公司 (Zhuhai Doumen District Jinwu Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on July 9, 1992 and owned as to 51% by Guangzhou Shengyu, 24% by Mr. Liu Chunguang (劉春光), an Independent Third Party *(Note 1)* and 25% by Shanghai Dingzhong Jianxin Investment Management Co., Ltd. (上海鼎眾建鑫投資管理有限公司), an Independent Third Party *(Note 1)*
"Zhuhai Shenghui"	珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.), a company established in the PRC with limited liability on December 6, 2012 and an indirect wholly owned subsidiary of our Company
"Zhuhai Shengyuan"	珠海市時代盛元生物科技有限公司 (Zhuhai Times Shengyuan Bio-technology Co., Ltd.), a company established in the PRC with limited liability on August 3, 2009, and an indirect subsidiary of our Company until it was transfered to Guangzhou Pairuan Technology Co., Ltd. (廣州市派軟科技有限公司), an Independent Third Party, on March 15, 2013

"Zhuhai Zhongzhu"	珠海中珠世紀投資有限公司 (Zhuhai Zhongzhu Century Investment Co., Ltd.), a company established in the PRC with limited liability on March 28, 2006 and an indirect wholly owned subsidiary of our Company
"%"	percent

Notes:

(1) Save for the interest stated in this section, he, she or it (as the case may be) is an Independent Third Party.

(2) If there is any inconsistency between the official Chinese names of the PRC laws or regulations, PRC government authorities or PRC entities mentioned in this prospectus and their English translations, the Chinese version shall prevail. The English translations of official Chinese names are for identification purposes only.

In this prospectus, unless the context otherwise requires, explanations and definitions of certain terms used in this prospectus in connection with our Group and its business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

"average selling price" or "ASP"	average selling price on a gross basis, unless otherwise stated
"CAGR"	compound annual growth rate
"commercial property(ies)"	for purposes of this prospectus, property(ies) designated for commercial use
"commodity property(ies)"	residential properties, commercial properties and other properties that are developed by real estate developers for the purposes of sale or lease after their completion
"completion certificate"	房屋建築工程竣工驗收備案表 (construction work completion inspection certificate) issued by local urban construction bureaux or equivalent authorities in China with respect to the completion of property projects subsequent to their on-site examination and inspection
"construction land planning permit"	建設用地規劃許可證 (construction land planning permit), a permit issued by local urban zoning and planning bureaux or equivalent authorities in China with respect to planning of construction land
"construction work commencement permit"	建築工程施工許可證 (construction work commencement permit), a permit issued by local construction bureaux or equivalent authorities in China with respect to commencement of construction work
"construction work planning permit"	建設工程規劃許可證 (construction work planning permit), a permit issued by local urban zoning and planning bureaux or equivalent authorities in China with respect to planning of construction work
"Emerging Urban Areas"	sites situated between city centers and suburban areas that we expect to become central urban areas in the near future
"FIREE"	foreign-invested real estate enterprises

"GDP"	gross domestic product
"GFA"	gross floor area
"land grant contract"	國有土地使用權出讓合同 (state-owned land use rights grant contract), an agreement between a land user and the relevant PRC governmental land administrative authorities
"land use rights certificate"	國有土地使用證 (state-owned land use rights certificate), a certificate (or certificates, as the case may be) of the right of a party to use a parcel of land
"plot ratio"	the ratio of the gross floor area (excluding floor area below ground) of all buildings to their site area
"pre-sale permit"	商品房預售許可證 (commodity property pre-sale permit), a permit issued by a local housing and building administrative bureau or an equivalent authority with respect to pre-sale of the relevant properties
"property ownership certificate"	房屋所有權證 (property ownership certificate), a certificate issued by relevant PRC government authorities with respect to the ownership rights of buildings
"public tender," "auction," or "listing-for-sale"	public tender, auction or listing at a land exchange administered by the local government, each of which is a competitive bidding process through which a purchaser acquires land use rights directly from the PRC government; See the section entitled "Regulatory Overview — Land Grants — Modes of Land Grant" in this prospectus for a detailed explanation of these processes
"rentable GFA"	in relation to (i) completed property projects, the total GFA shown in the relevant completion documents, survey documents and/or property ownership certificates for leasing purposes; and (ii) projects where we have obtained pre-sale permits, the leasable GFA as shown in the pre-sale permits, completion documents, survey documents and/or property ownership certificates for leasing purposes

"residential property(ies)"	for the purposes of this prospectus, property(ies) designated for residential use
"saleable GFA"	in relation to (i) completed property projects, the total GFA shown in the relevant completion documents, survey documents and/or property ownership certificates for sale purposes; and (ii) projects where we have obtained pre-sale permits, the saleable GFA as shown in the pre-sale permits, completion documents, survey documents and/or property ownership certificates for sales purposes
"sq.m."	square meter
"Urban Redevelopment"	urban redevelopment (三舊改造), a policy reform under the Opinions on Promoting Urban Redevelopment to Advance the Conservation of Land (《關於推進 "三舊" 改造促進節約集約用地的若干意見》) issued by the People's Government of Guangdong Province (廣東省人民政府) on August 25, 2009 to promote the redevelopment of "old towns" (舊城鎮), "old factories" (舊廠房) and "old villages" (舊村莊); See the section entitled "Regulatory Overview — Land Grants — Urban Redevelopment" in this prospectus for further information
"total gross floor area" or "total GFA"	the above-ground and underground saleable and/or leasable area contained within the external walls of any building at each floor level and the whole thickness of the external walls of the relevant project together with other non-leasable and non-saleable area. In general, this measure includes mechanical and electrical services rooms, refuse rooms, water tanks, car park, lifts, staircases, lobby and recreational facilities

You should carefully consider all of the information in this prospectus including the risks and uncertainties described below before making an investment in our Shares. Our business, financial position and results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment.

RISKS RELATING TO OUR BUSINESSES

Our business is heavily dependent on the growth of the real estate market in the PRC and, in particular, in Guangdong and Hunan Provinces

We are one of the leading property developers in Guangdong Province and we are heavily dependent on the growth of the real estate market in the PRC and, in particular, in Guangdong and Hunan Provinces. As of September 30, 2013, we had a total of 28 residential property projects at various stages of development, 27 of which are located in Guangdong Province, including ten in Guangzhou, six in Foshan, six in Zhuhai, three in Qingyuan and two in Zhongshan, and one in Changsha, Hunan Province. These 28 projects have an aggregate site area of approximately 4,328,327 sq.m. and an aggregate GFA of approximately 11,269,018 sq.m. As of September 30, 2013, approximately 3,016,908 sq.m. of the GFA was completed, approximately 3,697,977 sq.m. of the GFA was under development and approximately 4,554,133 sq.m. of the GFA was held for future development. As one of our business strategies is to strengthen our leadership position in cities in Guangdong Province where we currently operate and to expand into other cities in Guangdong Province with high growth potential and explore opportunities to diversify our product portfolio, any adverse movements in the supply of, or demand for, properties in Guangdong and Hunan Provinces in particular, or in prices paid for such properties, may have a material adverse effect on our business, results of operations and financial position. These property markets may be affected by local, regional, national and global factors, including economic and financial conditions, speculative activities in local markets, the demand for and supply of properties, the availability of alternative investment choices for property buyers, inflation, government policies, interest rates and the availability of capital.

Demand for properties and property prices in China, including Guangdong and Hunan Provinces, have fluctuated significantly in recent years, and is expected to continue to be affected by macro-economic control measures implemented by the PRC government from time to time. Further restrictive measures adopted by the PRC government on bank loans, trust financing arrangements for real estate development projects and property purchases since April 2010 have had, and may continue to have, a dampening effect on property markets in many areas of the PRC, including Guangdong and Hunan Provinces.

In addition, future demand for different types of residential or commercial properties in Guangdong and Hunan Provinces and the rest of the PRC is uncertain. If we do not respond to changes in market conditions or customer preferences in a timely manner, our business, results of operations and financial position may be materially and adversely affected.

Our business is subject to extensive governmental regulations and policies and, in particular, we are susceptible to policy changes in the PRC property industry

Our business is subject to extensive governmental regulations and policies. As with other PRC property developers, we must comply with various requirements mandated by PRC laws and regulations, including the policies and procedures established by local authorities designed to implement such laws and regulations. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, which, among other things, control foreign exchange, taxation, foreign investment and the supply of land for property development. Through these policies and measures, the PRC government may raise the benchmark interest rates of commercial banks, place additional limitations on the ability of commercial banks to make loans to property developers and property purchasers, impose additional taxes and levies on property sales, restrict foreign investment in the PRC property sector and restrict or reduce the supply of land for property development.

During the Track Record Period and up to the Latest Practicable Date, the PRC government had implemented a series of regulations and policies to ensure healthy growth of the property market and to slow down the increase in property prices, as well as to dampen property speculation. See the section entitled "Regulatory Overview — Land Grants" in this prospectus. These policies may limit our ability to obtain financing, acquire land for future developments, sell our properties at a profit or generate sufficient operating cash flow from contracted sales. For example, the PRC government has adopted various restrictive measures since April 2010, which is part of the reason that the increase in the average selling price per sq.m. for our residential properties from 2011 to 2012 was less than the increase in the average selling price per sq.m. from 2010 to 2011. The average selling price per sq.m. for our residential properties increased by 29.7% from RMB6,066 per sq.m. in 2010 to RMB7,868 per sq.m. in 2011, while the average selling price per sq.m. of our residential properties increased by 2.1% from RMB7,868 per sq.m. in 2011 to RMB8,032 per sq.m. in 2012. Other political, economic and social factors may lead to further adjustments of such policies. This refining and adjustment process may have a negative effect on our business, results of operations and financial position, as well as our future business growth.

We cannot assure you that the PRC government will not adopt additional and more stringent industry policies, regulations and measures in the future. It is also impossible to ascertain the extent of the impact of these policies, regulations or measures or to accurately estimate our sales volume and turnover if such policies, regulations and measures are introduced. If we fail to adapt our operations to new policies, regulations and measures that may come into effect from time to time with respect to the real estate industry in China, or such policy changes disrupt or hinder our business or cause us to incur additional costs, our business, results of operations and financial position may be materially and adversely affected.

If we are unable to comply with the restrictions and covenants and meet the payment schedule under the Restructuring Deed, a termination event could be triggered and there could be a default under the terms of the Restructuring Deed, which could cause repayment of our debt to be accelerated, payment of liquidated damages and enforcement of mortgages over the shares of our offshore subsidiaries

If we are unable to comply with the restrictions and covenants and meet the payment schedule under the Restructuring Deed, a summary of which is set out in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus, there could be a default under the terms of the Restructuring Deed. In the event that a termination event (as provided under the Restructuring Deed including but without limitation, any amount payable under the Restructuring Deed which has fallen due but not settled by the due date) is triggered prior to the full payment of the installments under the Restructuring Deed, Highup Holdings Limited (as agent of the Investors) could accelerate repayment of the debt and declare all outstanding amounts due and payable, enforce their rights for liquidated damages (in the amount which will yield an internal rate of return of 20% per annum on all avoided, reduced or unpaid installments under the Restructuring Deed) and enforce any of their rights under the share mortgages over all of the issued share capital of Wisdom Sharp, Grand Highway and Hong Kong Times Investments (including but not limited to dispose any and/or all of the shares subject to the share mortgages aforesaid which may lead to loss of key assets and holding interests in our operating subsidiaries in the PRC) and other transaction documents. In addition, the Investors are entitled to proceed to wind up our offshore holding companies, the shares of which are subject to the shares mortgages aforesaid. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay in full all of our indebtedness, or that we would be able to find alternative financing for the repayment of our debt under the Restructuring Deed. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

Our profit margin varies with each property development, and we may not be able to sustain our existing profit margin

We recorded gross profit margin of approximately 25.3%, 27.8%, 28.4% and 23.2%, respectively, for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013. Factors that may affect our gross profit margin include (i) product mix, (ii) selling price and (iii) cost of development. For further details of the effect these factors may have on our gross profit margin, see the sections entitled "Financial Information — Key Factors Affecting Our Business, Results of Operations and Financial Position — Change in Product Mix," "Financial Information — Key Factors Affecting Our Business, Results of Operations and Financial Position — Ability to Acquire Suitable Land at Reasonable Cost" and "Financial Information — Key Factors Affecting Our Business, Results of Operations and Financial Position — Price Volatility of Construction Materials" in this prospectus. We cannot assure you that we will be able to maintain or increase our gross profit margin. If we are unable to maintain our gross profit margin, our profitability may be materially and adversely affected.

We had negative net operating cash flows for the years ended December 31, 2010 and 2011 and the six months ended June 30, 2013. If we are unable to meet our payment obligations, our business, financial condition and results of operations may be materially and adversely affected

For the years ended December 31, 2010 and 2011 and the six months ended June 30, 2013, we recorded negative net cash flows from operating activities of approximately RMB261.4 million, RMB363.6 million and RMB275.5 million, respectively. Our negative net operating cash flows were principally attributable to project development and construction, our land acquisitions, the long-term and capital-intensive nature of property development and our business expansion during the relevant periods. During the Track Record Period, we funded our capital expenditure with internal resources and external financing. For further information, see the section entitled "Financial Information — Key Factors Affecting Our Business, Results of Operations and Financial Position — Access to Adequate Financing and Capital Resources" in this prospectus. We cannot assure you that we will not experience negative net cash flows in the future. We incurred capital expenditure of RMB349.0 million for the six months ended June 30, 2013 and our current planned capital expenditure for the second half of 2013 is RMB102.2 million. As of September 30, 2013, for our properties under development and properties held for future development, we incurred development costs of RMB17,284.7 million and our current estimated future development costs is RMB23,306.5 million. See the section entitled "Business — Our Business — Summary Information Regarding Our Property Projects — Properties under development and properties held for future development" for details. As of June 30, 2013, we did not have any unutilized bank facilities. From July 1, 2013 to September 30, 2013, we had additional bank loans and other borrowings of approximately RMB3,134.0 million. Negative net operating cash flows require us to obtain sufficient external financing to meet our financial needs and obligations. If we are unable to do so, we will be in default of our payment obligations and may not be able to develop our projects as planned or meet our capital expenditure requirements. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may not be able to acquire land reserves of sufficient size in desirable locations and at a commercially acceptable cost in the future

We derive our revenue principally from sales of properties that we have developed. This revenue stream depends on the completion of, and our ability to sell, our property developments. In order to maintain and grow our business in the future, we will need to replenish our land reserves with land of sufficient size in desirable locations and at a commercially acceptable cost. During the Track Record Period, we acquired land primarily through government-organized auctions and the listing-for-sale process, and by acquiring equity interests in project companies that hold land use rights and by participating in the "Urban Redevelopment" policies. Our ability to identify and acquire suitable land is subject to a number of factors that may be beyond our control. See the section entitled "Regulatory Overview — Land Grants" in this prospectus for information on the regulatory procedures and restrictions relating to land acquisition in the PRC.

Among our 28 projects, nine projects, namely, Times Bund, Times King City (Zengcheng), Times King City (Zhongshan), Times City, Zhuhai Guoji Project, Fogang Huanghua Lake Project, Times King City (Changsha), Times King City (Guangzhou) and Zhuhai Jingrun Project (phase 4 of Times Eolia City), were acquired via acquisition of equity interests in project companies that held the land use rights. There may be latent liabilities in these companies that we were unable to identify before we acquired them. If these latent liabilities are determined to be material, our business, results of operations and financial position may be materially and adversely affected.

In addition, we cannot assure you that the parcels of land we have acquired to date will appreciate in value, or that we will continue to be able to acquire land of sufficient size and with an appropriate scope of usage, in desirable locations and at a commercially acceptable cost, for our property projects.

The PRC government controls the supply of land in China and regulates the transfer of land use rights in the secondary market. As a result, the policies of the PRC government have a direct impact on our ability to acquire the land use rights we seek and could increase our costs of acquisition. In recent years, the PRC central and local governments have implemented various measures to regulate the means by which property developers may obtain land and the manner in which land may be developed. The PRC government also controls land supply through zoning, land usage regulations and other measures. All these measures could intensify the competition for land in China among property developers. Our business, results of operations and financial position may be materially and adversely affected if we are unable to obtain sites for development at prices that allow us to achieve reasonable returns upon sale to our customers.

We maintain a certain level of indebtedness and may incur additional indebtedness in the future, and any default under any of our loan or financing arrangements could result in enforcement against the security we have granted, which could materially and adversely affect our ownership of our PRC project companies and our ability to continue our operations

We maintain a certain level of indebtedness to finance our operations, a substantial portion of which is generally secured by (i) pledges of equity interests in, or land use rights or properties held by, some of our PRC subsidiaries, and (ii) guarantees provided by some of our PRC subsidiaries. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our aggregate outstanding bank loans and other borrowings were RMB2,778.4 million, RMB4,231.6 million, RMB5,676.8 million and RMB5,723.1 million, respectively. Our total indebtedness described above does not include our guarantee or indemnity obligations. As of December 31, 2010, 2011 and 2012 and June 30, 2013, the outstanding guarantees we had given in relation to mortgage loans of purchasers of our properties amounted to RMB1,217.0 million, RMB1,710.5 million, RMB3,210.2 million and RMB3,548.3 million, respectively. In the future, we may also, in the ordinary course of business, enter into additional bank loan or other financing arrangements to finance our property developments and, as a result, incur additional indebtedness.

Some of our loan agreements contain cross default clauses. If any cross default occurs, these banks are entitled to accelerate payment of all or any part of the indebtedness owing under all the loan agreements and to enforce all or any of the security for such indebtedness. In addition, certain loan agreements contain covenants where we or our relevant PRC operating subsidiaries may not enter into any merger, joint venture or restructuring, or decrease our registered share capital, transfer material assets, liquidate, change our shareholding, or distribute dividends, without the relevant lenders' prior written consent or unless we first fully settle the amounts outstanding under the relevant loan agreements. Some loan agreements also require us to maintain certain financial ratios, such as the debt ratio, at specified levels. For example, under four bank loan agreements, we are required to maintain the debt ratio of our borrowing subsidiaries at 80% or below, or 70% or below, respectively, during the term of the relevant loan agreements. See the section entitled "Financial Information — Key Financial Ratios" in this prospectus for further information on the relationship of our indebtedness to other items in our financial statements. As the debt owed to the Investors under the Restructuring Deed assumed was recorded at our Company level, it is expected that the outstanding balance under the Restructuring Deed will not have any material impact on the relevant PRC operating subsidiaries' ability to meet the related financial covenants.

If we are unable to make scheduled payments in connection with our debt and other fixed payment obligations as they become due, we may need to renegotiate the terms and conditions of such obligations or to obtain additional equity or debt financing. We cannot assure you that our renegotiation efforts would be successful or timely or that we would be able to refinance our obligations on acceptable terms, or at all. If financial institutions decline to lend additional funds to us or to refinance our existing loans when they mature as a result of our credit risk, or if we fail to raise financing through other means, our financial position, cash flow position and business prospects may be materially and adversely affected.

In particular, during the Track Record Period, we had nine trust financing arrangements to obtain trust loans in an aggregate amount of RMB1,779.2 million. See the section entitled "Business — Financing Provided by Trust Financing Companies" in this prospectus for further information relating to our trust financing arrangements. As of September 30, 2013, we had four outstanding trust financing arrangements with an aggregate outstanding amount of approximately RMB1,111.3 million and we may enter into additional trust financing arrangements from time to time. From October 1, 2013 to the Latest Practicable Date, we entered into two additional trust financing arrangements. For further information, see the section entitled "Business — Financing Provided by Trust Financing Companies — Trust Financing Arrangements Entered into by Our Group." These trust financing arrangements are normally secured borrowing transactions where land use rights, property interest or equity interest are effectively held as collateral to secure our repayment obligations. Should we default on any of our obligations under the respective arrangements, the relevant trust financing companies can enforce their rights against land use rights, property interest or equity interest we pledged. We may, as a result, lose control or ownership of such rights or interests, and our results of operations and financial position may be materially and adversely affected. We cannot assure you that we will be able to perform all of our obligations under the trust loan arrangements that we have entered into or will enter into. We also cannot assure you that we will not enter into similar financing arrangements in the future and that we will be able to continue meeting all of our obligations under the bank loans and trust financing arrangements.

Our operating results may fluctuate from period to period, and such fluctuations make it difficult to predict our future performance, which may vary significantly from period to period

As we derive our revenue principally from the sale of properties developed by us, our operating results may vary significantly from period to period. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our revenue from sales of properties was RMB1,466.3 million, RMB2,369.6 million, RMB3,090.8 million and RMB2,251.2 million, respectively, which accounted for 94.8%, 96.1%, 96.7% and 95.3% of our total revenue, respectively, for the corresponding period.

According to our accounting policies, our recognized revenue depends mainly on the project completion and delivery schedule. Periods in which we deliver properties with a higher aggregate GFA typically generate higher levels of revenue. However, our revenue is not evenly distributed over different periods of any particular year due to a combination of factors, which include the overall delivery schedules of our projects, the market demand for our properties and the timing of the sale of properties that we have developed.

Consequently, our operating results for any given period may not be indicative of the actual demand for our properties or the pre-sale or sales achieved during such period. Our revenue and profit during any given period generally reflect property purchase decisions made by purchasers some time earlier. As a result, our operating results are not necessarily indicative of results that may be expected for any future period but may lead to fluctuations in the price of our Shares.

Any recurrence of the global financial crisis and economic downturn or a deterioration of our cash flow position may have a material adverse effect on our ability to service our indebtedness and continue our operations

The global capital and credit markets have in recent years experienced periods of extreme volatility and disruption. The global financial crisis in recent years has caused banks and other credit providers to restrict the availability of new credit facilities and to require more collateral and higher pricing upon the renewal of existing credit facilities. The recurrence of the global financial crisis or prolonged disruptions to the credit market may further slow down the growth of the PRC economy and sales of property, limiting our ability to raise funds from current or other funding sources, or cause our access to funds to be more expensive, which may materially and adversely affect our business, financial position and operating results.

In addition to bank loans and other borrowings, we rely on internally generated funds, in particular, pre-sale proceeds of our properties as a major source of funding for our operations. If our pre-sale activities are significantly limited or otherwise materially and adversely affected as a result of changes in the relevant PRC laws and regulations, the occurrence of a global economic downturn, or a significant economic slowdown in China generally or in the cities where we have properties, our cash flow position and ability to service our indebtedness may be materially and adversely affected. Furthermore, if banks or other financial institutions decline to provide additional loans to us or to re-finance our existing loans when they mature as a result of our perceived credit risk, and we fail to raise financing through other channels, our business and financial position may be materially and adversely affected.

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

Pursuant to the PRC regulations on LAT, all entities and individuals receiving net profits from the sale or transfer of land use rights, buildings and their attached facilities are required to pay LAT at progressive rates ranging from 30% to 60% of the appreciated value of the property. If the taxpayer constructs ordinary residential properties and the amount of appreciation does not exceed 20% of the total deductible items set forth in the tax regulation, the taxpayer is exempt from paying LAT. Sales of commercial properties are not eligible for this exemption. Pursuant to a circular issued by the State Administration of Taxation with respect to the settlement of LAT on real estate enterprises, effective on February 1, 2007, LAT obligations must be settled with the relevant tax bureau within a specified time frame after the completion of a property project. See the section entitled "Regulatory Overview — PRC Taxation — Land Appreciation Tax" in this prospectus for a detailed description of the PRC regulations on LAT.

We make sufficient provisions for the amount of applicable LAT payable in accordance with the relevant PRC laws and regulations from time to time, pending final settlement with the relevant tax authorities. Under relevant laws and regulations of the regions in which we operate, we are required to prepay an LAT amount of between 2.0% and 4.0% of the proceeds from pre-sales of our properties in areas of Guangdong Province and between 1.5% and 3.0% in areas of Hunan Province, depending on the type of property. As we often develop our projects in phases, deductible items for calculating LAT, such as land costs, are apportioned among such different phases of development. Provisions for LAT are based partly on our own apportionment of deductible expenses, which is subject to final confirmation by the relevant tax authorities upon settlement of the LAT. We believe that our overall provisions for LAT are sufficient. However, given the time gap between the point at which we make provisions for LAT, and the point at which we settle the full amount of LAT payable, the relevant tax authorities may have different interpretation to the relevant LAT provisions and may not necessarily agree with our own apportionment of deductible expenses or other bases on which we calculate LAT. Hence, our LAT expenses as recorded in our financial statements for a particular period may require subsequent adjustment.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, we recorded approximately RMB3.6 million, RMB18.2 million, RMB123.2 million and RMB27.7 million, respectively, as LAT expenses. If the LAT provisions we have made are substantially lower than the actual LAT amounts assessed by the PRC government in the future, our business, results of operations and financial position will be materially and adversely affected.

We may not have sufficient cash flow or financing to fund land acquisitions or property developments, and such capital resources may not be available on commercially reasonable terms, or at all

Property development is capital intensive. We finance our land acquisitions and property developments through a combination of internally generated funds and external financing including bank loans and trust financings. We expect to continue to incur a high level of capital expenditures for land acquisitions and construction, and we cannot assure you that we will have sufficient funds or cash flow available or that we will be able to achieve sufficient pre-sales and sales to fund land acquisitions or property developments. In addition, we cannot assure you that we will be able to secure external financing on commercially reasonable terms or at all. See the section entitled "Financial Information — Indebtedness and Contingent Liabilities" in this prospectus for information on our capital commitment.

Our ability to arrange adequate financing for land acquisitions or property developments on terms that will allow us to earn reasonable returns depends on a number of factors, many of which are beyond our control, including general economic conditions in the PRC, performance and outlook of the property development industry in the PRC, our financial strength and performance, availability of credit from financial institutions, and regulatory measures instituted by the PRC government. We cannot assure you that we will be able to meet our sales targets or that we will be able to secure external financing on terms acceptable to us or at all. As a result, we may not be able to raise adequate funds for our operations in the future.

The PRC government has in recent years introduced numerous policies to manage money supply growth and credit availability, especially with respect to the property development sector, which, among other things:

- prohibit PRC commercial banks from granting loans to property developers for funding the payment of land premiums;

- restrict PRC commercial banks from granting loans for the development of luxury residential properties;

- prohibit PRC commercial banks from granting loans to a property developer to fund a project if the property developer's registered capital has not been paid in full or if the developer has failed to acquire the land use rights certificate with respect to the relevant parcel of land, or if the property developer's internal funds available for the project are less than 35% of the total estimated capital required for that project; and

- prohibit property developers from using borrowings obtained from local banks to fund property developments outside that local region.

See the section entitled "Regulatory Overview" in this prospectus for further information. The above measures and other similar government policy initiatives have limited our ability and flexibility in using bank loans and trust financing arrangements to finance our property developments. We cannot assure you that the PRC government will not introduce other initiatives that may further limit our access to capital resources, or that we will be able to secure adequate financing or renew our existing credit facilities prior to their expiration on commercially reasonable terms or at all.

We provide guarantees over mortgage loans given by banks to purchasers of our properties, which may negatively impact our financial position if we are required to honor the guarantees

We arrange for various domestic banks to provide mortgage loans to purchasers of our properties. According to typical guarantee contracts for mortgage loans, the banks require us to guarantee these mortgage loans. These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks and (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers of our projects. In line with industry practice, we do not conduct independent credit reviews of our customers but rely on the credit reviews conducted by the mortgagee banks. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our outstanding guarantees over mortgage loans of our customers amounted to RMB1,217.0 million, RMB1,710.5 million, RMB3,210.2 million and RMB3,548.3 million, respectively. During the Track Record Period, to our best knowledge, there were six minor defaults by purchasers on mortgage loans that we had guaranteed and which the mortgagee banks had enforced the mortgages through court proceedings. These mortgage loan defaults amounted to an aggregate of approximately RMB1.6 million over the Track Record Period. Our Directors confirm that we did not experience any material default on mortgage during the Track Record Period and we were not required to make any payment in respect of these six default incidents. See the section entitled "Business — Payment Arrangements" in this prospectus for further information.

In the event of a significant depreciation in the market value of the underlying properties, the purchasers may refuse to continue paying the mortgages and the banks may require us to repurchase the underlying properties in order to discharge our obligations as guarantor. We may resell the properties but may not be able to achieve a sale price sufficient to cover the shortfall between the market value of the properties and the amounts guaranteed by us. This could have a material adverse effect on our business, results of operations and financial position. We cannot assure you that defaults will not occur in the future or that we will not suffer any loss as a result of such defaults. In addition, if a significant number of customers default on their mortgages and our guarantees are called upon, our business, results of operations and financial position could be materially and adversely affected.

We may not have maintained adequate insurance to cover our potential losses and claims

We do not maintain insurance against all risks associated with our industry. In line with industry practice, we do not maintain insurance for any destruction of, or damage to, our property developments (whether they are under development or have been completed and are pending delivery to our customers) other than with respect to those buildings in which our lending banks have security interests, for which we are required to maintain insurance coverage under the relevant loan agreements. Apart from insurance covering construction-related personal injuries of our employees, which we are required to maintain as an employer under relevant PRC laws and regulations, we do not maintain insurance covering construction-related property damage or personal injuries of third parties.

In addition, we do not maintain insurance against any liability arising from allegedly tortious acts committed on our work sites. We cannot assure you that we will not be sued or held liable for damage arising from, or in connection with, any such tortious acts. Moreover, there are certain losses for which insurance is not available on commercially practicable terms, such as those suffered due to earthquakes, typhoons, floodings, wars, civil disorders and other events of force majeure. See the section entitled "Business — Insurance" in this prospectus for further information on our insurance coverage. If we suffer any loss, damage or liability in the course of our business operations, we may not have sufficient funds to cover such loss, damage or liability or to replace any property development that has been destroyed. In addition, any payment we make to cover any loss, damage or liability could have a material adverse effect on our business, results of operations and financial position.

We may be subject to fines due to the lack of registration of our leases

Pursuant to the Measures for Administration of Lease of Commodity Properties《商品房屋租賃管理辦法》, which was promulgated by the Ministry of Construction on December 1, 2010 and became effective on February 1, 2011, registration of leases is required and a fine will be imposed on the parties to a lease for the failure to register a lease. For an entity, the fine will range from RMB1,000 to RMB10,000, and for an individual, the fine will not be more than RMB1,000 for non-registration of a lease. As of the Latest Practicable Date, we leased 100 properties in the PRC from different landlords, out of which we sub-leased 17 properties to third parties. In total, we entered into 572 lease agreements as lessor with different tenants, out of which 330 lease agreements had yet to be registered with the relevant government authorities. As advised by our PRC legal advisers, Commerce & Finance, the lack of registration of a lease will not affect its legality, validity or enforceability. See the section entitled "Business — Compliance" in this prospectus for further details on the potential legal consequences of the lack of registration of leases.

Our business operations may be delayed or disrupted if we are not able to obtain all the necessary governmental approvals and certificates and to meet regulatory requirements

The real estate industry in the PRC is subject to extensive governmental regulations. In order to undertake and complete a property development or to commence property leasing, a property developer must obtain various permits, licenses, certificates and other approvals from the relevant governmental or administrative authorities at various stages of the property development, including, but not limited to, land use rights certificates, construction land planning permits, construction work planning permits, construction work commencement permits, pre-sale permits, permits to carry our property management services and various certificates or confirmations of completion and acceptance. Each approval may depend on the satisfaction of certain conditions.

As of the Latest Practicable Date, we had not obtained the land use rights certificate for three parcels of land in relation to Times King City (Zhuhai), our Foshan Fengrui Project and Zhongshan Shiqi Project, the total site area of these three projects is approximately 279,179 sq.m. and is being held for future development. Also, we are in the process of converting the land use for each of our Guangzhou Tianhe Project and Guangzhou Tiansi Project from industrial use to residential and commercial use. See the sections entitled "Business — Our Business — Summary Information Regarding Our Property Projects" and "Business — Description of Our Projects" in this prospectus for further details. We cannot assure you that we will not encounter problems in obtaining such governmental approvals or in fulfilling the conditions required for obtaining the approvals and certificates including land use rights certificates, or that we will be able to comply with new laws, regulations or policies that may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to regulatory approvals and certificates. If we fail to obtain the relevant approvals or to fulfill the conditions of the approvals and certificates for our property development, those developments may not proceed on schedule. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may be subject to fines due to the commencement of construction work prior to obtaining the relevant construction work commencement permit or building unauthorized construction without local government's permission

Pursuant to the Regulations on Administration Regarding Permission for Commencement of Construction Work (《建築工程施工許可管理辦法》) promulgated by the Ministry of Construction on October 15, 1999 and amended on July 4, 2001, a property developer shall apply for a construction work commencement permit from the relevant authority prior to the commencement of any construction work on the land. If a property developer fails to obtain the relevant construction work commencement permit before commencement of construction work, a fine ranging from RMB5,000 to RMB10,000 (if no proceeds were generated by such non-compliance) or from RMB5,000 to RMB30,000 (if proceeds were generated by such non-compliance) will be imposed on such property developer.

For historical non-compliance incidents during the Track Record Period, see the section entitled "Business — Compliance — Non-Compliance Record" in this prospectus for further details.

We may not be able to complete or deliver our development projects on time and face substantial development risks before we realize any benefits from a property development project

Property development projects require substantial capital expenditures prior to and during the construction period. It may take longer than a year from the commencement of construction before a property development project can generate cash flow through pre-sales, sales or leases. The progress and costs of a property development project can be materially and adversely affected by many factors, including, without limitation:

- delays in obtaining necessary licenses, permits or approvals from government agencies or authorities;
- relocation of existing residents or demolition of existing structures;
- shortages of our increase in costs of materials, equipment, contractors and skilled labor;
- availability and cost of financing;
- failure of contractors or suppliers to provide products and services as anticipated, due to financial difficulties or other reasons;
- labor disputes;
- construction accidents;
- natural catastrophes;
- adverse weather conditions; and
- changes in government policies.

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 any or all of the above factors may materially and adversely affect our business, results of operations and financial position and may also cause reputational damage. We cannot assure you that we will not experience any significant delays in the completion or delivery of any of our property development projects or that we will not be subject to any liabilities for any such delays. Such disruptions may materially and adversely affect our business, results of operations and financial position.

In addition, if a pre-sold property development project is not completed on time, purchasers may be entitled to compensation for late delivery. If the delay extends beyond the contractually specified period, or if the actual GFA of a completed property delivered to a purchaser deviates by more than 3.0% from the GFA originally indicated in the sale and purchase agreement, the purchaser is entitled to terminate the sale and purchase agreement and claim a refund of the paid purchase price along with accrued interest. Depending on the number of affected purchasers, this would materially and adversely affect our business, results of operations and financial position.

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

The appraised value of our properties as contained in the Property Valuation Report is based on multiple assumptions that include elements of subjectivity and uncertainty. With respect to properties under development and properties held for future development, the valuations are based on the assumptions that (i) the properties will be completed or developed as currently scheduled; (ii) regulatory and governmental approvals for the proposals have been or will be obtained; and (iii) the properties are free from encumbrances and other restrictions. For properties owned by the project companies in which we have an attributable interest of less than 100%, the valuation assumes that the interest of the relevant project companies in the aggregate value of the property or business is equal to our proportionate ownership interest in the relevant company or business.

If any of these assumptions turns out to be incorrect or the actual realizable value of any of our properties is significantly lower than its appraised value, our business, financial condition and results of operations may be materially and adversely affected.

We mainly purchase from a small group of suppliers, and any disruption in their supply may have a material adverse effect on our business and results of operations

During the Track Record Period, our major suppliers were mainly our construction contractors and construction material suppliers. Purchases from our five largest suppliers accounted for approximately 63.1%, 43.0%, 59.0% and 63.0%, respectively, of our total purchases for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, and purchases from our largest supplier accounted for approximately 41.4%, 22.2%, 41.1% and 29.6%, respectively, of our total purchases for the corresponding periods. We have, on average, a five-year working relationship with each of them. Should there be a disruption in supply by one or more of our major suppliers and we fail to find replacement suppliers on favorable terms, or at all, our business and results of operations may be materially and adversely affected.

We rely on third-party architecture and design firms and construction contractors for various services relating to our property developments and are subject to risks relating to their performance and reputation and any additional unforeseen costs associated with engaging them

We engage third-party architecture and design firms and construction contractors to carry out various services relating to our property development projects. Services provided by third-party architecture and design firms include master planning, architectural design,

landscape design, interior design and ancillary facilities design. Services provided by third-party construction contractors include construction, piling and foundation, engineering, interior decoration, mechanical and electrical installation and utilities installation. Construction and completion of our projects is, therefore, largely subject to the performance of these independent firms and contractors.

When selecting third-party architecture and design firms, we take into consideration factors such as reputation, technical abilities, product innovation capabilities, track record in developing similar projects, service standards and past relationship with us. Although we generally engage firms or designers that are reputable, we cannot assure you that the work or designs rendered by any of these firms will meet the needs and preferences of our potential customers. We generally select independent contractors through a tender process. Although we invite contractors to tender bids which we assess and consider according to their reliability, timeliness, quality, past relationship with us, track record and references, and our supervision of the construction progress once a contract is awarded, we cannot assure you that the services rendered by any of these independent contractors or their subcontractors will be satisfactory or meet our quality standard, especially since it is difficult for us to effectively monitor the quality and progress of contracted work at all times.

In addition, reputation and brand name are important to architecture and design firms and construction companies. Any negative incident or negative publicity affecting the reputation of these firms and companies may in turn have a negative impact on our properties that are designed or constructed by them. Moreover, construction or completion of our property developments may be delayed, and we may incur additional costs, due to financial or other difficulties related to these design firms and contractors. Any of these factors could have a material adverse effect on our business, reputation, results of operations and financial position.

The PRC government may impose a fine or forfeit our land if we fail to comply with the terms of the land grant contracts

Under PRC laws and regulations, if a property developer fails to comply with the terms of the land grant contract, including those relating to payment of land premiums, the designated use of the land and the schedule for commencement and completion of the development of the land, the relevant PRC land bureau may issue a warning to, or impose a penalty on, the developer or reclaim the relevant land. Specifically, under current PRC laws and regulations, if a developer fails to pay any outstanding land premium by the stipulated deadline, a late payment penalty of 0.1% of the unpaid land premium will be imposed on a daily basis. If a developer fails to commence development for more than one year but less than two years from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may launch an investigation in respect of idle land. Upon investigation, if the bureau proves the land to be idle land, they will issue the Letter of Identification of Idle Land and impose an idle land fee on the land of 20% of the land premium specified in the contract. If a developer fails to commence development for more than two years from the commencement date stipulated in the land grant contract, the land may be subject to reclamation by the PRC government unless the delay in development is caused by governmental actions or force majeure.

In addition, even if the commencement of the development is in line with the relevant land grant contract, the land will nonetheless be treated as idle land if (i) the developed GFA on the land is less than one-third of the total GFA of the project under the land grant contract or the total capital invested is less than one-fourth of the total estimated investment of the project under the land grant contract, and (ii) the development of the land has been suspended for more than one year without governmental approval. See the sections entitled "Regulatory Overview — Termination" and "Regulatory Overview — Idle Land" in this prospectus for further information.

During the Track Record Period, our subsidiaries, Foshan Yudonglong, Guangzhou Hongtai, Guangdong Guangchang and Guangzhou Tianlang had experienced delay in payment of land premium and were fined approximately RMB1.8 million, RMB950,000, RMB3.0 million and RMB10.0 million (including interest), respectively. See the section entitled "Business — Compliance — Non-compliance Record" in this prospectus for further details. We cannot assure you that delays in payment of land premium, or other circumstances, including insufficient cash flow or financing to fund land acquisitions or property developments, leading to delay in commencement or completion of a property development will not arise in the future.

If we are sanctioned or any of our land is forfeited in the future, we will not be able to continue our property development on the forfeited land, recover the costs incurred for the initial acquisition of the forfeited land or recover development costs and other costs incurred up to the date of forfeiture, which may, in turn, materially and adversely affect our business, results of operations, financial position and future prospects.

Our property development schedule may be delayed and our development costs may increase as a result of the demolition and resettlement processes

The land parcels that we acquire in the future for development may have existing buildings or other structures or may be occupied by third parties, which require demolition and resettlement. Given the nature of demolition and resettlement, which depends on various external factors that are beyond our control, we cannot guarantee that there will not be any delay in our development schedule. If the party responsible for the demolition or resettlement and the original residents fail to reach an agreement on the amount of compensation, either of them may apply to the relevant authorities for a ruling on the amount of compensation. Dissenting residents may also refuse to relocate. Such administrative process or resistance or refusal to relocate may delay the timetable of our development projects or, in extreme cases, prevent their completion. The occurrence of any of the above events may have an adverse effect on our business, financial condition and results of operations.

As of the Latest Practicable Date, one of our potential development projects, Hongwei Village property development project in Guangzhou, involved the demolition of existing properties and relocating existing residents. For further information of this project, see the section entitled "Business — Potential Development Projects" in this prospectus. We cannot assure you that the resettlement negotiation will proceed smoothly or our potential development project will not be delayed. If such delay occurs, it could adversely affect our reputation and lead to an increase in development cost, which may in turn adversely affect our business, financial position and results of operations.

We may not be able to use or sublet certain properties leased by us because of defects affecting our leasehold interests

We occupy or sublet to third parties some properties of which the property ownership certificates have not been obtained by the lessors. Some of our lessors were not able to provide property ownership certificates or proof to allow us to sub-lease the relevant properties to us. As a result, it is possible that third parties may seek to assert their ownership rights against the landlords or challenge our sub-leases. As of the Latest Practicable Date, we leased 100 properties with an aggregate GFA of 280,316 sq.m. from third parties, of which 54 of them with an aggregate GFA of 182,954 sq.m. did not have the property ownership certificates. Out of these 54 properties, 40 of which with an aggregate GFA of 7,979 sq.m. were leased for our own use and 14 of which with an aggregate GFA of 174,975 sq.m. were sublet by us to third parties.

Since we are not able to confirm the ownership of some of the properties we occupy due to the lack of the property ownership certificates, in the event that any party claims its right upon such properties, we may need to relocate and seek for an alternative location. However, we cannot assure you that we can find a suitable replacement in a timely manner, or at all. Any relocation of our operations on such properties, or failure to find a suitable replacement, may result in significant costs to us or cause a disruption to our operations.

In addition, although we have disclosed to our sub-lessees when we sublet to them the fact that certain properties may not have the property ownership certificate and such parties have confirmed that they are fully aware of such defects, there is no assurance that we will not be sued or held liable for damages arising from, or in connection with, our sub-lease arrangements with third-parties. There may be disruptions to our sub-leasing business in relation to properties without the property ownership certificates if any of the leases are terminated as a result of any challenges by third parties. In this case, our business, results of operations and financial position would be adversely affected. For further information on our property leasing business, see the section entitled "Business — Property Leasing — Sub-leasing" in this prospectus.

A deterioration in our "Times Property" (時代地產) brand image and any third party's inappropriate use of the trademarks and service marks of "Times Property" (時代地產) may damage our reputation and materially and adversely affect our business, results of operations and financial position

We rely, to a significant extent, on our "Times Property" (時代地產) brand name and image to attract potential customers to our properties. Any negative incident or negative publicity concerning us or our properties may materially and adversely affect our reputation, business, results of operations and financial position. Brand value is based largely on consumer perceptions with a variety of subjective qualities and can be damaged even by isolated business incidents that degrade consumer trust. Consumer demand for our properties and our brand value could diminish significantly if we fail to preserve the quality of our properties or fail to deliver a consistently positive consumer experience, or if we are perceived to act in an unethical or socially irresponsible manner. Any negative publicity and the resulting decrease in brand value, or any failure to establish our brand outside Guangdong and Hunan Provinces and cities in which we currently operate, may have a material adverse effect on our business, results of operation and financial position.

Our brand name may be used by third parties without our prior consent. If a third party uses "Times Property" (時代地產) in its operations and conducts its businesses in a negligent or reckless manner, our "Times Property" (時代地產) brand and our reputation may be materially and adversely affected. This may in turn have a negative impact on our business, results of operations and financial position.

Furthermore, as of the Latest Practicable Date, we were licensed to use 23 trademarks in the PRC. These 23 trademarks are registered in the PRC and held by Times Development Group. On March 13, 2013, Times Group entered into the Trademark License Agreement with Times Development Group. Pursuant to the Trademark License Agreement (which was amended and supplemented by a supplemental agreement dated July 1, 2013), Times Development Group granted an exclusive license to us to use the Trademark on a royalty free basis for a period commencing from March 13, 2013 and ending on March 12, 2033. Failure to renew the license to use such trademarks may have a material adverse effect on our business, financial condition and operating results.

If we are unable to retain our existing senior management and other key personnel and hires, train and retain senior management or key personnel, our ability to maintain and develop our business could be harmed

Our operations and long-term success depend heavily upon the continued service of members of our senior management team and our ability to attract and retain qualified staff. Our chairman, Mr. Shum, has over 14 years of experience in the PRC real estate industry. In 2001, he founded Times Group and served as the president of Times Group's business. In addition, several other members of our senior management team have worked for us for many years and have played key roles in making major business decisions. If any of our senior management team or other key personnel is unable or unwilling to continue in their present position with us and we are unable to replace them in a timely manner, our business operations may be disrupted and our business, results of operations and financial position may be materially and adversely affected. As competition in China for quality, experienced senior management and key personnel is intense, we may not be able to retain the services of our senior executives or key personnel, or attract, retain or replace quality senior executives or key personnel in the future. If any member of our senior management team or key personnel joins a competitor or carries on a competing business, we may lose customers and other key staff members, which will materially and adversely affect our business and expansion prospects.

In addition, we may be unable to retain a sufficient number of suitable employees for the development of our existing projects or recruit additional qualified employees for our daily operations and business expansion, in which case, our business, results of operations, growth and business prospects could be materially and adversely affected.

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

We are a holding company incorporated in the Cayman Islands and operate our core business primarily through our subsidiaries in the PRC. We rely principally on dividends paid by our subsidiaries for our cash requirements, including the funds necessary to service any debt we may incur. If any of our subsidiaries incurs debt in its own name in the future, the instruments governing the debt may restrict dividends or other distributions to us. Furthermore, our PRC subsidiaries are required to set aside a certain percentage of their after-tax profit based on PRC accounting standards each year for their reserve fund in accordance with the requirements of relevant laws and provisions in their respective articles of associations. As a result, our PRC subsidiaries may be restricted in their ability to transfer any portion of their net income to us, whether in the form of dividends, loans or advances. In addition, restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future, if any, may also restrict the ability of our PRC subsidiaries to make distributions to us. Any limitation on the ability of our subsidiaries to pay dividends to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends or otherwise fund and conduct our business.

Our financing costs are subject to changes in interest rates

We rely on and expect to continue to rely on bank and third-party loans to finance a substantial part of our project developments. In addition, purchasers of our properties often obtain mortgage loans to purchase our properties. Accordingly, changes in interest rates have affected and will continue to affect the purchasers of our properties and our financing costs. As our bank loans are principally denominated in Renminbi, the interest rates on our loans are primarily affected by the benchmark interest rates set by the PBOC, which have fluctuated significantly in recent years. The PBOC benchmark one-year lending rates in the PRC (which directly affects the property mortgage rates offered by commercial banks in the PRC) as of December 31, 2010, 2011 and 2012 and June 30, 2013 were 5.81%, 6.56%, 6.00% and 6.00%, respectively. The weighted average effective interest rate for our bank loans was 6.09%, 9.04%, 9.62% and 7.92%, respectively, and the weighted average effective interest rate for our trust financing arrangements was 7.60%, 8.20%, 12.15% and 15.60%, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. We cannot assure you that lending rates will remain unchanged. Future increases in the PBOC benchmark interest rate may lead to higher lending rates, which may increase our financing costs and thereby materially and adversely affect our business, results of operations and financial position.

If we are not properly insulated from the price volatility of construction materials, our results of operations may be materially and adversely affected when prices of construction materials appreciate substantially

The cost of construction materials such as steel and cement, as well as contractors' labor costs, may fluctuate. Our results of operations are affected by the price volatility of construction materials, particularly in light of the fact that it normally takes several years to complete a project. As some of our major construction contracts are not fixed unit price contracts, we bear the risk of fluctuations in construction material prices during the term of the relevant contract. To the extent that we are unable to pass any increased materials costs on to our customers, our cost of sales will increase and our profit margin will decrease. Furthermore, we normally pre-sell our properties prior to their completion, and we will be unable to pass the increased costs on to our pre-sale customers if construction costs increase subsequent to the time of such pre-sale. If we are unable to pass the increase in the cost of construction materials on to either our construction contractors or to the purchasers of our property, our results of operations and profitability may be materially and adversely affected.

As we expand into new regions, we may not be able to replicate the success we have achieved in cities in which we currently operate

We are one of the leading property developers in Guangdong Province focusing on the development of mid-market to high-end residential properties. We believe we have a deep understanding of, and insight into, the market developments and trends in these regions. We began our business in Guangzhou in 1999 and since then expanded into other cities in Guangdong Province, including Foshan, Zhuhai, Zhongshan and Qingyuan, as well as Changsha in Hunan Province. As one of our business strategies, we plan to further penetrate the existing areas where we operate and expand our business into other cities in Guangdong Province with high growth potential. Such areas or cities may differ from our existing markets in terms of level of economic development, topography, real estate 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. As a result, we may not be able to successfully replicate our successful business model in our existing markets to the new regional markets.

In addition, when we enter new geographical areas, we may face intense competition from developers with more established experience or presence in those markets in terms of land acquisition and recruitment of suitable personnel. Any failure to leverage our experience or to understand the property market in other cities that we target for expansion may have a material adverse effect on our business, results of operations, growth and business prospects and financial position.

We may not be successful in leveraging our past experience in residential property development to further expand into other business segments or businesses complementary to property development

In the mid-to-long term, we may expand our business into new segments and product offerings. We may also pursue selective strategic acquisitions of complementary businesses and investment properties, if a suitable opportunity arises, in order to maintain a more balanced earnings and cash flow profile. However, our experience as a predominantly residential property developer may not be applicable to the future development and management of properties in other segments in which we have relatively little experience. Furthermore, expansion or acquisition may require a significant amount of capital investment and may involve uncertainties and risks, including the risks of operating in a new product market, the costs and difficulties of integrating new businesses into our existing businesses and the diversion of resources and attention of our management. Any failure to adequately address these risks may materially and adversely affect our business, results of operations and financial position.

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

Through our property management companies, we provide property management services to the owners or tenants of the residential and commercial properties that we have developed. We believe that property management is an important part of our business and critical to the successful marketing and promotion of our property developments. Under PRC laws and regulations, home owners of a residential property that we have developed do not have to engage us as the provider of property management services. Furthermore, homeowners in a residential community of a certain scale have the right to change the property management service provider upon the consent of a certain percentage of homeowners. If homeowners of the projects that we have developed choose not to engage us or to terminate our property management services, our reputation, business, financial position and results of operations could be materially and adversely affected.

We may be involved in disputes arising out of our operations and may face significant liability as a result

We may be involved in disputes with various parties involved in the development and sale of our properties, including contractors, suppliers, construction workers, tenants, residents of surrounding areas, business partners and purchasers. These disputes may lead to protests and legal or other proceedings and may result in damage to our reputation, substantial costs, delay in our development schedule and diversion of resources and management's attention. We may also have disagreements with regulatory bodies in the course of our operations.

We carry out some of our projects through joint ventures or cooperation arrangements. Such joint ventures and cooperation arrangements involve a number of risks, including, without limitation:

- disputes with our business partners in connection with the scope or performance of their obligations under the relevant joint venture or cooperation arrangements;

- financial difficulties encountered by a business partner affecting its ability to perform its obligations under the relevant joint venture or cooperation arrangements; and

- conflicts between the policies or objectives adopted by our business partners and those adopted by us.

Furthermore, as some of our projects comprise multiple phases, purchasers of our properties in earlier phases may commence legal action against us if our subsequent planning and development of the projects are perceived to be inconsistent with our representations and warranties made to such earlier purchasers. In addition, we may have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decisions that result in penalties or delays to our property developments. We may also be involved in disputes or legal proceedings relating to delays in the completion and delivery of our projects. The occurrence of any of the above events may have a material adverse effect on our business, financial position and operating results. During the Track Record Period, we were involved in certain legal, administrative or other disputes in the ordinary course of our business. See the section entitled "Business — Legal Proceedings" in this prospectus for further details.

We may be deemed a PRC resident enterprise under the PRC Corporate Income Tax Law ("PRC CIT Law") and be subject to PRC taxation on our worldwide income

Under the PRC CIT Law that came into effect on January 1, 2008, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" and will generally be subject to a uniform 25% corporate income tax on their global income. Under the implementation regulations of the PRC CIT Law, "de facto management bodies" is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. Substantially all of our management is currently based in China and may remain in China. Therefore, we may be treated as a PRC resident enterprise for PRC corporate income tax purposes. The tax consequences of such treatment are currently unclear, as they will depend on how local tax authorities apply or enforce the new PRC CIT Law and the implementation regulations. See the section entitled "— Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws" below.

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

Under the PRC CIT Law and its implementation regulations issued by the State Council, PRC withholding tax at the rate of 10%, or a lower rate for investors who qualify for the benefits of a double-taxation treaty with China is applicable to dividends payable to investors that are "non-resident enterprises," i.e., non-PRC incorporated enterprises that do not have an establishment or place of business in China, or whose only establishment or place of business in China is not effectively connected with the dividends, to the extent such dividends are sourced within China. Similarly, any gain realized on the transfer of Shares by such investors is also subject to 10% PRC withholding tax if such gain is regarded as income derived from sources within China, or a lower rate for investors who qualify for the benefits of a double-taxation treaty with China.

If we are considered a PRC "resident enterprise," it is unclear whether the dividends we pay with respect to our Shares, or the gain you may realize from the transfer of our Shares, would be treated as income derived from sources within China and be subject to PRC tax. This will depend on how the PRC tax authorities interpret, apply and enforce the PRC CIT Law and the implementation rules. One exception to the 10% withholding tax under the PRC CIT Law is that, pursuant to a tax treaty between the PRC and Hong Kong, which became effective on January 1, 2007, a company incorporated in Hong Kong is subject to withholding tax at the rate of 5% on dividends it receives from a company established in the PRC if it holds a 25% or greater interest in such PRC company.

If we are required under the PRC CIT Law to withhold PRC income tax on dividends payable to foreign shareholders, or if you are required to pay PRC withholding tax on the transfer of our Shares, the value of your investment in our Shares may be materially and adversely affected.

Your interests may not always align with those of other Shareholders, including our Controlling Shareholders

Your interests may not always align with those of other Shareholders, including our Controlling Shareholders, Mr. Shum, Ms. Li, Renowned Brand, East Profit and Asiaciti Enterprises. Immediately following the Global Offering, assuming the Over-allotment Option is not exercised, our founder, chief executive officer, chairman and Controlling Shareholder, Mr. Shum, together with his spouse, Ms. Li, will beneficially own approximately 75.0% of our issued share capital. Mr. Shum and Ms. Li could have significant influence in determining the outcome of any corporate transaction or other matter submitted to our Shareholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, the election of Directors and other significant corporate actions, and the power to prevent or cause a change in control. Without the consent of Mr. Shum and Ms. Li, we may not be allowed to enter into transactions. We cannot assure you that actions taken by our Controlling Shareholders will completely align with your interests, or that any conflicts of interest will be resolved in a way beneficial to you.

RISKS RELATING TO THE REAL ESTATE INDUSTRY IN THE PRC

The PRC property market is heavily regulated and subject to the frequent introduction of new regulations, including further measures by the PRC government to slow down the growth of the property sector, which may materially and adversely affect property developers

The PRC government exerts considerable direct and indirect influence on the growth and development of the PRC property market through industry policies and other economic measures such as setting interest rates, controlling the supply of credit by changing bank reserve ratios and implementing lending restrictions, increasing tax and duty on property transfers and imposing foreign investment and currency exchange restrictions. From 2004 to 2012, the PRC government introduced a series of regulations and policies designed generally to control the growth of the property market, including, without limitation:

- strictly enforcing idle land related laws and regulations;
- restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- prohibiting commercial banks from lending funds to real estate developers with an internal capital ratio of less than a certain prescribed percentage; and
- restricting PRC commercial banks from granting loans to property developers for the purpose of paying land grant premiums.

In particular, the PRC government also introduced the following policies, among others, to specifically control the growth of the residential property market:

- limiting the maximum amount of monthly mortgage payments and the maximum amount of total monthly debt service payments of an individual borrower;
- imposing a business tax levy on the sales proceeds from second-hand transfers, subject to the length of holding periods and the type of property;
- increasing the minimum amount of down payment of the purchase price of a residential property of a family;
- tightening the availability of individual housing loans in the property market to individuals and their family members with more than one residential property; and
- limiting the availability of individual housing provident fund loans for the purchase of second (or subsequent) residential properties.

See the section entitled "Regulatory Overview — Land Grants" in this prospectus for further information.

Following a downturn in the PRC property market in late 2008 and early 2009, property prices and transaction volume began increasing sharply in the second half of 2009. This has led to the imposition of further regulations and policies by the PRC government aimed at slowing down the property market. These measures resulted in downward pricing pressure on the PRC property market starting in the second half of 2011 and low transaction volumes in the first half of 2012. See the section entitled "Regulatory Overview" in this prospectus.

We cannot assure you that the PRC government will not implement further tightening measures to restrain the PRC property market at the national, provincial, municipal or local levels, in which case the declining trends in transaction volume and selling prices of properties in the PRC may continue or further intensify, and as a result, our financial position and results of operations may be, or may continue to be, materially and adversely affected.

PRC government policies, regulations and measures intended to discourage speculation in the real estate market may materially and adversely affect our business

Along with economic growth in China, investment in the property sector has increased significantly in the past few years. In May 2006, the Ministry of Construction, the NDRC, the PBOC and other relevant PRC government authorities jointly issued the Opinions on Adjusting Housing Supply Structure and the Stabilization of Property Prices (《關於調整住房供應結構穩定住房價格的意見》) to further curb rapid increases in property prices in certain cities and to promote the healthy development of the PRC property market.

In September 2007, the PBOC and the CBRC jointly issued the Notice on Strengthening the Administration of Commercial Real Estate Credit Loans (《關於加強商業性房地產信貸管理的通知》), and in December 2007, they issued the Supplementary Notice on Strengthening the Administration of Commercial Real Estate Credit Loans (《關於加強商業性房地產信貸管理的補充通知》) to further regulate the management of credit loans for commercial real estate.

In December 2011, MOFCOM and the NDRC jointly issued the amended Catalog which became effective on January 30, 2012. Compared to the previous version of the Catalog issued in 2007, foreign investment in the development of villas is no longer only "restricted"; instead, it is now "forbidden." Foreign investment in the development of a whole parcel of land (through joint ventures and cooperative arrangements), high-end hotels, high-end office buildings and international convention centers is still classified as "restricted." Although such investment has not been "forbidden," our future ability to engage in the development of high-end hotels and high-end office buildings may potentially be restricted. If the PRC government issues additional policies or regulations to further regulate or restrict foreign investment in the PRC property industry, and if these policies or regulations directly apply to our business and operations, our business, financial position and results of operations could be adversely affected.

The various restrictive measures taken by the PRC government to ensure the healthy growth of the property sector may limit our access to capital resources, reduce market demand and increase our operating costs in adapting to these measures. See the section entitled "Regulatory Overview" in this prospectus for further information on the restrictive measures taken by the PRC government. We cannot assure you that the PRC government will not adopt additional and more stringent measures, which could further slow down property development in China. Any limitation on our access to capital, increase in our operating costs or decrease in property development growth in China resulting from existing or future measures could have a material adverse effect on our business, results of operations and financial position.

Our ability to secure new projects may be materially and adversely affected by policies and regulations introduced by the PRC government which have the effect of restricting investment in the PRC real estate industry

In recent years, the PRC government has introduced a number of policies and regulations aimed at regulating overseas investment in the real estate industry to ease pressure on the Renminbi, which is perceived to result from foreign equity and debt financing of real estate developments. On May 23, 2007, MOFCOM and SAFE jointly issued Notice 50. Notice 50, among other things, regulates the establishment of a FIREE in the PRC by a foreign investor, by requiring additional filing procedures with MOFCOM. Further, on July 10, 2007, SAFE issued Notice 130, which further restricts the ability of a FIREE to increase its registered capital and apply for foreign exchange registrations after June 2007. FIREEs that obtain a certificate of approval for increasing their registered capital will be required to complete MOFCOM filing procedures. Should we be unable to obtain approvals and complete the filing requirements for increasing the registered capital of our existing FIREEs in the PRC or for establishing new FIREEs in the PRC, we may be unable to inject the net proceeds of our Global Offering into the PRC. See the section entitled "Regulatory Overview — Foreign Investment in Property Development" in this prospectus for further details.

If we increase the registered capital of our FIREEs in the future, we will have to follow the relevant procedures stipulated in Notice 50 and Notice 130, and undertake credit and foreign exchange registrations in accordance with relevant PRC laws within the approved investment deadline and amount. If the PRC government issues policies or regulations aimed at further regulating or restricting overseas investment in the PRC real estate industry that directly apply to us, our ability to secure new projects may be materially and adversely affected, and our revenue and results of operations may also suffer.

The terms on which mortgage loans are available, if at all, may affect our sales

Substantially all purchasers of our residential properties rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing and affect the affordability of residential properties. In addition, the PRC government and commercial banks may also increase the down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers. Under the

existing PRC laws and regulations, purchasers of residential properties with a unit floor area of less than 90 sq.m. must generally pay at least 20% of the purchase price of the property before they can finance their purchases through mortgages. Since June 2006, the PRC government has increased the minimum amount of down payment to 30% of the purchase price for first-time homeowners if the property has a unit floor area of 90 sq.m. or more. For second-time homeowners that use mortgage financing, the PRC government-sanctioned minimum down payment has increased to 40% of the purchase price, with a minimum mortgage loan interest rate of 110% of the relevant PBOC benchmark interest rate.

For commercial property buyers, banks are not allowed to finance the purchase of any pre-sold properties. The minimum down payment for commercial property buyers has increased to 50% of the purchase price, with a minimum mortgage loan interest rate of 110% of the relevant PBOC benchmark interest rate and maximum maturities of no more than ten years. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income. If the availability or attractiveness of mortgage financing is reduced or limited, many of our prospective customers may not be able to purchase our properties and, as a result, our business, results of operations and financial position could be materially and adversely affected.

Increasing competition in the PRC, particularly in Guangdong and Hunan Provinces, may materially and adversely affect our business, results of operations and financial position

In recent years, a large number of property developers have begun undertaking property development and investment projects in Guangdong Province and elsewhere in the PRC. These include overseas property developers (including a number of leading Hong Kong property developers) and developers from other regions of the PRC, some of which may have better track records and greater financial and other resources than we do. The intensity of the competition among property developers, and also among Guangdong Province, Hunan Province and other regions or cities in the PRC, may result in increased costs for the acquisition of land for development, an oversupply of properties in certain parts of the PRC, including Guangdong and Hunan Provinces, a decrease in property prices, a price war or a slowdown in the rate at which new property developments will be approved or reviewed by the relevant government authorities, any of which may materially and adversely affect our business, results of operations and financial position. In addition, the real estate market in Guangdong Province, Hunan Province and elsewhere in the PRC is rapidly changing. If we cannot respond to such changes in market conditions more quickly or more effectively than our competitors, our business, results of operations and financial position may be materially and adversely affected.

Our property development business is subject to claims under statutorily mandated quality warranties

Under the Administrative Regulations on the Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》), all property development companies in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide, and we have provided, these warranties to our customers. We may sometimes receive quality warranties from third-party contractors that we hire to construct our development projects. If a significant number of claims is brought against us under our warranties and if we are unable to obtain reimbursement for such claims from third-party contractors in a timely manner or at all, or if the money we retained from contractors is not sufficient to cover our payment obligations under the quality warranties, we could incur significant expenses to resolve such claims or face delays in correcting the related defects, which could in turn harm our reputation and have a material adverse effect on our business, results of operations and financial condition.

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

According to the relevant PRC rules, property developers are required to assist purchasers in obtaining the relevant individual property ownership certificates within 90 days of delivery of the property or within a time frame set out in the relevant sale and purchase agreement. Property developers, including us, generally elect not to specify the deadline for the delivery of the individual property ownership certificates in the sale and purchase agreements to allow sufficient time for the application and approval processes. We generally obtain and deliver to our property owners the ownership certificates within two years of delivery of the completed properties.

Under the local regulations of Guangdong Province, we are required to submit requisite governmental approvals in connection with our property developments, including, among other things, land use rights certificates and construction work planning permits, to the local bureau of land resources and housing administration within 30 days of receipt of the completion certificate for the relevant properties and to apply for the general property ownership certificate with respect to these properties. Purchasers may then submit or authorize us to submit, within 30 days of delivery of the properties, the relevant property sale and purchase agreements, identification documents of the purchasers, proof of payment of the deed tax, and the general property ownership certificates, for the bureau's review and the issuance of the individual property ownership certificates with respect to the properties purchased. Similar regulations are applicable for Hunan Province, except no specific time limits were imposed by local authorities. Delays by administrative authorities in reviewing the relevant applications and granting approval, as well as other factors, may affect timely delivery of the general as well as individual property ownership certificates. As a result, our reputation may be harmed and we may become liable for monetary penalties to purchasers for late delivery of the individual property ownership certificates due to delays in the administrative approval process.

Potential liability for environmental problems could result in substantial costs

We are subject to various laws and regulations concerning the protection of the environment. The particular environmental laws and regulations which apply to a given project development site vary greatly according to the site's location, its environmental condition, and the present and former uses of the site as well as of any adjoining properties. Environmental laws and conditions may result in delays to our property developments, may cause us to incur substantial compliance and other costs and can prohibit or severely restrict project development activity in environmentally sensitive regions or areas.

Pursuant to PRC laws and regulations, each project we develop is required to undergo environmental assessments. Further, an environmental impact assessment report is required to be submitted to the relevant government authorities for approval before commencement of construction. The local authorities may request us to submit additional environmental impact documents, issue orders to suspend construction and impose penalties for any projects that have not, prior to the commencement of construction, received approval following the submission of the required environmental impact assessment documents. Although the environmental investigations conducted to date have not revealed any environmental liability that we believe would have a material adverse effect on our business, results of operations or financial position, it is possible that these investigations did not reveal all environmental liabilities, or that there are material environmental liabilities of which we are unaware. If we are subject to any regulatory action as a result of our failure to carry out an environmental impact assessment fully, or at all, our reputation, business, results of operations and financial position may be materially and adversely affected. See the section entitled "Business — Environmental Matters" in this prospectus for a description of the foregoing environmental matters.

RISKS RELATING TO THE PRC

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

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

The economy of the PRC differs from the economies of most developed countries in many respects, including, with our limitation, structure, level of government involvement, level of development, growth rate, government policies relating to foreign exchange, and allocation of resources.

While the PRC economy has grown significantly in the past 20 years, growth has been uneven, both geographically and among the various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall PRC economy, but may also negatively affect our operations. For example, our business, results of operations and financial position may be materially and adversely affected by the PRC government's control over capital investments or any changes in tax regulations or foreign exchange controls that are applicable to us.

The PRC economy has been transitioning from a planned economy to a market-oriented economy. For the past two decades, the PRC government has implemented economic reforms emphasizing the utilization of market forces to develop the PRC economy. Although we believe these reforms will have a positive effect on our overall and long-term development, we cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any material adverse effect on our current or future business, results of operations or financial position.

Governmental control of currency conversion may affect the value of your investment

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency to jurisdictions outside China. We receive substantially all of our revenue in Renminbi. Under our current structure, our income is primarily derived from dividend payments from our PRC subsidiaries. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy their foreign currency denominated obligations, if any.

Under existing PRC foreign exchange regulations, payments of certain current account items can be made in foreign currencies without prior approval from the local branch of SAFE by complying with certain procedural requirements. However, approval from appropriate 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 currency. The 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 contributions from us. Furthermore, the PRC government may in the future and at its discretion restrict access to foreign currencies for current account transactions. 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.

Uncertainty with respect to the PRC legal system could affect us

As all of our businesses are conducted and all of our assets are located in the PRC, our operations are governed principally by PRC laws and regulations. The PRC legal system is based on written statutes, and prior court decisions can be cited only as a reference. Since 1979, the PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation, foreign exchange and trade, with a view to developing a comprehensive system of commercial law. However, China has not developed a fully integrated legal system and recently enacted laws and regulations may not sufficiently cover all aspects of economic activity in China. In particular, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. 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. As a result, we may not be aware that we have violated these policies and rules until some time after the violation. Any litigation in China may be protracted and result in substantial costs and diversion of resources and management's attention.

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

Prior to the Global Offering, there has been no public market for our Shares. The initial public offer price range per Share was the result of negotiations among us and the Joint Global Coordinators (on behalf of the Underwriters), and the Offer Price may differ significantly from the market price for the Shares following the Global Offering. We have applied to the Stock Exchange for the listing of, and permission to deal in, the Shares. There is no assurance that the Global Offering will result in the development of an active and liquid public trading market for the Shares. In addition, the price, liquidity and trading volume of the Shares may be volatile. Factors such as fluctuations in our revenue, earnings and cash flow or any other developments may affect the volume and price at which the Shares will be traded. In addition, shares of other companies listed on the Stock Exchange with significant operations and assets in the PRC have experienced price volatility in the past, and it is possible that our Shares will be subject to changes in price not directly related to our performance.

Purchasers of our Shares in the Global Offering will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

The offer price range of our Shares is substantially higher than our net tangible book value per share immediately prior to the completion of the Global Offering. Therefore, purchases in our Shares in the Global Offering will experience an immediate and substantial dilution in pro forma net tangible book value. Our existing Shareholders will, however, receive an increase in pro forma net tangible book value per Share with respect to their shareholdings. In addition, if we issue additional Shares or equity-linked securities in the future, you may experience further dilution.

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

Future sales of a substantial number of our Shares in the public market by our Directors, officers or current Shareholders, including Shares issued upon exercise of share options in the public market in Hong Kong, or the possibility or perception of such sales, could negatively impact the market price in Hong Kong of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. The Shares held by our Controlling Shareholders are subject to certain lock-up undertakings for periods of up to 12 months after the date on which trading in our Shares commences on the Stock Exchange, details of which are set forth in the section entitled "Underwriting — Underwriting Arrangements and Expenses — Undertakings" in this prospectus. While we are not aware of any intentions our Controlling Shareholders may have to dispose of significant amounts of their Shares after the lock-up periods conclude, we are not in a position to give any assurance that they will not dispose of any Shares they may own now or in the future.

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

All of our executive Directors and executive officers reside within mainland China, and all of our assets and all of the assets of those persons are located within mainland China. Therefore, it may be difficult for you and other investors to effect service of process upon us or those persons inside mainland China or to enforce against us or them in mainland China any judgments obtained from non-PRC courts.

China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the Cayman Islands, the United States, the United Kingdom, Japan and many other countries. Therefore, recognition and enforcement in China of judgments of a non-PRC court may be difficult or impossible.

Certain facts and other statistics with respect to China, the PRC economy and the PRC real estate industry in this prospectus are derived from various official government sources and third-party sources and may not be reliable

Certain facts and other statistics in this prospectus relating to China, the PRC economy and the PRC real estate industry have been derived from various official government publications and commissioned research reports. However, we cannot guarantee the quality or reliability of these sources. They have not been prepared or independently verified by us or any of our affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies. As a result, prospective investors should consider carefully how much weight or importance they should attach to or place on such facts or statistics.

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

Prior to the publication of this prospectus, there has been press and media coverage regarding us and the Global Offering which included, among other things, certain financial information, projection, valuations and other information about our Group and the Global Offering. We have not authorized the disclosure of any such information in the press or media and we do not accept any responsibility for the accuracy or completeness of press coverage or other media reports that have not been prepared or approved by us in advance of publication. We make no representation or warranty as to the appropriateness, accuracy, completeness or reliability of any such report, projection, valuation or forward-looking information about us, or any of the assumptions underlying such information. We disclaim statements in the press or other media that are inconsistent or conflict with the information contained in this prospectus. Accordingly, prospective investors should not rely on any such information. In making your decision as to whether to purchase our Shares, you should rely only on the financial, operational and other information included in this prospectus.

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong and in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong.

Our core business and operations are primarily located in the PRC. It would be practically difficult and commercially unnecessary for us to relocate two of our executive Directors to Hong Kong. Therefore, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from compliance with Rule 8.12 of the Listing Rules on the following conditions:

(1) We will appoint two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that we comply with the Listing Rules at all times. The two authorized representatives to be appointed are Mr. Li Qiang, our executive Director and Ms. Mei Jing, one of our joint company secretaries. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable timeframe upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorized representatives is authorized to communicate on our behalf with the Stock Exchange. We have also appointed Ms. Lai Siu Kuen, one of our joint company secretaries and who is ordinarily resident in Hong Kong, as an alternate authorized representative.

(2) All our authorized representatives (including the alternate authorized representative) have means to contact all of our Directors (including the independent non-executive Directors) and all of the senior management team promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters. Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable timeframe, when required. To enhance communication between the Stock Exchange, the authorized representatives (including the alternate authorized representative) and our Directors, we will implement a policy that (a) each Director will have to provide the telephone number, fax number and email address to the authorized representatives; or (b) in the event that a Director expects to travel, he/she will endeavor to provide the telephone number of the place of his accommodation to the authorized representatives or maintain an open line of communication via his mobile telephone, fax number and email address to the Stock Exchange; and (c) all our Directors and authorized representatives (including the alternate authorized representative) will provide their respective office phone numbers, mobile phone numbers, office telephone numbers, fax numbers and email addresses to the Stock Exchange.

(3) We will appoint Haitong International Capital Limited as our compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, which will have access at all times to our authorized representatives (including the alternate authorized representative), Directors and senior management, and will act as an additional channel of communication with the Stock Exchange for the period commencing on the Listing Date and ending on the date on which the Company complies with Rule 13.46 in respect of its financial results for the first full financial year commencing after the Listing Date. The contact person of the compliance adviser will be fully available to answer enquiries from the Stock Exchange.

(4) We will inform the Stock Exchange as soon as practicable in respect of any change in our authorized representatives (including the alternate authorized representative).

CONNECTED TRANSACTIONS

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver in relation to certain continuing connected transactions under Chapter 14A of the Listing Rules. For details, see the section entitled "Connected Transaction" in this prospectus.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the secretary of our Company must be a person who has the requisite knowledge and experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Institute of Company Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a certified public accountant as defined in the Professional Accountants Ordinance, or (ii) an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Ms. Lai Siu Kuen and Ms. Mei Jing as our joint secretaries. Ms. Lai Siu Kuen is a fellow member of both the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom and meets the requirements under Rules 3.28 and 8.17 of the Listing Rules. Since Ms. Mei Jing does not possess a qualification stipulated in Rules 3.28 and 8.17 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Mei Jing as our joint company secretary. In order to provide support to Ms. Mei Jing, we have appointed Ms. Lai Siu Kuen to act as a joint company secretary and to provide assistance to Ms. Mei Jing for a three-year period from the Listing Date so as to enable her to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge her duties.

Upon the expiry of such three-year period, we will assess the then experience of Ms. Mei Jing in order to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied at that time and, if such requirements cannot be satisfied, we will employ a suitable candidate who will be able to comply with the requirements under Rules 3.28 and 8.17 of the Listing Rules as the secretary of our Company.

This prospectus contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would" and similar expressions, as they relate to our Company, our Group or our management, are intended to identify forward-looking statements. Our Directors confirm that these forward-looking statements are made after due and careful consideration. Such statements reflect the current views of our Company's management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us and our Group which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- future developments in the real estate industry in China;
- the future competitive environment in the real estate industry in China;
- the industry regulatory environment as well as the industry outlook generally;
- the amount and nature of, and potential for, future development of our business;
- our business strategy and plan of operation;
- our dividend policy;
- macro-economic policies of the PRC government;
- interest rate environment;
- catastrophic losses from fires, floods, windstorms, earthquakes or other adverse weather conditions or natural disasters;
- exchange rate fluctuations and restrictions;
- the expected commencement and completion date of our property development projects and the planned details of such projects;
- our ability to successfully sell or complete our property projects in a timely manner;
- the timely repayment by our customers of mortgage loans guaranteed by us;
- the interpretation and implementation of the existing regulations and rules relating to LAT and any future changes to LAT;

- our property valuation set out in the Property Valuation Report in Appendix III to this prospectus;
- other factors beyond our control;
- fluctuations in general economic and business conditions in China;
- changes in the political, economic, legal and social conditions in PRC, including the specific policies of the PRC government which affect land supply, availability and finance costs, pre-sale, pricing and volume of our property development projects;
- our capital expenditure and property development plans;
- costs of bank loans and other forms of financing, and our ability to secure adequate financing for our property development;
- projects under construction or planning;
- our financial condition;
- our ability to enter into new geographic markets and expand our operations;
- our expectations with respect to our ability to acquire adequate suitable land use rights for future development;
- the performance of the obligations and undertakings of the independent contractors;
- our ability to obtain permits and licenses to carry on our business; and
- significant delay in obtaining the occupation permits, proper legal titles or approvals for our properties under development or held for future development.

Subject to the requirements of the Listing Rules, we do not intend to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.

In this prospectus, statements of or references to our intentions or that of any of our Directors are made as of the date of this prospectus. Any such intentions may change in light of future developments.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Company. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in this prospectus or this prospectus misleading.

INFORMATION ON THE HONG KONG PUBLIC OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering. For applications under the Hong Kong Public Offering, this prospectus and the Application Forms set out the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and the Application Forms and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Hong Kong Public Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Global Coordinators, the Joint Sponsors, the Underwriters, any of their respective directors, agents, employees, affiliates or advisers or any other persons or parties involved in the Global Offering. Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information in this prospectus is correct as of any subsequent time.

Details of the structure of the Global Offering, including its conditions, are set out in the section entitled "Structure of the Global Offering" in this prospectus, and the procedures for applying for Hong Kong Offer Shares are set out in the section entitled "How to Apply for Hong Kong Offer Shares" in this prospectus and the relevant Application Forms.

RESTRICTIONS ON USE OF THIS PROSPECTUS

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his acquisition of Offer Shares to, confirm that he is aware of the restrictions on Offers of the Offer Shares described in this prospectus.

No action has been taken to permit a public offer of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstance in which such an offer or invitation

is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to any registration made with or authorization by the relevant securities regulatory authorities or an exemption from applicable securities laws.

APPLICATION FOR LISTING ON HONG KONG STOCK EXCHANGE

We have applied to the Listing Committee of the Stock Exchange for the granting of listing of, and permission to deal in, our Shares in issue and to be issued pursuant to the Global Offering (including any additional Shares which may be sold pursuant to the exercise of the Over-allotment Option).

No part of our Shares is listed on or dealt in any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposal of, and dealing in our Shares (or exercising rights attached to them). None of us, the Joint Global Coordinators, the Joint Sponsors, the Underwriters, any of their respective directors, officers, employees, agents, advisers affiliates or representatives and any other persons or parties involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding or disposal of, dealing in, or the exercise of any rights in relation to, our Shares.

HONG KONG REGISTER

All Shares issued by us pursuant to applications made in the Hong Kong Public Offering will be registered on our Hong Kong register of members to be maintained in Hong Kong. Our principal register of members will be maintained by our Principal Share Registrar in the Cayman Islands.

STAMP DUTY

Dealings in the Shares registered on our Hong Kong register of members will be subject to Hong Kong stamp duty. See the section entitled "Statutory and General Information — E. Other Information — 6. Taxation of holders of Shares" in Appendix V of this prospectus.

OVER-ALLOTMENT AND STABILIZATION

Details of the arrangements relating to the Over-allotment Option and stabilization are set out in the sections entitled "Structure of the Global Offering — Over-allotment Option" and "Structure of the Global Offering — Stabilization" in this prospectus.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, our Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in our Shares on the Stock Exchange or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling our Shares to be admitted into CCASS.

CURRENCY TRANSLATIONS

Unless otherwise specified, amounts denominated in United States dollars and RMB have been translated, for illustration purposes only, into Hong Kong dollars in this prospectus at the following rates:

HK$7.75 : US$1.00
HK$1.00 : RMB0.79

No representation is made that any amounts in US$, RMB or HK$ can be or could have been at the relevant dates converted at the above rates or any other rates, or at all.

LANGUAGE

If there is any inconsistency between this prospectus and the Chinese translation of this prospectus, this prospectus shall prevail. If there is any inconsistency between the names of any of the entities mentioned in this prospectus which are not in the English language and their English translations, the names in their respective original languages shall prevail.

ROUNDING

In this prospectus, where information is presented in thousands or millions, amounts of less than one thousand or one million, as the case may be, have been rounded to the nearest hundred, or hundred thousand, respectively. Amounts presented as percentages have, in certain cases, been rounded to the nearest tenth of a percent. Any discrepancies in any table or chart between totals and sums of amounts listed therein are due to rounding. Accordingly, the total of each column of figures as presented may not be equal to the sum of the individual items.

DIRECTORS

Name	Residential address	Nationality
Executive Directors		
Mr. Shum Chiu Hung (岑釗雄)	No. 5, Hongda Lane Hongcheng Garden Yuetai Road Ersha Island Guangzhou, PRC	Chinese
Mr. Guan Jianhui (關建輝)	Room 3007 No. 406, Jiefang Middle Road Yuexiu District Guangzhou, PRC	Chinese
Mr. Bai Xihong (白錫洪)	Room 1001 No. 31, Huaming Road Tianhe District Guangzhou, PRC	Chinese
Mr. Li Qiang (李強)	Room 602 Shuibian Street Guanghua Third Road Baiyun District Guangzhou, PRC	Chinese
Mr. Cen Zhaoxiong (岑兆雄)	Room 1603 No. 28, Yihai Road Guangzhou, PRC	Chinese
Mr. Niu Jimin (牛霽旻)	Room 2004, Building No. 4 Tianhe Yupin, Jingxi Road Guangzhou, PRC	Chinese
Independent Non-Executive Directors		
Ms. Sun Hui (孫惠)	Room 32B, Block B Guangdong International Hotel No. 339 Huanshi East Road Guangzhou, PRC	Chinese

Name	Residential address	Nationality
Mr. Lin Rupeng (林如鹏)	Room 2701 No. 161-2, Tianfu Road Tianhe District Guangzhou, PRC	Chinese
Mr. Wong Wai Man (黃偉文)	Flat E, 20/F Maple Mansion Taikoo Shing 18 Taikoo Wan Road Hong Kong	Chinese

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Global Coordinators	UBS AG, Hong Kong Branch 52/F, Two International Finance Center 8 Finance Street Central Hong Kong Haitong International Securities Company Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong
Joint Sponsors	UBS Securities Hong Kong Limited 42/F, One Exchange Square 8 Connaught Place Central Hong Kong Haitong International Capital Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong

Joint Bookrunners	UBS AG, Hong Kong Branch 52/F, Two International Finance Center 8 Finance Street Central Hong Kong Haitong International Securities Company Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong ABCI Capital Limited Room 701, 7/F One Pacific Place 88 Queensway Hong Kong
Joint Lead Managers	UBS AG, Hong Kong Branch 52/F, Two International Finance Center 8 Finance Street Central Hong Kong Haitong International Securities Company Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong ABCI Securities Company Limited Room 701, 7/F One Pacific Place 88 Queensway Hong Kong

Legal advisers to our Company	*as to Hong Kong and U.S. law:* Sidley Austin Level 39, Two International Finance Center 8 Finance Street Central Hong Kong *as to PRC law:* Commerce & Finance Law Offices 6F, NCI Tower A12 Jianguomenwai Avenue Chaoyang District Beijing China *as to Cayman Islands law:* Appleby 2206-19 Jardine House 1 Connaught Place Central Hong Kong
Legal advisers to the Underwriters	*as to Hong Kong and U.S. law:* Hogan Lovells 11th Floor, One Pacific Place 88 Queensway Hong Kong *as to PRC law:* King & Wood Mallesons 55th Floor, Guangzhou International Finance Center 5 Zhujiang Xilu, Zhujiang New Town Guangzhou China
Reporting accountant	Ernst & Young Certified Public Accountants 22/F, CITIC Tower 1 Tim Mei Avenue Central Hong Kong
Property valuer	DTZ Debenham Tie Leung Limited 16th Floor, Jardine House 1 Connaught Place Central Hong Kong
Receiving bank	Bank of China (Hong Kong) Limited 1 Garden Road Central Hong Kong

Registered office	Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Headquarters and principal place of business in the PRC	36/F, Times Property Center 410-412 Dongfeng Road Guangzhou Guangdong Province PRC
Principal place of business in Hong Kong	Room 1502, 15/F Harcourt House 39 Gloucester Road Wanchai Hong Kong
Website address	http://www.timesgroup.cn *(this website address and its contents do not form part of this prospectus)*
Joint company secretaries	Ms. Mei Jing Ms. Lai Siu Kuen, *FCS, FCIS*
Authorized representatives	Mr. Li Qiang Room 602 Shuibian Street Guanghua Third Road Baiyun District Guangzhou PRC Ms. Mei Jing Room 401 Jin Di Mansion No. 3 Tao Jin North Road Guangzhou PRC

Members of the Audit Committee	Mr. Wong Wai Man *(Chairman)* Ms. Sun Hui Mr. Lin Rupeng
Members of the Remuneration Committee	Ms. Sun Hui *(Chairman)* Mr. Shum Chiu Hung Mr. Wong Wai Man
Members of the Nomination Committee	Mr. Shum Chiu Hung *(Chairman)* Ms. Sun Hui Mr. Lin Rupeng
Principal share registrar and transfer office	Appleby Trust (Cayman) Ltd. Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Compliance adviser	Haitong International Capital Limited
Principal banks	ICBC Guangzhou Yunshan Branch 3-4/F, No. 511-513 Yuncheng East Road Baiyun District Guangzhou ABC Guangzhou Liuhua Branch 1/F, Yinong Building No. 178 Dongfeng West Road Guangzhou CCB Guangzhou Yixin Branch 1/F No. 119 Yixin Road Guangzhou Avenue North Guangzhou

This section contains information relating to the economy of China and the industry in which we operate. We have extracted and derived the information in the section below, in part, from various official government publications and a commissioned report from DTZ. See "— Sources of Information" below. We believe that such sources are appropriate sources for the information and statistics below, including forward-looking information for future periods as identified, and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. The information has not been independently verified by us, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their respective affiliates or advisers, or any party involved in the Global Offering and no representation is given as to its accuracy. The information and statistics may not be consistent with other information and statistics complied within or outside China.

SOURCES OF INFORMATION

In connection with the Global Offering, we commissioned the Market Research Report from DTZ for use in part in this prospectus to provide prospective investors with information relating to the economy of China, the residential market in Guangdong and Hunan Provinces in China, and the industry in which we operate. DTZ has charged us a total fee of HK$325,000, for the preparation of the Market Research Report, which we believe is in line with the market rate for such report.

DTZ is a global real estate adviser, which offers a range of services including investment agency, leasing agency, property and facilities management, project and building consultancy, investment and asset management, market research and forecasting, and valuation. DTZ has 208 offices in 52 countries.

For the purpose of the Global Offering, DTZ also serves as our property valuer. A property valuation report prepared by DTZ which relates to our property interests is included in Appendix III to this prospectus. DTZ provided services through two business functions which are independent from each other. The market research report was prepared primarily by the designated market research team of DTZ based on data from the PRC government, renowned research institutions and the proprietary databases of DTZ. In the course of research, DTZ conducted interviews with DTZ Guangzhou Consulting Team, local marketing agents and market observers in the residential sector.

The following sets out the main reasons why DTZ adopted the above sources of information and considered them as reliable:

- It is general market practice to adopt official data and announcements from various Chinese government agencies;

- DTZ understands the data collection methodology and data source of the subscribed database from China Index Academy; and

- The information obtained from interviews is for DTZ's reference only and the findings in this report are not based on the results of these interviews. Nevertheless, DTZ has proven track records in providing market research studies to government and private clients in the regions where this Market Research Report cover, and the information obtained from the interviews with DTZ Guangzhou Consulting Team is therefore considered reliable.

While preparing the Market Research Report, DTZ has relied on the assumptions listed below:

- All land transaction records and contracted average selling prices of select projects provided by the Company are true and correct;

- All published data by the Statistics Bureaux are true and correct;

- All collected information relating to residential sales transactions from the relevant local housing administrative bureaux are true and correct;

- All land transaction records collected from Land Resources Administrative Bureaux are true and correct; and

- Where subscribed data is obtained from renowned public institutions, DTZ will rely upon the apparent integrity and expertise of such institutions. DTZ will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

OVERVIEW OF THE PRC ECONOMY

China's economy has grown rapidly since the beginning of market-based reforms in 1978. Since 1990, China's economic boom has been built on a relatively high level of fixed asset investment ("**FAI**") and rapid export growth. China's nominal GDP grew at a CAGR of approximately 13.2% from 2008 to 2012, reaching approximately RMB51.9 trillion in 2012. Although real GDP growth in China moderated to approximately 7.8% in 2012 from approximately 9.6% in 2008, it remains among the fastest growing economies in the world. The PRC government is targeting real GDP growth of approximately 7.0% for the 12th Five-Year Plan[(1)] period.

The table below sets out the key economic indicators for China for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	31,603.0	34,032.0	39,760.0	47,211.5	51,932.2
Real GDP growth rate (%)	9.6	9.2	10.4	9.3	7.8
Per capita GDP (RMB)	23,708.0	25,608.0	30,015.0	35,181.0	38,420.0
FAI (RMB billion)	17,282.8	22,459.9	27,812.2	31,148.5	37,467.6

Source: National Bureau of Statistics of China

In 2012, China had a total population of approximately 1.35 billion, approximately 52.6% of which live in urban areas, compared to approximately 47.0% in 2008. While population growth has slowed to less than 1% since the late 1990s, the urban population has continued to grow, with a CAGR of approximately 2.9% between 2008 and 2012. Given that urbanization rate in developed economies is typically between 70% to 90%, the trend towards urbanization is expected to continue for at least another decade in China.

This rising urban population drives the needs for urban housing and other infrastructure, such as transportation and retail facilities, stimulating the growth of the real estate market. In addition, with the disposable income of urban households being substantially higher than rural households, urbanization is an important underlying factor in increasing domestic consumption.

Annual per capita disposable income for urban households rose year-on-year since 1980 and reached approximately RMB24,565.0 in 2012, increased by 12.6% on a year-on-year basis. This strong growth in disposable income has resulted in the continuous growth of spending power. As China becomes wealthier, the needs for upgrading living standards, including living conditions and environment, became a priority for many households.

Note:

(1) A Five-Year Plan is a series of social and economic development initiatives. The 12th Five-Year Plan, which covers 2011 to 2015, was approved by the National People's Congress of the PRC on March 14, 2011 with the goals of addressing rising inequality and creating an environment for more sustainable growth by prioritizing more equitable wealth distribution, increased domestic consumption, and improved social infrastructure and social safety nets.

The table below sets out the key demographic profile for China for the years indicated:

	2008	2009	2010	2011	2012
Annual per capita disposable income for urban households (RMB)	15,780.8	17,174.7	19,109.4	21,810.0	24,565.0
Urban population (million)	624.0	645.1	669.8	690.8	711.8
Urbanization rate (%)	47.0	48.3	50.0	51.3	52.6

Source: National Bureau of Statistics of China

OVERVIEW OF THE REAL ESTATE MARKET IN THE PRC

The PRC government applies various economic, legal and administrative measures to regulate the real estate market, in order to encourage end-user demand while restricting speculation activities, and to better coordinate development between the real estate industry and national economy. See the section entitled "Regulatory Overview" in this prospectus for details.

The table below sets out the key real estate indicators for China for the years indicated:

	2008	2009	2010	2011	2012
Total investment in property development in urban areas (RMB in billions)	3,120.3	3,624.2	4,825.9	6,179.7	7,180.4
Total investment in residential buildings in urban areas (RMB in billions)	2,244.1	2,561.4	3,402.6	4,432.0	4,937.4
Total floor space of buildings completed (sq.m. in millions)	2,603.1	3,021.2	3,043.1	3,290.7	3,355.0
Total floor space of commercialized residential buildings completed (sq.m. in millions)	543.3	596.3	634.4	743.2	790.4
Total floor space of buildings under construction (sq.m. in millions)	6,322.6	7,541.9	8,440.6	10,355.2	11,672.4
Total floor space of commercialized residential buildings under construction (sq.m. in millions)	2,228.9	2,513.3	3,147.6	3,877.1	4,289.6
Total floor space of commercialized buildings sold* (sq.m. in millions)	659.7	947.6	1,047.6	1,099.5	1,113.0
Total floor space of commercialized residential buildings sold* (sq.m. in millions)	592.8	861.8	933.8	965.3	984.7
Average price of commercialized buildings sold** (RMB/sq.m.)	3,800.0	4,681.0	5,032.0	5,357.0	5,791.2
Average price of commercialized residential buildings sold** (RMB/sq.m.)	3,576.0	4,459.0	4,725.0	4,993.0	5,429.8
Total sales of commercialized buildings sold (RMB billion)	2,506.8	4,435.5	5,272.1	5,858.9	6,445.6
Total sales of commercialized residential buildings (RMB billion)	2,119.6	3,843.3	4,412.1	4,819.8	5,346.7

Source: National Bureau of Statistics of China

* *Inclusive of presales GFA (for floor space of commercialized buildings sold)*

** *Calculated figure, subject to rounding error*

THE REAL ESTATE MARKETS OF SELECT AREAS IN THE PRC

Guangdong Province

Overview

Guangdong Province comprises 21 prefecture-level cities and has a total land area of approximately 179,813 sq.km. It had the largest urban population in China in 2012, at approximately 71.4 million, which accounted for approximately 10.0% of China's total urban population. Strategically located close to Hong Kong and Macau, Guangdong Province is an important southern trading gateway to China.

The table below sets out the key economic and demographic indicators for Guangdong Province for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	3,679.7	3,948.3	4,601.3	5,321.0	5,706.8
Per capita GDP (RMB)	37,638.0	39,436.0	44,736.0	50,807.0	54,095.0
FAI (RMB billion)	1,116.5	1,335.3	1,611.3	1,684.4	1,930.8
Utilized foreign direct investment ("**FDI**") (US$ million)	21,266.6	20,286.9	21,026.5	22,328.5	23,549.0
Annual per capita disposable income for urban households (RMB)	19,732.9	21,574.7	23,897.8	26,897.5	30,226.7

Source: National Bureau of Statistics of China; Bureau of Statistics of Guangdong

- **Guangdong Province is one of the most prosperous and politically important provinces in China**

Guangdong Province has long been one of the most prosperous and politically important provinces in China, contributing approximately 11.0% of China's national economic output in 2012. In particular, Guangdong Province had the highest GDP value in China in 2011, amounting to approximately RMB5,321.0 billion, which continued to grow in 2012, reaching approximately RMB5,706.8 billion. Guangdong Province ranked first among all provinces in China in terms of GDP.

- **Continued investment into Guangdong Province to enhance its vibrancy and economic influence in China**

FAI in Guangdong Province continued to grow and returned to a double digit annual growth rate of approximately 14.6% in 2012. This indicates the commitment of the PRC government to invest into Guangdong Province to improve its infrastructure and livelihood, which will help enhance the vibrancy and competitiveness of Guangdong Province within China.

- **Guangdong Province has one of the highest annual per capita disposable incomes for urban households in China**

Annual per capita disposable income for urban households in Guangdong Province reached approximately RMB30,226.7 in 2012, which was higher than the national average of approximately RMB21,986.0 in the same year, and ranked first among all provinces (after the municipal cities of Shanghai, Beijing and Tianjin).

- **Continued urbanization is expected to drive demand for urban housing and associated infrastructure**

Due to rapid urban development in Guangdong Province, the overall urbanization rate grew from approximately 63.4% in 2008 to approximately 67.4% in 2012. Rapid urbanization is expected to provide a concentration of highly skilled and educated population in urban areas, leading to a continued demand for urban housing and associated infrastructure, and development of the tertiary sector, thereby enhancing the industry structure of the region.

- **Guangdong Province has a well-established transportation network to connect with the rest of China**

Guangdong Province has a well-established transportation network that connects it with the rest of China and the world. It has one of the best highway networks in China, reaching nearly 6,000 km by the end of 2012.

The opening of the Guangzhou-Beijing high speed rail in December 2012 directly connected Guangdong Province with other major cities in China, such as Wuhan, Changsha and Beijing. Looking forward, Guangdong Province is expected to have a comprehensive high speed intercity rail network which, when completed in 2020, will include ten routes connecting the cities of Zhaoqing, Foshan, Jiangmen, Guangzhou, Zhongshan and Zhuhai on the western side of the Pearl River Delta ("**PRD**") to the eastern PRD cities of Dongguan, Shenzhen and Huizhou.

The table below sets out the key real estate indicators for Guangdong Province for the years indicated:

	2008	2009	2010	2011	2012
Total investment in property development in urban areas (RMB billion)	293.2	296.1	366.0	481.0	535.3
Total investment in residential buildings development in urban areas (RMB billion)	213.3	209.0	253.9	345.3	370.5
Total GFA of buildings completed (million sq.m.)	43.6	50.6	56.6	61.4	63.6
Total GFA of residential buildings completed (million sq.m.)	34.8	41.1	45.9	48.8	49.2
Total GFA of buildings under construction (million sq.m.)	229.9	248.1	293.0	361.4	393.0
Total GFA of residential buildings under construction (million sq.m.)	180.2	189.9	222.5	273.8	292.5
Total GFA of buildings sold* (million sq.m.)	48.2	70.6	73.2	74.3	79.0
Total GFA of residential buildings sold* (million sq.m.)	43.8	65.7	65.5	67.1	71.6
Average price of buildings sold** (RMB per sq.m.)	5,969.6	6,513.5	7,485.7	7,878.1	8,112.2
Average price of residential buildings sold** (RMB per sq.m.)	5,753.9	6,359.7	7,004.3	7,560.9	7,664.8
Total sales of buildings (RMB billion)	288.0	459.9	548.1	585.3	640.8
Total sales of residential buildings (RMB billion)	251.9	417.7	459.0	507.1	548.8

Source: National Bureau of Statistics of Guangdong Province

* *Inclusive of presales GFA (for floor space of commercialized buildings sold)*

** *Calculated figure, subject to rounding error*

The PRC real estate market entered into a period of adjustment due to the financial crisis in 2008 and the issuance of various restrictive policies by the PRC government to combat rapid growth in property prices across China in recent years. Nonetheless, investment in real estate in Guangdong Province has maintained a growing trend from 2008 to 2012, with a CAGR of approximately 16.2%. The total residential GFA completed and GFA sold continued to rise since 2010. The demand-supply ratio remained at above 1.0 from 2008 to 2012, and rose to 1.6 in 2012, indicating a strong demand in the real estate market in Guangdong Province. The average selling price of commercialized residential buildings remained strong, reaching approximately RMB7,664.8 per sq.m. in 2012, representing a CAGR of approximately 7.4% growth.

Overview of Select Key Cities in Guangdong Province

Guangzhou

Guangzhou is a key manufacturing, trading and transportation hub in the PRD. Generally considered as a first-tier city in China and being one of the five National Central Cities,[(1)] Guangzhou is the capital city of Guangdong Province and has been one of the most important trading ports and national transportation hubs throughout Chinese history. Guangzhou is also a core city in the PRD Economic Zone,[(2)] with major manufacturing, trading and logistics activities, and hosts a number of important trade fairs, such as the Canton Fair, which is the largest import and export fair in China. As a provincial capital, the city attracts international and domestic enterprises and has begun to transform into a more services-based economy in the past decade.

The table below sets out the key economic and demographic indicators for Guangzhou for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	828.7	913.8	1,074.8	1,242.3	1,355.1
Nominal GDP growth (%)	16.1	10.3	17.6	15.6	9.1
Per capita GDP (RMB)	76,440.0	79,383.0	87,458.0	97,588.0	106,300.0
FAI (RMB billion)	210.1	266.0	326.4	341.2	375.8
Utilized FDI (US$ million)	3,622.7	3,773.3	3,978.6	4,271.5	6,801.9
Annual per capita disposable income for urban households (RMB)	25,316.7	27,609.6	30,658.5	34,438.1	38,054.0
Urbanization growth (%)	5.9	6.8	8.8	0.7	1.1

Source: Bureau of Statistics of Guangzhou

Guangzhou is the third-largest city in China in terms of GDP in 2012. Guangzhou's nominal GDP expanded by a CAGR of approximately 13.1% from approximately RMB828.7 billion in 2008 to approximately RMB1,355.1 billion in 2012, which was mainly driven by the service industry (which accounted for approximately 63.6% of total GDP in 2012) and domestic investment and consumption. Guangzhou's residents are among China's highest earners. In particular, annual per capita disposable income for urban households for 2012 reached RMB38,054.0, reflecting a CAGR of approximately 10.7% from 2008 to 2012.

Notes:

(1) National Central City was a concept proposed by the Ministry of Housing and Urban-Rural Development of the PRC in 2005 as a first step in reforming urbanization in China. National Central Cities are described as a group of cities in charge of leading, developing, performing tasks in political, economic and cultural aspects.

(2) The PRD Economic Zone consists of Guangzhou, Shenzhen, Dongguan, Foshan, Zhongshan, Zhuhai, Jiangmen, and parts of Huizhou and Zhaoqing, and has been the most economically dynamic region of the Chinese Mainland since the launch of China's reform program in 1979.

The table below sets out the key real estate indicators for Guangzhou for the years indicated:

	2008	2009	2010	2011	2012
Total GFA of residential buildings completed (million sq.m.)	13.5	7.9	7.7	9.4	8.0
Total GFA of residential buildings under construction (million sq.m.)	10.6	34.5	39.8	50.8	49.2
Total sales of residential buildings (RMB billion)	79.3	112.7	118.0	108.4	135.4
Total GFA of residential buildings sold (million sq.m.)	9.3	12.5	11.1	9.9	11.3
Average selling price of residential buildings* (RMB per sq.m.)	8,500.7	8,988.5	10,614.4	10,925.7	12,000.1

Source: Bureau of Statistics of Guangzhou

* *Calculated figure, subject to rounding error*

Guangzhou experienced a significant increase in retail GFA completion in both 2009 and 2010, when many retail developers were hoping to launch their retail projects in time for the Asian Games, which was hosted in Guangzhou in November 2010. After the Asian Games, the retail GFA completed in Guangzhou slowed down to 1,184,067 sq.m. in 2011, representing a slight drop by 0.1% when compared to 2010, while 1,235,323 sq.m. of office GFA were completed, representing a 90.5% year-on-year growth. Investment in retail space in 2011 remained at a similar level as in 2010 while investment in office achieved a 53.6% year-on-year growth. Nevertheless, investment in retail recorded an average annual growth rate of 20.6% between 2008 and 2011, indicating the overall healthy development in the retail property market in Guangzhou.

The table below sets out the key commercial property indicators for Guangzhou for the years indicated:

	2008	2009	2010	2011	2012
GFA completed for office use ('000 sq.m.)	961.1	403.0	648.3	1,235.3	N/A
GFA completed for retail use ('000 sq.m.)	765.6	1,066.5	1,314.6	1,184.1	N/A
Investment in office building (RMB million)[(1)]	5,348.8	7,447.6	8,155.2	12,524.3	N/A
Investment in retail building (RMB million)[(1)]	8,400.1	11,217.8	17,905.6	17,793.5	N/A

N/A: Not available

Source: National Bureau of Statistics of China

Note:

(1) Investment in real estate development refers to investment in the construction of buildings by real estate development companies, commercialized building construction companies, and other real estate development units of various types of ownership. It does not include pure land transactions. Sources of funds for investment in fixed assets are categorized as funds from the state budget, domestic loans, foreign investment, self-raised funds, and others, depending on the sources of investment.

Foshan

Foshan, together with Guangzhou, forms the "Guangzhou-Foshan Economic Circle." The key transportation hubs in Guangzhou, namely Guangzhou Baiyun International Airport, Guangzhou Nansha Port and Guangzhou Railway Station, are all within an hour's drive from central Foshan. This allows Foshan to share resources with Guangzhou, including, among other things, infrastructure facilities, transportation networks, financial capital, labor resources and technological information. For the remaining of the 12th Five-Year Plan period, the two cities will work together to form a "Guangzhou-Foshan metropolitan region," which is one of the three metropolitan regions identified under the PRD development framework.

Foshan is the third largest manufacturing base in the PRD, following Shenzhen and Guangzhou. Once dominated by State-Owned Enterprises ("**SOE**"), Foshan's present economic strength is derived predominantly from private firms, township and village enterprises.

The table below sets out the key economic and demographic indicators for Foshan for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	437.8	482.1	565.2	621.0	664.0
Nominal GDP growth (%)	19.6	10.1	17.2	9.9	6.9
Per capita GDP (RMB)	68,033.0	71,691.0	80,313.0	86,073.0	93,300.0
FAI (RMB billion)	123.0	147.1	172.0	193.4	212.8
Utilized FDI (US$ million)	1,806.5	1,873.7	1,967.5	2,154.4	3,304.7
Annual per capita disposable income for urban households (RMB)	22,494.0	24,577.9	27,244.7	30,718.0	34,580.0
Urbanization growth (%)	5.3	5.3	6.6	1.3	0.0

Source: Bureau of Statistics of Foshan

Foshan's nominal GDP expanded by a CAGR of approximately 11.0% from approximately RMB437.8 billion in 2008 to approximately RMB664.0 billion in 2012, ranking 15th among all cities in China and third in Guangdong Province behind Guangzhou and Shenzhen. Annual per capita disposal income of urban household in Foshan had been increasing steadily since 2008. In 2012, the annual per capita urban disposal income of urban households was approximately RMB34,580.0, which ranked third in Guangdong Province.

The table below sets out the key real estate indicators for Foshan for the years indicated:

	2008	2009	2010	2011	2012
Total GFA of residential buildings completed (million sq.m.)	2.7	2.0	5.0	5.0	5.1
Total GFA of residential buildings under construction (million sq.m.)	17.0	17.4	23.6	28.9	N/A
Total sales of residential buildings (RMB billion)	25.9	44.1	59.4	61.4	56.1
Total GFA of residential buildings sold (million sq.m.)	4.8	7.1	7.8	7.5	7.1
Average selling price of residential buildings* (RMB per sq.m.)	5,365.1	6,204.1	7,647.8	8,207.3	7,957.7

N/A: Not available

Source: Bureau of Statistics of Foshan

* *Calculated figure, subject to rounding error*

Zhuhai

Zhuhai is one of the original Special Economic Zones, or SEZs,(1) established in the 1980s to capitalize on its strategic location next to Macau. SEZ status allowed the city to grow as a scenic tourist attraction as well as a modern port city. In 1998, the city was awarded by the United Nations as "the Best Model of International Residential Environment Improvement."

In terms of economic development, Zhuhai has established electronics, information technology, home electrical appliances, petrochemicals, electrical power, bio-pharmaceuticals and precision machinery as its major industries. It has attracted abundant foreign capital given the city's excellent geographic location, attractive cityscape, provision of comprehensive ancillary infrastructure and a deep-water port. Utilized foreign investment reached approximately US$1,447.0 million in 2012.

Aiming to strengthen the existing industrial base and to provide a better environment for the development of new high-tech industries, the local government has taken the initiative to develop five development zones, namely the "Zhuhai High-Tech Industrial Development Zone," "Zhuhai Free Trade Zone," "Harbor Industrial Zone (Provincial level)," "Wanshan Ocean Development Zone (Provincial level)" and "Heng Qin Economic Development Zone (Provincial level)." These development zones, together with infrastructure, such as the Lotus Bridge built in 1999, facilitate cross-border traffic with Macau. The Hong Kong-Zhuhai-Macau Bridge, currently under construction, will continue to strengthen the economic ties between Zhuhai and Macau and facilitate Zhuhai's economic expansion and integration with the rest of the PRD, and to build the image of a modern livable city.

Note:

(1) The original SEZs were Shenzhen, Shantou, Xiamen and Zhuhai. The PRC government provided more free market-oriented economic policies and flexible government measures to the SEZs. This allowed SEZs to utilize an economic management system that is especially conducive to doing business that did not then exist in the rest of mainland China.

The table below sets out the key economic and demographic indicators for Zhuhai for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	99.7	103.9	120.9	140.5	150.4
Nominal GDP growth (%)	11.4	4.2	16.4	16.2	7.1
Per capita GDP (RMB)	52,921.0	54,156.0	60,797.0	70,014.0	96,300.0
FAI (RMB billion)	35.1	41.1	50.2	63.7	78.8
Utilized FDI (US$ million)	1,142.3	1,180.3	1,223.5	1,337.6	1,447.0
Annual per capita disposable income for urban households (RMB)	20,949.5	22,858.6	25,381.6	28,730.7	32,978.2
Urbanization growth (%)	2.5	4.6	1.9	0.5	0.0

Source: Bureau of Statistics of Zhuhai

Zhuhai's nominal GDP expanded by a CAGR of 10.8% from approximately RMB99.7 billion in 2008 to approximately RMB150.4 billion in 2012. In 2012, the annual per capita disposable income for urban households was approximately RMB32,978.2, reflecting a CAGR of approximately 12.0% from 2008.

The table below sets out the key real estate indicators for Zhuhai for the years indicated:

	2008	2009	2010	2011	2012
Total GFA of residential buildings completed (million sq.m.)	3.4	3.1	1.8	2.8	3.3
Total GFA of residential buildings under construction (million sq.m.)	9.6	9.3	9.2	12.4	13.2
Total sales of residential buildings (RMB billion)	11.1	20.5	26.4	23.0	24.6
Total GFA of residential buildings sold (million sq.m.)	1.6	2.8	2.5	1.9	2.3
Average selling price of residential buildings* (RMB per sq.m.)	6,918.8	7,368.6	10,517.9	11,904.8	10,668.0

Source: Bureau of Statistics of Zhuhai

* *Calculated figure, subject to rounding error*

Zhongshan

As an industrial heartland in Guangdong Province, Zhongshan, together with Dongguan, Nanhai and Shunde, were once generally known as the "Four Little Tigers" in Guangdong Province. Being home to Zhongshan Port, which is a major port in Guangdong Province, and its proximity to Hong Kong (Zhongshan Port operates daily ferries to Hong Kong) and Macau have provided the key foundations for Zhongshan's economic development, especially in the industrial arena.

The economy of Zhongshan relies heavily on the export of textiles, hardware and lighting industries. In the 1980s, Zhongshan's industrial activities were dominated by SOEs, which have now been gradually replaced by foreign investors and domestic private sector which together accounted for over 70% of the total industrial output in 2011. In addition, different towns in Zhongshan are known by their specialized industries or an industrial cluster formation where the complete supply base of a specialized product can be found in one township.

Since 2000, the local government began to promote high and new technology in specialized towns, and to shift from overseas markets to domestic market, with the hope to minimize the impact of future global economic uncertainty. In addition, the local government encourages "research and design" in the region by setting up national level research centers and specialized industrial regions.

Industrial and manufacturing industry will remain a key focus of economic activity in the 12th Five-Year Plan and local government investment has been directed to support this. For example, the Zhongshan Bonded Logistics Center and Freight Car Entry and Exit Checkpoint opened in 2010 were built to support the export from manufacturing enterprises in Zhongshan.

The table below sets out the key economic and demographic indicators for Zhongshan for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	145.7	156.6	185.1	219.3	244.1
Nominal GDP growth (%)	14.9	7.5	18.2	18.5	11.3
Per capita GDP (RMB)	66,798.0	68,042.0	77,888.0	89,794.0	78,200.0
FAI (RMB billion)	44.5	54.6	66.0	76.7	89.3
Utilized FDI (US$ million)	744.9	607.9	668.3	729.5	842.0
Annual per capita disposable income for urban households (RMB)	N/A	23,088.4	25,356.6	27,700.0	31,130.0
Urbanization growth (%)	6.3	5.4	7.2	0.7	0.0

Source: Bureau of Statistics of Zhongshan

Zhongshan's nominal GDP expanded by a CAGR of 13.8% from approximately RMB145.7 billion in 2008 to approximately RMB244.1 billion in 2012. In 2012, the annual per capita disposable income for urban households was approximately RMB31,130.0, reflecting a CAGR of approximately 10.5% from 2009.

The table below sets out the key real estate indicators for Zhongshan for the years indicated:

	2008	2009	2010	2011	2012
Total GFA of residential buildings completed (million sq.m.)	2.7	3.4	4.0	5.2	2.7
Total GFA of residential buildings under construction (million sq.m.)	14.8	16.8	18.6	23.3	N/A
Total sales of residential buildings (RMB billion)	12.2	23.6	31.2	33.6	31.5
Total GFA of residential buildings sold (million sq.m.)	2.9	5.2	6.1	5.8	5.9
Average selling price of residential buildings* (RMB per sq.m.)	4,272.7	4,547.4	5,146.7	5,824.5	5,300.2

N/A: Not available

Source: Bureau of Statistics of Zhongshan

* *Calculated figure, subject to rounding error*

Qingyuan

Qingyuan, with an area of approximately 19,015 sq.km., is the largest prefecture-level city by land area in Guangdong Province. Heavy industry and light industry constituted approximately 77.0% and 23.1%, respectively, of the city's total value-added industrial output in 2011.

Although the key economic indicators, such as GDP, FAI and FDI are relatively low compared to the other select cities in Guangdong Province, Qingyuan is expected to have the infrastructure in place to make it a major economic and transportation hub in Guangdong Province in the future. In particular, by road, Qingyuan is directly served by China National Highways 106, 107 and 323, which connect it with Guangzhou and other major cities in China. With the Beijing-Zhuhai Highway and the Guangzhou-Qingyuan Highway, the driving time from Qingyuan to Guangzhou, Foshan and Shenzhen is reduced to 30 minutes, 60 minutes and 90 minutes, respectively. By rail, Qingyuan is directly connected to Beijing and Guangzhou through the Beijing-Guangzhou Railway. By sea, Qingyuan has major ports, such as Qingyuan Port, Yingde Port, Lianzhou Port, and Yangshan Port, which play a vital role in transporting goods to other regional centers in Guangdong Province, Hong Kong and Macau. By air, Qingyuan is 28 km away from Guangzhou Baiyun International Airport. Qingyuan is expected to become an attractive investment for investors looking outside the major cities in Guangdong Province for a higher investment return margin.

The table below sets out the key economic and demographic indicators for Qingyuan for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	65.2	71.5	87.0	100.3	102.9
Nominal GDP growth (%)	16.9	9.7	21.7	15.3	2.6
Per capita GDP (RMB)	17,813.0	19,479.0	23,569.0	26,957.0	27,800.0
FAI (RMB billion)	70.4	84.1	99.7	48.6	43.8
Utilized FDI (US$ million)	514.8	549.1	320.2	384.4	300.0
Annual per capita disposable income for urban households (RMB)	N/A	14,314.8	15,768.2	17,667.5	19,514.0
Urbanization growth (%)	4.5	4.7	5.0	1.3	0.6

Source: Bureau of Statistics of Qingyuan

Qingyuan's nominal GDP expanded by a CAGR of 12.1% from approximately RMB65.2 billion in 2008 to approximately RMB102.9 billion in 2012. In 2012, the annual per capita disposable income for urban households was approximately RMB19,514.0, reflecting a CAGR of approximately 10.9% from 2009.

The table below sets out the key real estate indicators for Qingyuan for the years indicated:

	2008	2009	2010	2011	2012
Total GFA of residential buildings completed (million sq.m.)	1.5	1.7	2.1	1.8	2.6
Total GFA of residential buildings under construction (million sq.m.)	8.5	8.1	11.7	16.7	N/A
Total sales of residential buildings (RMB billion)	3.1	9.0	12.5	14.8	16.3
Total GFA of residential buildings sold (million sq.m.)	1.1	2.7	3.1	3.4	3.7
Average selling price of residential buildings* (RMB per sq.m.)	2,740.2	3,272.7	4,065.3	4,328.8	4,408.0

N/A: Not available

Source: Bureau of Statistics of Qingyuan

* *Calculated figure, subject to rounding error*

Overview of Competitive Landscape in Real Estate Market in Guangdong Province

With a long history of residential development in Guangdong Province, there is strong market competition in Guangdong Province's residential sector, both in the two first-tier cities, Guangzhou and Shenzhen, as well as in the relatively smaller scale cities such as Zhuhai and Zhongshan.

In order to establish a market share amidst the huge competition, developers in Guangdong Province have established different types of product lines and branding in order to differentiate their market position and to attract different groups of target customers. In addition, as land supply in urban core areas becomes increasingly scarce, there is a market trend for developers to have projects along the rail lines and motorways in the suburban areas, capitalizing on the PRD Region's transportation infrastructure. In general, precise market positioning, convenient accessibility and established supporting facilities of a residential project remain key factors which can help developers gain popularity among buyers and, therefore, larger market share.

Among 220 real estate development companies in seven major cities in Guangdong Province,[(1)] Times Group ranked 11th in terms of market share by sales volume in Guangdong Province, and third among non-listed developers in Guangdong Province in 2012, demonstrating the Company's extensive coverage in Guangdong Province's major cities and the popularity of its products among home buyers.

Note:

(1) The top 50 developers in each of the seven select cities, ranked by total residential GFA sold in 2012, have been taken out for further analysis. The 220 developers quoted is the final number of developers studied for DTZ's ranking after taking out any overlaps in developers within these seven cities.

The table below sets out the top 15 real estate developers in Guangdong Province[(1)] by contracted sales volume in 2012:

Ranking	Jan-Dec 2012
1	China Vanke Co., Ltd. (萬科企業股份有限公司)
2	Agile Property Holdings Limited (雅居樂地產控股有限公司)
3	Poly Property Group Co., Limited (保利置業集團有限公司)
4	Country Garden Holdings Company Limited (碧桂園控股有限公司)
5	Nimble (敏捷集團)
6	CITIC Real Estate Co., Ltd. (中信房地產股份有限公司)
7	China Overseas Land & Investment Ltd. (中國海外發展有限公司)
8	China Merchant Property Development Co., Ltd. (招商局地產控股股份有限公司)
9	Yuexiu Property Company Limited (越秀地產股份有限公司)
10	Guangzhou R&F Properties Co., Ltd. (廣州富力地產股份有限公司)
11	**Times Property Holdings Limited (時代地產控股有限公司)**
12	Evergrande Real Estate Group Limited (恒大地產集團有限公司)
13	Hutchison Whampoa Limited (和記黃埔有限公司)
14	Kaisa Group Holdings Ltd. (佳兆業集團控股有限公司)
15	Sino-Ocean Land Holdings Limited (遠洋地產控股有限公司)

Source: DTZ, China Index Academy, March 2013

Note:

(1) Guangdong Province is represented by Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou. The result is based on 220 real estate development companies in the respective seven cities.

Changsha, Hunan Province

Overview

Changsha, the capital of Hunan Province and the leading city of the "Greater Changsha Metropolitan Region",[(1)] has emerged as a key city for investment and development in the central region of China in recent years. Changsha's nominal GDP reached RMB634.0 billion in 2012 and nominal GDP growth remained strong, growing at a CAGR of 20.6% from 2008

Note:

(1) The Greater Changsha Metropolitan Region is a large area in Hunan Province, China, comprising the three prefecture-level cities of Changsha, Xiangtan and Zhuzhou. The region is the heavily urbanized region of Hunan and covers an area of approximately 28,087 sq.km.

to 2012. It ranked first in Hunan Province, and second among other provincial capitals in six central provinces (including Shanxi, Henan, Hubei, Auhui, Jiangxi and Hunan) (the "**Six Central Provinces**") in China, in terms of GDP in 2012. Changsha had the highest annual per capita disposable income for urban households among other provincial capitals in the Six Central Provinces, reaching approximately RMB30,288.0 in 2012, with a CAGR of approximately 13.5% from 2008. The strong growth in GDP and annual per capita disposable income has facilitated the vibrancy of the real estate market in Changsha.

The table below sets out the key economic and demographic indicators for Changsha for the years indicated:

	2008	2009	2010	2011	2012
Nominal GDP (RMB billion)	300.1	374.5	454.7	561.9	634.0
Per capita GDP (RMB)	45,765.0	56,620.0	66,443.0	79,530.0	89,903.0
FAI (RMB billion)	187.3	244.2	319.3	351.0	401.2
Utilized FDI (US$ million)	1,801.0	2,033.0	2,238.0	2,601.0	2,977.0
Annual per capita disposable income for urban households (RMB)	18,282.0	20,238.0	22,814.0	26,451.0	30,288.0

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

Real Estate Market of Changsha

The table below sets out the key real estate indicators for Changsha for the years indicated:

	2008	2009	2010	2011	2012
Total investment in property development in urban areas (RMB billion)	47.0	49.7	68.4	88.6	103.2
Total GFA of residential buildings completed (million sq.m.)	7.1	11.3	11.8	12.1	11.3
Total GFA of residential buildings under construction (million sq.m.)	N/A	N/A	55.0	62.0	53.2
Total GFA of commercial buildings sold* (million sq.m.)	8.2	14.1	16.8	15.0	15.3
Average price of commercial buildings sold** (RMB per sq.m.)	3,323.2	3,647.8	4,418.1	5,881.9	6,100.9
Total sales of commercial buildings (RMB billion)	27.3	51.3	74.2	88.2	93.2

N/A: Not available

Source: National Bureau of Statistics of Changsha

* *Inclusive of presales GFA (for floor space of commercialized buildings sold)*

** *Calculated figure, subject to rounding error*

Overview of Competitive Landscape of the Real Estate Market in Changsha

As an inland city, Changsha's real estate development has generally been behind other coastal cities such as Guangzhou and Shenzhen, which had been targeted for development in the early stages of the reform and opening process. However, as the real estate market of first-tier cities in coastal provinces matures, development has been diverted to the western and central regions of China in the past few years, especially after 2009. This is reflected by the high double-digit annual growth rates in investment into property development as well as the sales and average prices of commercial properties sold in Changsha from 2009.

It is observed that market competition in Changsha city has increased since 2009 and reputable domestic developers have entered the market and in general, developers with reputable brands maintained to have a competitive advantage in the market.

HISTORICAL PRICE TRENDS OF RAW MATERIALS

The Group's major construction materials generally include, among other things, cement and steel, which are subject to market fluctuation and volatility.

The table below sets out the purchasing price indices for industrial producers for China for the years indicated:

	2008	2009	2010	2011	2012
Purchasing price indices for industrial producers (Building materials)[(1)(2)] . .	109.5	101.1	103.8	108.4	108.1

Source: National Bureau of Statistics of China

Notes:

(1) These indices reflect changes in the level and degree of prices paid by construction/development enterprises when they purchase production input such as raw materials from the material exchange market or from other construction raw materials producing enterprises for a combined range of construction raw materials. General industry's understanding of building materials would include, amongst other things, cement, steel, bitumen, concrete blocks, glass, steel, metal formwork, timber framework, paint, unplasticized PVC pipes, etc.

(2) These indices reflect the percentage change in our purchasing price over the previous 12-month period. For example, the figure 108.1 in 2012 indicates an average price increase of 8.1% over the previous 12-month period.

OVERVIEW

All land in the PRC is either State-owned or collectively owned, depending on the location of the land. All land in the urban areas of a city or town is State-owned, and all land in the rural areas and suburban areas are, unless otherwise specified by law, collectively owned. The State has the right to resume its ownership of land or of land use rights in accordance with law if required for the public interest, but must pay compensation to do so.

Although all land in the PRC is owned by the State or by collectives, individuals and entities may obtain land use rights for development purposes. Individuals and entities may acquire land use rights from land granted by local land authorities and land transferred by land users who have already obtained land use rights.

LAND GRANTS

National and Local Legislation

On April 12, 1988, the National People's Congress (the "**NPC**") passed an amendment to the Constitution of the PRC. The amendment allowed the transfer of land use rights for consideration in accordance with law. In December 1988, the Standing Committee of the NPC also amended the Land Administration Law of the PRC (《中華人民共和國土地管理法》) to permit the transfer of land use rights for consideration.

On May 19, 1990, the State Council (國務院) enacted the Provisional Regulations of the PRC Concerning the Grant and Assignment of the Right to Use State-Owned Land in Urban Areas (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》). These regulations, generally referred to as the Urban Land Regulations, formalized the process of granting and transferring land use rights for consideration. Under this system, the State retains ultimate ownership of land in urban areas. However, the right to use certain land, referred to as land use rights, can be granted by the State and local governments at or above the county level for up to 70 years, depending on the specific uses, pursuant to a land grant contract and upon payment to the State of a premium for the grant of these land use rights.

The Urban Land Regulations prescribe different maximum durations of land use rights for different purposes as follows:

Use of land	Maximum duration
	(Years)
Commercial, tourism, entertainment	40
Residential	70
Industrial	50
Educational, scientific, cultural, public health and sports	50
Comprehensive utilization or others	50

Under the Urban Land Regulations, domestic and foreign enterprises are permitted to acquire land use rights unless the law provides otherwise. The State may not resume possession of lawfully granted land use rights before the grant term expires. Should the public interest require the resumption of possession by the State under special circumstances during the grant term, compensation shall be paid by the State, based on how long the land user has used the land, and on the extent to which the land has been developed and used. A holder of land use rights may, during the grant term, transfer, lease, mortgage or use the land for other economic activities.

Upon paying in full the land premium pursuant to the terms of the contract, grantee of the land may apply to the relevant land bureau for a land use rights certificate. In accordance with the Property Rights Law (《中華人民共和國物權法》) (the "**Property Rights Law**"), which became effective on October 1, 2007, the term of land use rights for land used for residential purposes will automatically be renewed upon expiration. The renewal of the term of land use rights for other uses shall be dealt with according to the relevant laws then in force. In addition, if the public interest requires the resumption of possession of land by the State, owners of residential properties and other real estate on the land shall be compensated and the relevant land premium shall be refunded to them.

On May 24, 2006, the General Office of the State Council further issued the Notice on Forwarding Opinions of the Ministry of Construction and Other Departments on Adjusting the Housing Supply Structure and Stabilizing Housing Prices (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). The notice provides, among other things, for the following broad directives: (i) to encourage mass-market residential developments and curb the development of low-density, large-sized residential properties; (ii) to enforce the collection of the 5% business tax on property sales (business taxes will be levied on the entire sale price of any house sold within five years, or on the profit arising from any property sold after five years subject to possible exemptions for ordinary residential properties) by individual; (iii) to restrict personal housing mortgage loans to less than 70% of the total property price (for houses purchased for self-residential purposes and with an area of less than 90 sq.m., the owners are still permitted to apply for a housing mortgage of up to 80% of the total property price); (iv) to stop supplying land for villa projects and restrict the land supply for large-sized, low-density residential projects; (v) to moderate the progress and scale of demolition of old properties for re-development; (vi) to require local governments to ensure that at least 70% of the total development and construction area consists of units not exceeding 90 sq.m. (with any exceptions requiring the approval of the Ministry of Construction); and (vii) to prevent banks from providing loans to any property developer whose total capital fund is less than 35% of the total investment amount in an intended development project. Pursuant to this notice, local governments were required to adopt plans, no later than September 2006, for developing low- to mid-priced and small- to medium-sized properties to meet demand from owner-occupiers. This notice stipulates that beginning June 1, 2006, there would be a minimum down payment of 30% of the total purchase price for residential units with a floor area exceeding 90 sq.m. on all existing units and those yet to be completed, and a minimum down payment of 20% on residential units for occupation by the owner with a floor area under 90 sq.m. The notice requires that at least 70% of the residential units in residential housing projects approved or commenced after June 1, 2006 be not exceeding 90 sq.m. The notice continues to prohibit land provision for houses and to restrict land provision for the development of low-density and large-sized residential properties.

On June 13, 2006, the General Office of the State Council issued the Notice on Further Regulating and Controlling Investment in Fixed Assets and Strictly Controlling the Number of New Projects (國務院辦公廳關於轉發發展改革委等部門關於加強固定資產投資調控從嚴控制新開工項目意見的通知). The notice provides for (i) clearing and rectifying all new projects; (ii) strictly examining all planning projects by strengthening the supervision and examination of, among others, the implementation of industry policies, development plans, market access requirements and construction procedures across the country; and (iii) strictly controlling loans provided for infrastructure.

On July 6, 2006, the Ministry of Construction promulgated Certain Opinions Regarding the Implementation of Ratio Requirements for the Structure of Newly Constructed Residential Units (關於落實新建住房結構比例要求的若干意見) (the "**New Opinions**"). The New Opinions stipulate that residential units with a GFA of less than 90 sq.m. shall account for over 70% of the total area of residential units that are newly approved and constructed in each city or county after June 1, 2006. The relevant local government will have the authority to determine the configuration of newly constructed property.

On July 13, 2006, the General Office of the State Council issued the Notice Regarding Relevant Matters on Establishing the State Land Supervision System (國務院辦公廳關於建立國家土地督察制度有關問題的通知). In accordance with this notice, the Ministry of Land and Resources established the State Land Supervision General Office (國家土地總督察辦公室) and sent its local counterpart, the State Land Supervision Bureau (國家土地督察局), to strengthen the supervision and management of land, and to manage the land as strictly as possible.

On August 31, 2006, the State Council issued the Notice Regarding Relevant Matters on Strengthening the Control of Land (國務院關於加強土地調控有關問題的通知) in order to mitigate the excessive increase in the aggregate amount of construction land, the excessive expansion of low-cost industrial land, the illegal use of land, and the abusive occupation of cultivated land. The notice implements the following major measures: (i) adjusting land approval measures for urban construction in accordance with the principle of sharing both rights and responsibilities; (ii) requiring that the social security fee for the land expropriated from farmers be guaranteed before the expropriation of land is approved; (iii) the total amount of money from the sale of State-owned land use rights shall be fully accounted for in the local budget and deposited into the local government treasury, and the "line of income and expenditure" shall be determined separately; (iv) raising the land use rights fee for newly added construction land, the urban land use tax, and the rural cultivated land use tax; (v) the State shall formulate and promulgate a unified minimum standard for granting industrial land across the country, and industrial land being granted by tender, auction or a bidding process; and (vi) prohibiting the conversion of agricultural land into construction land "in the name of leasing while actually expropriating".

On November 7, 2006, the Ministry of Finance, the Ministry of Land and Resources, and the PBOC issued the Notice Regarding Relevant Matters on Adjusting the Land Use Fee Policy for Newly Created Construction Land (財政部、國土資源部、中國人民銀行關於調整新增建設用地土地有償使用費政策等問題的通知). The notice requires the land use fee on newly created construction land to be doubled beginning January 1, 2007.

On March 29, 2007, the Ministry of Construction, the Ministry of Land and Resources, the Ministry of Finance, the National Audit Office, the Ministry of Supervision, the State Administration of Taxation, the NDRC and the SAIC issued the Notice on the Regulation of the Real Estate Market Order (關於開展房地產市場秩序專項整治的通知). This notice aims to examine unauthorized approvals and abuses of power in the areas of project establishment, planning approval, work permit administration, pre-sale permit administration by the relevant departments and personnel involved in real estate-related fields, and the implementation of tax policies with respect to real estate. It also provides for the inspection of real estate enterprises to see if they illegally publish advertisements, hoard properties, drive up prices, swindle or conspire with other parties, evade taxes, or improperly conduct compulsory demolitions and resettlements. Further review and examination will take place with respect to real estate enterprises that are found to have violated these rules.

On December 30, 2007, the General Office of the State Council issued the Notice on the Strict Implementation of the Laws and Policies Regarding Rural Collective Construction Land (國務院辦公廳關於嚴格執行有關農村集體建設用地法律和政策的通知). This notice states that residential land in rural areas shall be allocated only to residents of the relevant village residing in the area, and that no urban inhabitants shall be permitted to purchase any homesteads, peasants' dwellings or "houses with limited property rights" in rural areas. No organization or individual shall be permitted to illegally rent or occupy any land collectively owned by peasants for the development of real estate.

On February 7, 2008, the State Council issued the Land Investigation Regulations (Order No. 518 of the State Council of the PRC) (《土地調查條例(中華人民共和國國務院令第518號)》). This regulation provides that a nationwide land investigation shall be carried out every ten years and that a land status alteration investigation shall be carried out each year by a competent State land and resources department at the county level or above, and that these investigations shall be conducted in collaboration with the relevant departments at the same level of government. The regulation also specifies the requirements that a government department must meet in order to conduct the investigations. The regulation specifies that the purpose of land investigations is to determine what land resources are available and their utilization status.

On January 7, 2010, the General Office of the State Council issued the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (國務院辦公廳關於促進房地產市場平穩健康發展的通知), which, among other things, provides that land resource authorities shall increase their supervision and shall:

- effectively increase the supply of social welfare housing and ordinary commodity residential properties, particularly low- and medium-priced and small- and medium-sized ordinary commodity residential properties;

- direct consumers to make reasonable purchases of residential properties and discourage investment and speculation in the housing market;

- strengthen market supervision and credit risk management for real estate projects;

- speed up the construction of social welfare housing projects; and

- carry out the responsibilities of provincial and local governments.

On March 8, 2010, the Ministry of Land and Resources issued the Notice on Relevant Matters Regarding Strengthening the Supply and Supervision of Land Use for Real Estate (國土資源部關於加強房地產用地供應和監管有關問題的通知). The notice, among other things, provides that:

- the land and resources bureau at the city and county levels shall ensure that the land supply for social welfare housing, shanty town renovation, and small- to medium-sized commodity housing units for self-housing shall not account for less than 70% of the total supply of residential land, and shall strictly control the land supply for large-sized apartments and restrict the land supply for villas;

- land resource authorities shall prohibit property developers who owe land grant premium payments, possess idle land, engage in land speculation and price manipulation, conduct project development exceeding its development capacity, or who fail to adhere to land use rights grant contracts from land bidding transactions for a set period of time; and

- the land grant contract must be executed within ten working days after a grant of land has been mutually agreed to, and a down payment of 50% of the land grant premium shall be paid within one month after the execution of the land grant contract, with the remaining amount to be paid no later than one year after the execution of the land grant contract.

On September 21, 2010, the Ministry of Land and Resources and the Ministry of Housing and Urban-Rural Development (住房和城鄉建設部, "**MOHURD**") jointly promulgated the Notice on Further Strengthening the Control and Regulation of Land and Construction of Property Developments (關於進一步加強房地產用地和建設管理調控的通知), which stipulates, among other things, that (i) at least 70% of land designated for the construction of urban housing must be used for social welfare housing, housing for the resettlement of shanty towns, and small- to medium-sized ordinary commodity housing; in areas with high housing prices, the supply of land designated for small- to medium-sized, price-capped housing must be increased; (ii) developers and their controlling shareholders are prohibited from participating in bidding processes before the rectification of certain misconduct, including (1) the illegal transfer of land use rights; (2) the failure to commence required construction within one year of the delivery of land under a land grant contract for reasons within the developer's own control; (3) non-compliance with land development requirements specified in land grant contracts; and (4) crimes such as obtaining land by forging official documents and illegally speculating on land; (iii) developers are required to commence construction within one year of the date of delivery of the land under the relevant land grant contract, and complete construction within three years of commencement; (iv) development and construction of projects of low-density and large-sized housing must be strictly limited, and the plot ratio of the planned GFA to the total site area of residential projects must be more than 1:1; and (v) the grant of two or more bundled parcels of land and undeveloped land is prohibited.

On December 19, 2010, the Ministry of Land and Resources promulgated the Notice on the Strict Implementation of Policies Regarding the Regulation and Control of Real Property and the Promotion of the Healthy Development of Land Markets (國土資源部關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知), which, among other things, provides that (i) cities and counties that have less than 70% of their land supply designated for social welfare housing, redevelopment housing for shanty towns, or small- to medium-sized ordinary commodity residential units shall not provide land for large-sized and high-end commodity housing before the end of 2010; (ii) local land and resources authorities shall file a transaction report with the Ministry of Land and Resources and with provincial land and resources authorities, in relation to land sold via competitive bidding, auction, and listing for a premium of 50% or more; and (iii) for land designated for social welfare housing but used for the development of commodity houses, any illegal income derived therefrom shall be confiscated and the relevant land use rights terminated. In addition, unapproved changes to the plot ratio are strictly prohibited.

On January 26, 2011, the General Office of the State Council issued the Notice on Relevant Issues Relating to the Further Improvement of Controls on the Real Estate Market (國務院辦公廳進一步做好房地產市場調控工作有關問題的通知). On February 12, 2011, Guangdong's Provincial Government forwarded the notice. This notice, among other things, provides that:

- individuals selling housing properties within five years of purchase will be charged business taxes on the full amount of the sale price;

- the minimum down payment for second-home purchases shall increase from 50% to 60%;

- the land use rights of the developer will be forfeited and the PRC government will impose an idle land fee if a developer fails to obtain a construction permit and commence development for more than two years after the commencement date stipulated in the land grant contract; and

- municipalities directly under the central government, municipalities with independent planning status, and provincial capitals and cities with high housing prices shall limit the number of homes that local residents that can buy within a specific period. In principle, local resident families that own one house and non-local resident families that can provide local tax clearance certificates or local social insurance payment certificates for a required period, are permitted to purchase only one additional house (including newly built houses and second-hand houses). Sales of properties to (i) local resident families that own two houses or more; (ii) non-local resident families that own one house or more; and (iii) non-local resident families that cannot provide local tax clearance certificates or local social insurance payment certificates for a required period, shall be suspended in local administrative regions.

On March 1, 2013, the General Office of the State Council of China released the Circular to Further Enhance the Regulation and Control of the Real Estate Market (國務院辦公廳關於繼續做好房地產市場調控工作的通知), which was adopted on February 26, 2013, and which orders subordinate governments to strictly implement the existing policies, which seek to rein in China's urban residential housing market, by introducing a policy, namely the PRC individual income tax at a rate of 20% to be imposed on home sellers on earnings from their sales.

The General Office of the People's Government of Guangdong Province forwarded the General Office of the State Council the Circular to Further Enhance the Regulation and Control of the Real Estate Market (廣東省人民政府辦公廳轉發國務院辦公廳關於繼續做好房地產市場調控工作的通知) on March 25, 2013, which dictates that areas with soaring house prices shall timely introduce specific measures to curb rising house prices and strictly enforce the individual income tax imposed on house purchases. Guangzhou and Shenzhen are required to make public their target house prices. Further, Guangzhou, Shenzhen, Zhuhai and Foshan are required to continue to strictly implement the restrictions on house purchases. Meanwhile, the circular calls for every city above the prefecture level (including Shunde District) to increase the supply of small- and medium-sized ordinary commodity houses not exceeding 90 sq.m. and to speed up the construction of affordable housing. Specifically, the construction of new affordable housing shall commence by the end of October 2013 and the construction of affordable housing commenced prior to 2012 shall be substantially completed by the end of 2013. Guangdong Province is set to complete construction of at least 116,000 affordable apartments in 2013, and the construction of another 78,400 is on schedule. The circular further demands the strengthening of the supervision of the real estate market.

On April 2, 2013, the General Office of the People's Government of Guangzhou released the Implementation Opinions to Enforce the General Office of the State Council Circular to Further Enhance the Regulation and Control of the Real Estate Market forwarded by the General Office of the People's Government of Guangdong Province (廣州市人民政府辦公廳關於貫徹廣東省人民政府辦公廳轉發國務院辦公廳關於繼續做好房地產市場調控工作通知的實施意見), which was adopted on March 31, 2013. According to these opinions, Guangzhou is set to provide more land for residential use than the average for the past five years. Further, the land supply for the construction of small- to medium-sized ordinary commodity houses will account for at least 70% of the total supply of land for residential use and a plot ratio lower than 1 for residential land shall be prohibited.

On November 18, 2013, the General Office of the People's Government of Guangzhou issued the Opinions on Further Enhancing the Regulation and Control of the Real Estate Market (廣州市人民政府辦公廳關於進一步做好房地產市場調控工作的意見). The opinions stipulate that non-Guangzhou resident families are permitted to purchase one property (including newly-built commodity properties and second hand properties) provided that such family have continuously paid individual income tax or social security in Guangzhou for at least three years in the five-year period prior to the purchase. Pursuant to the opinions, the Guangzhou Branch of People's Bank of China issued the Notice on Adjusting Differential Housing-Credit Policies in Guangzhou (關於調整廣州市差別化住房信貸政策的通知) on the same date. According to this notice, for the families purchasing their second residential property, the down payment of the purchase shall be 70% or more of the total purchase price.

Measures relating to non-agricultural construction on supplementary cultivated land in Guangdong Province (《廣東省非農業建設補充耕地管理辦法》) became effective on September 1, 2010. The People's Government of Guangdong Province set forth detailed provisions on managing non-agricultural construction on supplementary cultivated land to protect cultivated land and control the conversion of cultivated land to non-agricultural construction land.

The Department of Land and Resources of Guangdong Province issued the Notice on the Guangdong Province Land Requisition Compensation and Protection Standards, which was revised and adjusted in 2010 (《廣東省徵地補償保護標準(2010年修訂調整)》) and became effective on January 19, 2011. This notice sets new standards for land requisition compensation and protection for different regions in Guangdong Province.

In addition to the general framework for transactions relating to land use rights set out in the Urban Land Regulations, local legislation may provide for additional requirements, including those applicable to specific transactions within specific areas relating to the grant and transfer of land use rights. These local regulations are numerous and some of them are deemed to be inconsistent with national legislation. Under PRC law, national laws and regulations prevail when such inconsistencies arise.

Urban Redevelopment

To improve land efficiency, on August 25, 2009, the People's Government of Guangdong Province issued the Opinions on Promoting the Urban Redevelopment to Advance the Conservation of Land (《關於推進「三舊」改造促進節約集約用地的若干意見》) (the "**Urban Redevelopment Opinions**") to promote the reformation of the three "olds," namely, "old towns" (舊城鎮), "old factories" (舊廠房) and "old villages" (舊村莊). The following types of land fall into the scope of the Urban Redevelopment:

- Land in urban areas under the policy of "leave the second industry for the third industry" (which refers to adjusting the structure of industry by diverting industrial land for use in the service industry);

- Land used for factories belonging to industries that have been "prohibited" or "eliminated" pursuant to national industrial policy;

- Land used for factories that does not comply with safety production and environmental protection requirements;

- Towns and villages that are poorly organized and fall behind the times, and that have been selected for urban renewal; and

- Villages listed as example projects of the "Ten-Thousand-Village Restoration."

Within the scope of old-town reformation and in compliance with urban and rural planning, certain entities (for example, land developers) may purchase several adjacent parcels of land, and apply for collective reformation based on the Urban Redevelopment planning and annual implementation schedule. The land regulation departments at the city and county levels may assemble the scattered parcels of land in accordance with these applications and register the resultant alteration of land for the applicants. A reformation plan shall be made for such purchase reformations and be reported to the government at the city and county levels for implementation approval after they have been approved by the land regulation departments and the planning department.

Environmental Protection

The laws and regulations governing the environmental requirements for real estate development in the PRC include the Environmental Protection Law (《中華人民共和國環境保護法》), promulgated by the Standing Committee of the NPC and effective on December 26, 1989; the Prevention and Control of Noise Pollution Law (《中華人民共和國環境噪聲污染防治法》), promulgated by the Standing Committee of the NPC on October 29, 1996 and effective on March 1, 1997; the Environmental Impact Assessment Law (《中華人民共和國環境影響評價法》), promulgated by the Standing Committee of the NPC on October 28, 2002 and effective on September 1, 2003; the Administrative Regulations on Environmental Protection for Development Projects (《建設項目環境保護管理條例》), promulgated by the State Council and effective November 29, 1998; and the Administrative Regulations on Environmental Protection for Acceptance Examinations Upon the Completion of Buildings (《建設項目竣工環境保護驗收管理辦法》), promulgated by the State Environment Bureau on December 27, 2001 and amended with effect on December 22, 2010. Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact study report, an environmental impact analysis table, or an environmental impact registration form must be submitted by a developer before the relevant authorities will grant approval for the commencement of construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities will also inspect the property to verify compliance with the applicable environmental standards and regulations before the property can be delivered to the purchasers.

Modes of Land Grant

Pursuant to PRC law and the stipulations of the State Council, except for land use rights which may be obtained through allocation (劃撥), land use rights for property development are obtained through governmental grant. There are two methods by which land use rights may be granted, namely, by private agreement or through competitive processes (i.e., tender, auction or listing for sale at a land exchange administered by the local government).

As of July 1, 2002, the grant of land use rights through competitive processes has been governed by the Regulations on the Grant of Usage Rights of State-Owned Land by Invitation of Tender, Auction or Listing-for-Sale (《招標拍賣掛牌出讓國有土地使用權規定》), issued by the Ministry of Land and Resources of the PRC on May 9, 2002 (the "**2002 Regulations**") and

revised on September 28, 2007 with the name Regulations on Granting State-Owned Construction Land Use Rights Through Tenders, Auction and Putting Up for Bidding (《招標拍賣掛牌出讓國有建設用地使用權規定》) (the "**2007 Regulations**") effective on November 1, 2007. Following the 2002 Regulations, the Ministry of Land and Resources and the Ministry of Supervision issued the Notice on Continuing the Review of the Implementation of the Grant of Land Use Rights for Commercial Uses By Soliciting Auction Bids or Listing on a Land Exchange (關於繼續開展經營性土地使用權招標拍賣掛牌出讓情況執法監察工作的通知) on March 18, 2004, which requires all local land administration authorities to strictly enforce the 2002 Regulations. In addition, the Ministry of Land and Resources required that beginning from August 31, 2004, no land use rights for commercial uses granted by way of agreement shall be dealt with strictly. In the Urgent Notice of the General Office of the State Council on Intense Regulation and Rectification of the Land Market and Strict Administration of Land (國務院辦公廳關於深入開展土地市場治理整頓嚴格土地管理的緊急通知), issued by the State Council on April 29, 2004, the approval process for the change of use from agricultural land to non-agricultural land for development was suspended for a period of approximately six months so that the PRC government could rectify irregularities in land development in China. The 2007 Regulations specifically provide that land to be used for industry, commerce, tourism, entertainment or commodity residential purposes, or where there are two or more intended users for a certain piece of land, must be granted through tender, auction or listing-for-sale processes. A number of measures in the 2007 Regulations ensure such grants of land use rights for commercial purposes are conducted openly and fairly. For instance, the local land bureau must take into account various social, economic and planning considerations when deciding on the use of a certain piece of land, and its decision regarding land use designation is subject to approval of the city or county government. The grantee shall apply for land registration and obtain the State-owned land use rights certificate upon full payment of the land premium for the granted land according to the land grant contract. In the event that the land premium for the granted land is not paid in full, the grantee will not receive the land use rights certificate. In addition, the announcement of tender, auction or listing-for-sale must be made 20 days prior to the date on which such competitive process begins. Further, the 2007 Regulations stipulate that for listings on a land exchange, the time period for accepting bids must be no less than ten days. On May 13, 2011, the Ministry of Land and Resources promulgated the Opinions on Upholding and Improving the System for the Transfer of Land by Tender, Auction and Listing-for-Sale (《國土資源部關於堅持和完善土地招標拍賣掛牌出讓制度的意見》), which provides, among other things (i) how to correctly implement the land transfer policy through tenders, auctions and listing-for-sale; (ii) an explanation of improvements in the transparency of the system of tenders, auctions and listings for housing land; (iii) an explanation of adjustments and improvements to the land transfer policy through tenders, auctions and listing-for-sale, including (a) limitations on house prices and land prices, and on the transfer of policy-related housing land by listing or auction; (b) limitations on the GFA of allocated security housing, and on transfers of commodity housing land by listing or auction; (c) procedures for carrying out comprehensive assessments of conditions of land development, utilization and land transfer prices, as well as procedures for determining who is entitled to land use rights by tender; (iv) promotion of online operation of the transfer of land use rights; (v) improvement in contracts for land transfers through tenders, auctions and listing-for-sale.

In the case of tenders, the local land bureau granting the land use rights should examine the qualifications of the intended bidders and encourage those who are qualified to participate in the bidding processes by sending out invitations to tender. Bidders are asked to submit sealed bids together with the payment of a security deposit. When land use rights are granted through tenders, a tender evaluation committee consisting of odd number of members of at least five (including a representative of the grantor and relevant expert) shall be formed by the land bureau which is responsible for opening the tenders and deciding on the successful bidder. The successful bidder will then sign the land grant contract with the land bureau and pay the balance of the land premium before obtaining a State land use rights certificate. See "— Documents of Title and Registration of Property Interests."

Where land use rights are granted by way of auction, a public auction will be held by the relevant local land bureau. The land use rights are granted to the highest bidder. The successful bidder will then be asked to sign the land grant contract with the local land bureau and pay the relevant land premium within a prescribed period.

Where land use rights are granted through a listing administered by the local government, a public notice will be issued by the local land bureau to specify the, among other things, location, the area, purpose of use of the land and the period for receiving bids. The land use rights are granted to the bidder with the highest bid who satisfies the terms and conditions. The successful bidder will enter into a land grant contract with the local land bureau and pay the relevant land premium within a prescribed period.

On June 11, 2003, the Ministry of Land and Resources promulgated the Regulations on the Grant of State-Owned Land Use Rights by Agreement (《協議出讓國有土地使用權規定》), or the 2003 Regulations, to regulate the grant of land use rights by agreement when there is only one party interested in the land, and where the designated uses of the land are for non-commercial purposes. According to the 2003 Regulations, the local land bureau, together with other relevant government departments, including the city planning authority, will formulate the plan concerning the grant, including the specific location, boundaries, purpose of use, area, term of grant, conditions of use, conditions for planning and design, and the proposed land premium, which shall not be lower than the minimum price determined by the State. This plan will then be submitted to the relevant government for approval. Afterward, the local land bureau and the relevant party will negotiate and enter into the land grant contract based on the above mentioned plan. If two or more parties are interested in the land use rights proposed to be granted, these land use rights shall be granted by way of tender, auction or listing at a land exchange in accordance with the 2007 Regulations.

The grantee is required to pay the land premium pursuant to the terms of the contract and the contract is then submitted to the relevant local bureau for the issue of the land use rights certificate. Upon expiration of the term of grant, the grantee may apply for its renewal. Upon approval by the relevant local land bureau, a new contract is entered into to renew the grant, and a land premium shall be paid.

According to the Notice of the Ministry of Land and Resources on Relevant Issues Concerning the Strengthening of the Examination and Approval of Land Use in Urban Construction (關於加強城市建設用地審查報批工作有關問題的通知) enacted by the Ministry of Land and Resources on September 4, 2003 (the "**Notice**"), from the day of promulgation, land use for luxurious commodity houses shall be stringently controlled, and applications for land use rights to build villas shall denied. On May 30, 2006, the Ministry of Land and Resources issued the Urgent Notice of Further Strengthening the Administration of the Land (關於當前進一步從嚴土地管理的緊急通知). It provides that (i) land use shall not violate the overall land use plan or the annual land use plan, and no entity or individual shall change or occupy basic agricultural land (Strict prohibitions shall be imposed on any illegal attempts to avoid the examination and approval procedures to occupy basic agricultural land by, for example, amending the overall land use plan, and no one shall increase the use of construction land without authorization and approval); (ii) stricter examination and approval procedures shall be implemented with respect to the use of various non-agricultural construction land, and strict limitations shall be imposed on the supply of land for projects that fall under restricted categories (No land pre-approval, examination and approval, and land supply shall be granted for prohibited projects. Application and approval procedures must be undertaken in accordance with relevant laws for any non-agricultural construction using tidal-flat areas, barren hills or wasteland); and (iii) the Circular of the General Office of the State Council on Forwarding the Notice of the Ministry of Construction, the NDRC and the Ministry of Supervision on Adjusting the Housing Supply Structure and Stabilizing the Housing Price (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) shall be strictly implemented. This circular provides, among other things, that (a) land used for real estate development must be granted through tender, auction or listing-for-sale and the area of land shall be ascertained reasonably; (b) land supply priority shall be given to low- to mid-priced and small- to medium-sized ordinary commodity houses (including affordable housing) and to affordable rental housing; (c) the land supply plan shall be known to the public; and (d) the land supply for low-density and large-sized housing shall be strictly controlled, and the rules on prohibiting land from being supplied for villa real estate development shall be resolutely implemented. From May 30, 2006, all land use supply and relevant procedures for villa projects shall cease and an overall rectification shall be carried out.

On May 23, 2012, the Ministry of Land and Resources and the NDRC promulgated the Catalog of Restrictive Land Supply Items (2012 Version) and the Catalog of Forbidden Land Supply Items (2012 Version) (限制用地項目目錄(2012本)和禁止用地項目目錄(2012本)). These catalogs provide that new office buildings of the Chinese Communist Party and of government agencies, large-scale commercial establishments, motor-racing fields, motor vehicle training fields, burial grounds, and large-sized housing projects (referring to residential projects with a plot ratio of less than 1.0 and where the gross floor area for a single house exceeds 144 sq.m.) are listed in the restrictive land supply items, and that villas, golf courses, horse-racing courses, and new training centers of the Party and government agencies, State-owned enterprises and institutional agencies are classified as forbidden land supply items.

The Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》) was promulgated by the Standing Committee of the NPC on October 28, 2007 and implemented on January 1, 2008. This law provides, among other things, that if land use rights are obtained by way of allocation, the developer shall apply to the relevant urban and rural planning authorities for a site selection opinion before applying to other relevant authorities for approval or consent. This law also specifies that if the land use rights were obtained by way of allocation within the planning zones of cities or towns, the developer shall, before applying to land administration authorities at or above the county level for land use rights, apply for a construction land planning permit from the relevant urban and rural planning authorities of that city or town, after obtaining the approval or consent of other relevant authorities. Further, if land use rights were obtained by way of grant within the planning zones of cities or towns, relevant urban and rural planning authorities shall, before granting land use rights, specify planning requirements such as the location, nature of use and permitted density of the development, and integrate these requirements into the grant contract of the land use rights. Land without planning requirements cannot be granted. After a land grant contract is executed, the developer needs to apply to the relevant urban and rural planning authorities of the city or county for a construction land planning permit along with the other required documents. If a development is within the planning zones of a city or town, the developer needs to apply to the relevant urban and rural planning authorities or to the township government specified by the provincial level government for a construction land planning permit. The development of projects must comply with the planning requirements and an application must be filed with the urban and rural planning authorities of the relevant city or county if any amendments to the planning requirements are necessary. Within six months of the project's completion, the developer needs to file documents with the urban and rural planning authorities describing the government's inspection and assessment of the completed project.

Model Land Grant Contract

To standardize land grant contracts, on April 29, 2008, the Ministry of Land and Resources and the SAIC re-issued the model land grant contract in the Notice on Publishing the Model Text of Land Grant Contracts (關於發佈《國有建設用地使用權出讓合同示範文本》的通知). The model land grant contract contains terms such as the location of land, the use of land, the land premium and its payment schedule, the condition of land upon delivery, the term of grant, land use conditions and restrictions (including GFA, plot ratio and height and density limitations), the construction of public facilities, submission of building plans for approval, the deadline for commencement of construction, payment of idle fees, the deadline for completion of construction, application for extension of the stipulated construction period, restrictions on subsequent transfers, delegation of responsibility for obtaining supply of utilities, restrictions against alienation before payment of the land premium and before the completion of the prescribed development, application of renewal, force majeure, breach of contract, and dispute resolution.

If a land user wishes to change the specified use of land after entering into a land grant contract, approvals must be obtained from the relevant land bureau and the relevant urban planning department, and a new land grant contract may have to be signed and the land premium may have to be adjusted to reflect the added value of the new use. Registration procedures shall be carried out for the change of designated use.

If a land user fails to develop and invest in the land within the period of time specified in the land grant contract, the land bureau has the right to impose various penalties ranging from fines to withdrawal of the grant without consideration (unless the failure to develop and invest in the land is due to a force majeure event).

According to the Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》), which was issued on October 28, 2007, after execution of the land grant contract, the urban planning department cannot change the planning requirements under the land grant contract without authorization.

Transfer of Land Use Rights of Collectively Owned Construction Land

The PRC Land Administration Law (《中華人民共和國土地管理法》) provides that land use rights owned by peasants' collectives may not be granted, assigned or leased for non-agricultural construction, except for lawful transfers by enterprises due to circumstances such as bankruptcy, merger, etc., provided that the construction land is in compliance with the master land use plan and was lawfully obtained. The Decision on Deepening the Reform of Strict Land Management (國務院關於深化改革嚴格土地管理的決定), issued by the State Council on October 21, 2004, provides that the collective construction land use rights owned by peasants can be transferred according to the law. The Notice Regarding Strictly Implementing the Law and Regulations of the Collective Construction Land in Rural Areas (關於嚴格執行有關農村集體建設用地法律和政策的通知), issued by the General Office of the State Council on December 30, 2007, provides that the transfer of the collective construction land use rights owned by peasants shall be strictly controlled. The rural collectively owned construction land is prohibited from being granted, transferred or leased for the development of commercial property and residential construction.

TERMINATION

Pursuant to the Property Rights Law, when the term of the land use rights for the construction of residential buildings expires, it shall be renewed automatically.

The State generally will not withdraw a land use right before the expiration of its term of grant. Under special circumstances, such as when required for the public interest, the state shall pay proper compensation for the properties on such land, and the corresponding land premium shall be returned.

Upon expiration of land use rights, unless renewal of the term of land use rights has been approved, the land user must take steps to surrender the land use rights certificate and cancel the registration of the certificate in accordance with relevant regulations.

A land user may apply for a renewal of the land use rights and, if the application is granted, the land user is required to enter into a new land grant contract, pay the premium, and obtain the appropriate registration for the renewed land grant.

According to the Law of Administration of Urban Real Property (《中華人民共和國城市房地產管理法》) (the "**Urban Real Property Law**"), issued on July 5, 1994 by the Standing Committee of the NPC and amended on August 30, 2007, when a real property development is carried out on land for which the land use rights were acquired by means of a grant, the land must be developed in line with the specified use for the land, and the deadline for commencement of the development must be set out in the land use rights grant contract. Where development does not commence within one year of the date specified in the land use rights grant contract, an idle land fee may be charged at a rate of not more than 20% of the relevant land premium. Where development does not commence within two years of the specified date, the relevant land use rights may be withdrawn without compensation, except where the commencement of construction was delayed due to force majeure, an act of the government or relevant government departments, or delays in the preliminary work necessary for the commencement of development.

The Urgent Notice to Further Strengthen Land Management at the Current Stage (關於當前進一步從嚴土地管理的緊急通知), issued by the Ministry of Land and Resources on May 30, 2006, provides that (i) the dates of the commencement and completion of construction shall be clearly stated in State-owned land use rights grant contracts; and (ii) the penalty on idle land shall be increased. Where the idle land fee should be levied, it shall be levied at the highest level in accordance with the law. Where the idle land should be reclaimed without compensation, it absolutely must be reclaimed in accordance with the law.

According to the Measures on the Disposal of Idle Land (《閒置土地處置辦法》), promulgated by the Ministry of Land and Resources on April 26, 1999, "idle land" refers to land granted for use but that is lying idle because the land user failed to commence development and construction before the specified commencement date without the consent of the government that approved the use of the land. The amended Measures on the Disposal of Idle Land, which became effective on July 1, 2012, expanded the definition of idle land to include land lying idle due to government action. See "— Idle Land" below. When certain land is deemed "idle land," relevant municipal or county land administrative departments ("**Land Administrative Authorities**") shall inform the land user and prepare a plan for disposing of the idle land. When the land is mortgaged, the mortgagee shall be invited to participate in the preparation of the disposal plan.

The methods of disposing of idle land include, among others:

(i) extending the development and construction period by a maximum of one year;

(ii) changing the use of the land, and continuing development and construction afterward; or

(iii) arranging for the temporary use of the land and re-approving the development after the original project satisfies the construction requirements.

On January 3, 2008, the State Council issued the Notice on Promoting the Economisation and Intensive Use of Land (國務院關於促進節約集約用地的通知). This notice states, among other things, that (i) State policies relating to the forfeiture of land use rights of land that has

remained idle for more than two years without compensation shall be strictly implemented; (ii) if any land remains idle for one year, an idle land fee of 20% of the relevant land premium shall be levied; (iii) before June 2008, local governments shall submit to the State Council reports on the status of the clearance and handling of idle land; (iv) the prohibition on supplying land for villa projects shall continue; (v) the authorities shall research and commence drafting implementation rules concerning the levy of land appreciation fees on idle land; (vi) in relation to the supply of residential land, planning requirements such as minimum plot ratio limits and the number and type of flats that can be constructed shall be taken into account in land grant contracts and allocation decisions to ensure that at least 70% of the total land grants for residential developments consists of low-cost rental housing, affordable housing, limited pricing housing and units less than 90 sq.m.; and (vii) financial institutions shall exercise caution when approving financing for any property developer who fails to commence construction for one year or more after the commencement date stipulated in the land grant contract, complete at least one-third of the development of the project, or inject at least 25% of the total investment in the project.

On November 18, 2009, the Ministry of Finance, Ministry of Land and Resources, the PBOC, the Ministry of Supervision and the National Audit Office issued the Circular on Further Tightening Control Over Income and Expenses from Land Transfers (關於進一步加強土地出讓收支管理的通知), which, among other things, limits to one year the period for full payment of the land premium prescribed under the land grant contract entered between a municipal- or county-level Ministry of Land and Resources and a land right transferee. There is an exception for special projects approved by all relevant local land transfer authorities, for which full payment of the land premium must be paid within two years with a first installment of at least 50% of the total land premium. The circular also provides that local governments should strictly enforce relevant regulations to impose penalties on property developers that have delayed payment of land premiums or construction for reasons other than force majeure, and restrict such property developers from acquiring new land before the land premiums have been paid.

On September 6, 2012, the Ministry of Land and Resources promulgated the Notice on Strictly Carrying Out Land Use Standards and Vigorously Promoting the Economical and Intensive Use of Land (國土資源部關於嚴格執行土地使用標準大力促進節約集約用地的通知), which provides, among other things, that (i) if lands for construction are in the catalog of prohibited land projects, or fail to comply with the requirements in the catalog of restricted land projects, i.e., fails to comply with industrial project control index requirements relating to investment intensity, plot ratios, building coefficients, administrative office and living service area ratios and green ratios; or the total area of engineering construction projects; or one or several functional partitions exceeds the land quota control limit; or the parcel area or plot ratio fail to meet requirements for residential land, then the project shall not be permitted to apply for land approval, supply and use; and (ii) for commercial lands like industrial, commercial, tourism, entertainment, and commodity residential land, which must be granted by tender, auction or listing, municipal and county land and resources departments must state explicitly the control requirement and use standards for such land when formulating land grant plans and land grant documents, implementing national regulations and publishing the standards for the public.

LAND TRANSFERS FROM CURRENT LAND USERS

In addition to a direct grant from the government, an investor may also acquire land use rights from land users that have already obtained the land use rights by entering into an assignment contract or a joint-development agreement with the land user.

The assignment contract or joint-development agreement must be registered with the relevant local land bureau at the municipal or county level for land use rights title change purposes. Upon a transfer of land use rights, all rights and obligations contained in the land grant contract are deemed to be incorporated as part of the terms and conditions of such transfer.

The assignment contract or the joint-development agreement is subject to terms and conditions specified in the land grant contract. For residential construction projects, Urban Real Estate Administration Law (《城市房地產管理法》) (the "**Urban Real Estate Law**") requires that at least 25% of total construction costs, excluding land premiums, be expended before assignment can take place. All rights and obligations of the current holder under a land grant contract will be transferred contemporaneously to the assignee of the land use rights. The relevant local government has the right to acquire the land use rights to be assigned if the assignment price is significantly lower than the market price. Relevant local governments may also acquire the land use rights from a land user in the event of a change in town planning. The land user will then be compensated for the loss of his land use rights.

LAND RESERVE AND PRIMARY DEVELOPMENT

The Ministry of Finance, Land and Resources and the PBOC jointly promulgated the Measures for Land Reserve Administration (《土地儲備管理辦法》), which became effective on November 19, 2007. Pursuant to the measures, "land reserve institution" refers to the independent legal entity that is affiliated with the local land administration bureau. The scope of the land reserve includes, but is not limited to, the land use rights reappropriated by the State, the land obtained subject to the pre-emptive right, the rural land which has undergone reversion procedures, and the land purchased by the land reserve institution. The land reserve institutions are permitted to carry out primary development of the reserved lands before supplying them to the market. Commercial banks can make mortgage loans to the land reserve institution after the land reserve institution has obtained approvals from the local financial department.

The Ministry of Finance and the Ministry of Land and Resources issued the Provisional Measures on the Administration of Funds and Finance Affairs Relating to Land Reserves (《土地儲備資金財務管理暫行辦法》) on February 27, 2007, which regulates matters concerning the capital required for the early-stage development of reserved land, such as the source, scope of use and management of the such capital.

DOCUMENTS OF TITLE AND REGISTRATION OF PROPERTY INTERESTS

According to the Land Registration Regulations (《土地登記辦法》), issued by the Ministry of Land and Resources on December 30, 2007 and effective on February 1, 2008, and the Buildings Registration Regulations (《房屋登記辦法》), issued by the Ministry of Construction on February 15, 2008 and effective on July 1, 2008, all land use rights and building ownership rights which are duly registered are protected by the law. A land use rights certificate is the evidentiary legal document that establishes that the registered land user has the lawful right to use the land during the term stated in the certificate. Upon completion of the construction of a building (including passing the acceptance tests by various government departments), a property ownership certificate will be issued to the owner of the building. The holder of land use rights who is issued a property ownership certificate holds the land use rights, and owns the building erected thereon. All holders of land use rights, and other rights related to the land, such as the right to buildings erected on the land, must register their lawful State-owned land use rights, as well as their ownership rights to the buildings. To this end, real estate registries have been established in every city in China. In most cities, there are separate registries for land use rights and building ownership rights. In places where there are separate registries, the holder of land use rights will be issued a property ownership certificate for the building and a land use rights certificate for the underlying land. In the other places where registries are combined, the land use rights certificate and the property ownership certificate are combined into a single certificate.

Whether the registered land user can assign, mortgage or lease his land use rights is subject to conditions stipulated in the original land grant contract. In addition to the requirement that land use rights be registered, there is also a requirement that mortgages of land use rights be registered in local land registration departments. See "Mortgage and Guarantee" below.

MORTGAGE AND GUARANTEE

The mortgage of real estate in the PRC is governed by the Property Rights Law, the Security Law of the PRC (《中華人民共和國擔保法》), the Urban Real Estate Law, the Regulation on the Administration of Mortgages of Urban Real Estate (城市房地產抵押管理辦法), and other relevant real estate laws and regulations. When a mortgage is created over the ownership of a completed building, the same will be simultaneously created over the land use rights of the land where the building was erected. The mortgagee and the mortgagor shall enter into a mortgage contract in writing, which becomes effective on the date of the registration of such mortgage by the relevant real estate authority. Pursuant to the Security Law, a real estate mortgage agreement shall contain specific provisions including (i) the type and amount of the indebtedness secured; (ii) the period of the obligation of the debtor; and (iii) the name, quantity, conditions, location and ownership of the mortgaged property. Pursuant to the Urban Real Property Law, buildings newly erected on a piece of urban land after a mortgage contract has been entered into may not be considered a mortgaged property. If the mortgaged property is auctioned off, the new buildings added to the land may be auctioned together with the mortgaged property, but the mortgagee shall not be entitled to priority compensation from the proceeds of the auction of the new buildings.

Pursuant to the Property Rights Law, a real estate mortgage becomes effective on the date of registration with the local real estate department. When registering mortgaged property, the relevant mortgage contract, as well as the land use rights certificate or the property ownership certificate relating to the mortgaged property, must be submitted to the registration authority. If the mortgagor cannot repay the loan that is secured by the mortgaged property, the mortgagee may agree with the mortgagor to receive payment by appraising the mortgaged property or through the proceeds of an auction or sale of the property. If no such agreement is reached, the mortgagee may institute proceedings in a People's Court. After the mortgaged property has been appraised, auctioned or sold, any portion of the proceeds that exceeds the amount of the indebtedness shall belong to the mortgagor and any shortfall shall be paid by the mortgagor.

The Security Law also contains comprehensive provisions dealing with guarantees. Under the Security Law, guarantees may be in two forms: (i) general guarantees whereby the guarantor is liable when the debtor fails to perform the payment obligation; and (ii) guarantees with joint and several liability whereby the guarantor and debtor are jointly and severally liable for the payment obligation. A guarantee contract must be in writing and, unless otherwise agreed to, the guarantee shall remain valid for six months after the expiration of the term for performance of the principal obligation of the debtor.

IDLE LAND

According to the Measures on Disposing Idle Land (《閒置土地處置辦法》), enacted and enforced by the Ministry of Land and Resources on April 26, 1999, land can be defined as idle land under any of the following circumstances: (i) development and construction of the land has not commenced within the prescribed time limit after the land use rights were obtained, and the delay is without consent from the people's government that approved the use of the land; (ii) where the "Contract on Paid Use of the Right to Use State-Owned Land" or the "Approval Letter on Land Used for Construction" has not prescribed the commencement date for development and construction, development and construction of the land has not commenced one year after the "Contract on Paid Use of the Right to Use State-Owned Land" became effective, or one year after the Ministry of Land and Resources issued the "Approval Letter on Land Used for Construction"; (iii) the development and construction of the land has commenced, but the area of development and construction commenced is less than one-third of the total area to be developed and constructed, or the amount invested is less than 25% of the total amount of investment, and development and construction have ceased for one year or more without approval; or (iv) other circumstances prescribed by the laws and the administrative regulations.

On June 1, 2012, the Ministry of Land and Resources promulgated the Further Measures on the Disposal of Idle Land (《閒置土地處置辦法》) (the "**Further Measures**"), which became effective on July 1, 2012. The Ministry of Land and Resources extended and clarified the definition of idle land to include any land that has become idle as a result of government-related or non-government-related acts. Government actions may cause land to become idle when (i) the government fails to deliver land parcels to the grantee in accordance with the time limit specified under the relevant land grant contract or related documents; (ii)

the grantee of the land use rights cannot develop the land in accordance with the contracted purposes due to recent land or urban planning adjustments; (iii) there are changes in the land or urban planning requirements due to changes in relevant national policies; and (iv) there are mass demonstrations, instances of military-imposed order, the protection of cultural relics, natural disasters, and other related issues, that delay the development schedule of the land parcels.

The Further Measures require land use rights to be granted by the Ministry of Land and Resources to fulfill the following requirements: (i) the land use rights shall be free from encumbrances; (ii) original residents to be resettled and compensated; (iii) there must be no legal or economic disputes in connection with the land use rights; and (iv) the relevant land parcels must have a clearly defined premise, nature of use, floor-area ratio and other land planning conditions.

The Further Measures provide clear procedures for investigating idle land. When the municipal- or county-level land administrative department suspects a land to be an idle land, it shall, within 30 days, begin investigating the status of the land, and issue an "Idle Land Investigation Notification Memorandum" (閒置土地調查通知書) (the "**Notification Memorandum**") to the grantee of the land use rights. The grantee of the land use rights shall, within 30 days of receiving the Notification Memorandum, provide materials outlining the status of the land development, the reason for the land being idle and other related explanatory materials to the above mentioned administrative department. The municipal or county land administrative department shall, after determining that certain land is idle land, notify the concerned land user and draft a proposal on methods of disposing of the idle land including, but not limited to, extending the time period for development and construction (provided that the extension not exceed one year), changing the use of the land, arranging for temporary use, or finding a new land user through competitive bidding or a public auction. The administrative department of land under the municipal or county government shall, after the proposal on disposal has been approved by the government that approved the use of the land, arrange for implementation of the proposal.

With respect to any land parcel obtained under a land grant contract within the scope of city planning and becoming idle due to non-government-related acts, if work has not commenced one year after the prescribed date of commencement, a surcharge on idle land of no more than 20% of the land grant premium may be levied (such surcharge cannot be listed as a manufacturing cost); if the work has not commenced two years after the prescribed date of commencement, the land can be confiscated without any compensation. However, the preceding stipulations shall not apply if the delay is caused by force majeure, acts of the government or acts of other relevant departments under the government, or by the indispensable preliminary work. The Further Measures provide that, with respect to any land parcel becoming "idle" as a result of government-related acts, the grantee of the relevant land use rights shall explain to the municipal or county land administrative department the reasons for the land becoming idle, consult the relevant government authority, and rectify the situation accordingly (the "**Rectification Procedures**"). The means of rectification include but are not limited to extending the period permitted for commencing development, adjusting the land use

and planning requirements, or substituting the relevant land parcels with other land parcels. To better control land hoarding and land speculation, the Further Measures also require the Ministry of Land and Resources not to accept or process any application for a title transfer transaction, a lease transaction, a mortgage transaction or a land registration application for any idle land parcel before completing the required Rectification Procedures. To strengthen the regulation of idle land, the Further Measures require the Ministry of Land and Resources to copy the relevant finance authorities on all of its communications with the grantee of land use rights regarding idle government-owned land.

According to the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (國務院辦公廳關於促進房地產市場平穩健康發展的通知), issued by the General Office of the State Council on January 7, 2010, the land resource authorities shall strengthen the investigation and handling of idle land.

PROPERTY DEVELOPMENT

Under the Regulations on the Administration of Development of Urban Real Estate (《城市房地產開發經營管理條例》) (the "**Development Regulations**"), promulgated by the State Council on July 20, 1998, an enterprise seeking to develop real estate shall satisfy certain requirements including: (i) its registered capital shall exceed RMB1 million; and (ii) it has four or more full-time professional real estate/construction technicians, and two or more full-time accounting officers, each of whom shall hold the relevant qualification certificate.

Pursuant to the Urban Land Regulations, foreign entities may acquire land use rights in the PRC unless the law provides otherwise. However, in order to develop the acquired land, the foreign entities need to establish in the PRC foreign investment enterprises known as project companies.

These project companies may be in the form of Sino-foreign equity ventures, cooperative joint ventures or wholly foreign-owned enterprises. The typical scope of business of project companies includes development, construction, property management, sales and leasing, and commodity properties and ancillary facilities on the land as approved by the government. The term of the property development company is usually the same as the term of grant of the relevant land use rights.

Establishment of a project company is subject to approval by the relevant departments of the PRC government in accordance with the following procedure. First, the PRC party to a joint venture project or, in the case of a wholly foreign-owned project, the foreign investor must submit a project application report to the State or local development and reform commission for verification and approval. If the development and reform commission considers the proposed property development project to be consistent with the prevailing national and local economic plans, and with foreign investment regulations, it will approve the project. The NDRC and the Ministry of Commerce have been authorized to manage foreign investment by regularly promulgating guidelines.

Second, once the project application report has been verified and approved, the PRC party and the foreign investor may prepare a joint feasibility study report that assesses the overall economic viability of the proposed project company. At the same time, the parties may negotiate and execute the joint venture contract and articles of association to establish a project company. In the case of a wholly foreign-owned project, the foreign investor may then prepare and sign the articles of association. Third, the joint feasibility study report, the joint venture contract and the articles of association will then (depending, among other things, on the industry to which it belongs under the Catalog and the amount of total investment) be submitted to the Ministry of Commerce or its local counterpart for approval. If the Ministry of Commerce or its local counterpart finds the application documents to be in compliance with PRC law, it will issue an approval certificate for the establishment of the project company. With this approval certificate, the foreign investor and/or the PRC party can apply to the relevant branch of the Administration for Industry and Commerce for a foreign investment enterprise business license for the project company.

Once a foreign entity developer has established a project company and secured the land use rights to a piece of land, it must apply for and obtain the requisite planning permits from the planning departments. Further, it must have its design plan approved by, and apply for and obtain a construction work commencement permit from, the relevant construction commission before beginning construction. When construction is complete, the completed buildings and structures must be examined and approved by the government departments before they can be delivered to purchasers or lessors for occupancy.

PLANNING AND CONSTRUCTION PERMITS

Under the Regulations on the Planning and Administration of the Granting and Transfer of State-Owned Land Use Rights in Urban Areas (《城市國有土地使用權出讓轉讓規劃管理辦法》), promulgated by the Ministry of Construction on December 4, 1992, real estate developers shall apply for a construction land planning permit (建設用地規劃許可證) from the municipal planning authority. After obtaining a construction land planning permit, the real estate developer shall organize the necessary planning and design work in accordance with relevant planning and design requirements. A planning and design proposal for the real estate project shall be submitted to the municipal planning authority in accordance with the Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》), which was issued on October 28, 2007, and a construction work planning permit (建設工程規劃許可證) must be obtained from the municipal planning authority.

On January 21, 2011, the State Council promulgated the Regulation on Expropriations and Compensation Related to Buildings on State-Owned Land (《國有土地上房屋徵收與補償條例》), which replaces the Regulations for the Administration of the Demolition and Removal of Urban Housing (城市房屋拆遷管理條例). The new regulation provides, among other things, that:

- buildings can be expropriated under certain circumstances for the public interest, but only government authorities may conduct resettlement activities. Real estate developers are prohibited from engaging in relocation procedures;

- compensation shall be paid before resettlement;

- compensation to owners of properties to be demolished cannot be less than the market value of similar properties on the date of announcement of the expropriation. The market value of property shall be determined by qualified real estate appraisal institutions in accordance with the appraisal rules relating to the expropriation of property. If an owner disagrees with the appraised market value of his property, he may apply to the real estate appraisal institution for review; and

- neither violence nor coercion may be used to force homeowners to leave. In addition, certain measures such as illegally cutting water and power supplies may not be used.

The Measures Regarding the Expropriation and Evaluation of Properties on State-Owned Land (國有土地上房屋徵收評估辦法), promulgated by MOHURD and implemented on June 3, 2011, provides that, among other things:

- the value of the expropriated property is the sum that would have been reached in the case of regular trading of the land use right of the expropriated property by informed and willing parties in an arm's length transaction, excluding factors such as leases, pledges and seizures;

- except for the special requirement of the Government, the market value of the expropriated property shall be determined by evaluation. The benchmark date of evaluation of the expropriated property is the date when the property expropriation decision is announced;

- the evaluation of expropriated property shall consider location, property use, construction structure, condition, building area, floor area, land use rights and other factors that might affect the value of the property; and

- business shall be conducted through negotiations by the relevant parties; if the parties fail to reach an agreement, the value may be determined by a real estate evaluation institution appointed by the parties.

Upon obtaining a Permit for Housing Demolition and Resettlement, the real estate developer may appoint a qualified third party to carry out the demolition and removal within the land area and period specified in the Permit for Housing Demolition and Resettlement. Subject to a written agreement entered into by the real estate developer and the parties relevant to the demolition and resettlement, the real estate developer shall pay compensation and resettlement fees to the inhabitants of the housing to be demolished. Compensation may be effected by way of monetary compensation or exchange of property rights. In addition to paying the demolition and resettlement compensation, the real estate developer shall pay a resettlement allowance to the parties subject to demolition and resettlement. After (i) a real estate developer has carried out the above work; (ii) the site is ready for construction to

commence; (iii) the progress of the demolition of existing buildings has been determined to comply with construction needs; (iv) funds required for the construction have been made available; (v) the contractor has been determined; and (vi) the design for construction has been examined and approved by the relevant government authorities, the real estate developer shall then apply for a construction work commencement permit (建築工程施工許可證) from the relevant construction authority in accordance with the Regulations on the Administration of Permissions for the Commencement of Construction Work (《建築工程施工許可管理辦法》) promulgated by the Ministry of Construction on October 15, 1999 and amended on July 4, 2001.

ACCEPTANCE AND EXAMINATION UPON COMPLETION OF A REAL ESTATE PROJECT

Pursuant to the Regulations on the Administration of the Quality of Construction Work (《建設工程質量管理條例》), promulgated by the State Council on January 30, 2000; the Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (《房屋建築工程和市政基礎設施工程竣工驗收備案管理辦法》), promulgated by the Ministry of Construction on October 19, 2009; and the Interim Provisions for Reporting Details Regarding the Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (《房屋建築工程和市政基礎設施工程竣工驗收暫行規定》), promulgated and implemented by the Ministry of Construction on June 30, 2000, upon completion of the real estate development project, the real estate developer shall submit an application, including the filing form for the Examination Upon Completion of Construction Projects (工程竣工驗收備案表), to the control department of real estate development of the local people's government at the county level or above, where the project is located, for examination upon completion of the building and for filing purposes. A real estate project may not be delivered unless it passes the acceptance examination and a completion certificate has been obtained.

SALES/PRE-SALES OF COMMODITY BUILDINGS

Commodity buildings may be sold before or after their completion. These sales are regulated by and conducted in accordance with the Regulations for the Administration of the Sale of Commodity Buildings (《商品房銷售管理辦法》) promulgated by the Ministry of Construction on April 4, 2001; the Measures for the Administration of the Pre-sale of Commodity Buildings (《城市商品房預售管理辦法》) (the "**Pre-sale Measures**") amended by the Ministry of Construction on July 20, 2004; and the Development Regulations.

For units of a commodity building sold before completion (a "**Pre-sale**") to occur under the Pre-sale Measures, a developer must make the necessary pre-sale registration with the real estate development authority of the relevant city or county and obtain a pre-sale permit. A Pre-sale may take place if:

- the premium for the land use rights has been paid in full and the land use rights certificate has been obtained;

- the construction work planning permit and the construction work commencement permit have been obtained;

- at least 25% of the total amount of the project investment fund has been injected into the development of the project, and the progress of construction and the expected completion date of the project have been ascertained; and

- the pre-sale permit has been obtained.

Under the Regulations for the Administration of the Sale of Commodity Buildings (《商品房銷售管理辦法》), commodity buildings may be sold post completion only when the following preconditions have been satisfied: (i) the real estate development enterprise offering to sell the post-completion buildings shall have an enterprise legal person business license and a real estate developer qualification certificate; (ii) the enterprise has obtained a land use rights certificate or other land use approval documents; (iii) the enterprise has the construction project planning permit and the construction permit; (iv) the commodity buildings have been completed and been inspected and accepted as qualified; (v) the relocation of the original residents has been completed; (vi) the supplementary essential facilities for supplying water, electricity, heating, gas, communication, etc. are ready for use, and other supplementary essential facilities and public facilities are ready for use, or the schedule of construction and the delivery date have been specified; and (vii) the property management plan has been completed. Before the post-completion sale of a commodity building, a real estate developer shall submit the real estate development project manual, and other documents showing that the preconditions for a post-completion sale have been fulfilled, to the real estate development authority for record keeping purposes.

Various local governments have enacted local regulations to supplement the national requirements.

According to the Administration of the Pre-sale of Commodity Premises Regulations of Guangdong Province (《廣東省商品房預售管理條例》) promulgated by the Standing Committee of the Guangdong Provincial People's Government on August 22, 1998, revised on October 14, 2000 and July 23, 2010, the following preconditions must be fulfilled for the pre-sale of commodity premises in Guangdong Province:

- the pre-seller has obtained a real property development qualification certificate and a business license;

- the land premium has been paid in accordance with the relevant provisions of the land administration department and land use rights certificate has been obtained;

- a construction planning license and construction works license have been obtained and the procedures for monitoring construction quality and safety have been carried out;

- the work schedule, time of completion and time of delivery for use have been set;

- the foundation and structure of commodity premises of less than three stories have been completed. In the case of commodity premises of four or more stories that have a basement, the foundation and the first story of the structure have been completed; if such premises do not have a basement, the foundation and structure of four stories have been completed;

- a special property pre-sale account has been opened with a commercial bank where the project is located;

- the commodity premises pre-sale project and its land use rights are free from third party rights; and

- any other conditions stipulated in laws and regulations have been met.

According to the Hunan Province Provisional Regulations on the Administration of the Pre-sale of Commodity Premises (《湖南省商品房預售管理暫行辦法》) promulgated by the Construction Committee of the Hunan Provincial People's Government on July 1, 1994, the following preconditions must be fulfilled for the pre-sale of commodity premises in Hunan Province:

- the pre-seller has obtained a real property development qualification certificate and a business license;

- a construction planning license and construction works license have been obtained;

- the foundations have been completed, or 20% or more of the total investment have been injected with valid documents have been provided as proof;

- an agreement of supervision on pre-sale revenue has been executed by the pre-seller and a commercial bank where the project is located;

- there is a commodity premises pre-sale plan; and

- the pre-seller owns the commodity premises for pre-sale, and such ownership is free from security.

Under the Regulations on the Administration of Dealings in Urban Real Estate in Changsha City (《長沙市城市房地產交易管理辦法》), enacted by the People's Government of Changsha City on January 19, 2004 and enforced on March 1, 2004, to acquire a permit for the pre-completion sale of commodity properties, a Changsha City real estate developer must fulfill the following requirements: (a) a land use right certificate has been obtained; (b) a construction work planning permit and a permit for constructing commodity properties have been obtained; (c) 50% or more of the civil engineering construction work has been completed, or the roofs of the multi-story buildings have been completed, or in the case of high-rise building, ten floors of the building have been completed, while the construction schedule and

the date for completion and delivery have been determined (including the environmental and supporting facilities construction); (d) a plan on the pre-sale of commodity properties has been adopted; (e) a bank account for monitoring the pre-completion sale proceeds has been opened in Changsha and an agreement for monitoring the pre-completion sale proceeds with the bank has been signed; and (f) a plan of property management has been adopted.

According to the Property Rights Law, parties can apply for a caveat by agreement to secure future property rights. After registration of such caveat, without permission of the persons who hold the caveat, any disposal of the relevant real estate shall have no effect on property rights.

Pursuant to the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (關於促進房地產市場平穩健康發展的通知) issued by the General Office of the State Council on January 7, 2010, local governments must decide the minimum scale of pre-sales rationally and may not issue separate pre-sale permits by floor or unit.

On April 13, 2010, MOHURD issued the Notice on Further Strengthening the Supervision of the Real Estate Market and Improving the Pre-Sale System of Commercial Housing (住房和城鄉建設部關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知). It provides, among other things, that within ten days of obtaining a pre-sale permit, real estate developers shall release to the public information regarding the number of properties authorized for pre-sale and the prices of these pre-sale units. They shall sell the properties to the public at the published price and in strict accordance with the pre-sale permit.

Local authorities are required to improve existing regulations or implement new regulations regarding the supervision of capital from pre-sales. All proceeds from pre-sales must be deposited into an account supervised by the relevant regulatory authorities and must be used for the construction of commodity housing.

On November 4, 2010, MOHURD and SAFE collectively promulgated the Notice on Further Regulating the Administration of House Purchases by Overseas Organizations and Individuals (關於進一步規範境外機構和個人購房管理的通知), which stipulates that, except as otherwise stated in laws and regulations, an overseas individual may purchase only one self-occupied residential house, and an overseas organization with a branch or representative office set up in the PRC may purchase only one non-residential house if it is necessary for business operations in the city where the organization is registered.

On March 16, 2011, the NDRC promulgated the Regulations on the Sales of Commodity Houses at Expressly Marked Prices (《商品房銷售明碼標價規定》) ("**the Regulation**"), effective on May 1, 2011, which provides that real estate development enterprises and intermediary agencies (collectively, "**the Sellers and the Agencies**") shall, when selling new-built commodity houses, publish and mark the prices of the commodity houses and publish factors affecting the prices. The Regulation stipulates that the Sellers and the Agencies shall mark each commodity house with one price only (一套一標). For real estate development projects that have obtained pre-sale permits or that are registered as finished houses, the Sellers

and the Agencies shall, within a specified time frame, publish the availability of all houses that are permitted to be sold and the price of each house. The Sellers and the Agencies shall not sell the house at a price higher than the marked price and shall not collect charges which are not specified, and intermediary agencies shall sell second-hand commodity houses in accordance with the Regulation. In the event that the Sellers and the Agencies do not expressly mark the price or publish their charges, or commit fraud when marking prices, local competent authorities at the county level or above shall have the right to penalize the Sellers and the Agencies accordingly.

According to the Notice on Conducting Special Inspections of the Sale of Commodity Houses with Marked Prices (關於開展商品房銷售明碼標價專項檢查的通知), promulgated by the General Office of the NDRC and implemented on May 11, 2011, real estate developers who fail to mark a price on each unit in accordance with the relevant regulations will incur a fine of RMB5,000 for each unit sold. If real estate developers are found to have committed price fraud or order of correction, illegal gains will be confiscated and fines will be imposed. In serious cases, real estate developers will be ordered to suspend business.

The Ministry of Finance and the State Administration of Taxation issued the Notice on Adjusting the Business Tax Policy on Transfers of Residential Properties by Individuals (關於調整個人住房轉讓營業税政策的通知), which became effective on January 28, 2011, to discourage speculation in the secondary real estate market and to control soaring housing prices. The notice provides, among other things:

- Transfers of residential properties by individuals who have held them for less than five years are subject to business tax calculated on the transacted price.

- Transfers of (i) non-ordinary residential properties by individuals who have held them for five years or more or are subject to business tax calculated on the difference between the transacted price and original purchasing price.

- Transfers of ordinary residential properties by individuals who have held them for five years or more are exempted from business tax.

On April 22, 2013, Guangzhou Municipal Land Resources and Housing Administration Bureau issued Notice on Implementation of Guangzhou City Real Estate Market Regulation-and-Control Policy and Strengthening Supervision over Real Estate Market (《關於落實廣州市房地產市場調控政策加強房地產市場監管的通知》) (Hui Guo Fang Zi [2013] No. 411) (穗國房字[2013]411). According to this notice, from April 24, 2013, Guangzhou city (including ten districts directly under Guangzhou government, Conghua city and Zengcheng city) requires online filing of prices of pre-sale commodity houses. The real estate developers are required to file pre-sale prices online before selling pre-sale commodity houses, and must follow the pricing guidelines from the land resources and housing administration authorities. Issuance of pre-sale permits shall be suspended, if the real estate developers have not filed the prices online, or the prices filed are too high and the pricing guidelines from the land resources and housing administration authorities are not accepted. Online execution of commodity houses sale contracts shall be suspended if the commodity houses are sold at a price higher than the filed one.

On October 31, 2011, General Office of People's Government of Zhuhai City issued Notice on Thoroughly Conducting Real Estate Market Regulation and Control (《關於深入開展房地產市場調控工作的通知》) (Zhu Fu Ban [2011] No. 45) (珠府辦[2011]45號). According to this notice, from November 1, 2011, real estate developers should file pre-sale prices with price administration authorities pursuant to Guangdong Province Administration of Commodity Prices Regulation on Clearly Marking Price of Commodity Houses (《廣東省物價局關於商品房銷售明碼標價的規定》), and should present documents proving approval of filing to commodity houses pre-sale administration authorities when apply for pre-sale. If the average prices of pre-sale commodity houses project are higher than the target price of Zhuhai commodity houses price control in 2011 (RMB11,285 per square meter of construction area), the price administration authorities shall suspend filing and commodity houses pre-sale administration authorities shall suspend issuance of commodity house pre-sale permits.

INDIVIDUAL HOUSING LOANS

The Circular on the Determination of Second Residential Property in Individual Commercial Housing Loan Applications (關於規範商業性個人住房貸款中第二套住房認定標準的通知) was jointly promulgated by MOHURD, the PBOC and the CBRC on May 26, 2010. The circular provides the criteria for determining whether a property is an individual's second residential property or the purpose of individual commercial housing loan applications. The circular provides that the number of residential properties owned by an individual loan applicant shall be determined by taking into account the number of completed residential properties actually owned by members of the family (including the individual loan applicant, his spouse and minor children) of the individual who plans to purchase another residential property using an individual commercial housing loan. The application or authorization of any individual commercial housing loan by an individual borrower shall be subject to checks on the borrower's residential property registry records through the property registration information system, and the issuance of the written results of such checks by the urban real estate authorities. The lender should implement a different credit policy for the individual borrower's second (or above) residential property in accordance with the number of residential properties owned by such borrowers. The policy in this circular is also applicable to non-residents who can provide local tax clearance certificates or local social insurance payment certificates for one year or more.

The Circular on Regulations of Policies Concerning Individual Housing Provident Fund Loans (住房和城鄉建設部、財政部、中國人民銀行等關於規範住房公積金個人住房貸款政策有關問題的通知) was jointly promulgated by MOHURD, the Ministry of Finance, the PBOC and the CBRC on November 2, 2010 and regulates individual housing provident fund loans. The circular provides that individual housing provident fund loans can be used only to purchase, build, re-build and repair the ordinary and privately used residential properties of labors, with the aim of meeting their basic need for housing. Using individual housing provident fund loans to carry out the speculative purchase of properties is strictly prohibited. To purchase one's first residential property for private use with an individual housing provident fund loan, the down payment of the purchase shall be 20% or more of the total purchase price if the gross floor area of the property is not more than 90 sq.m. (inclusive). If the gross floor

area of the property is more than 90 sq.m., the down payment shall be 30% or more of the total purchase price. To purchase one's second residential property, individual housing provident fund loans are available only to labors whose families' per-capita gross floor area is lower than the local average, and these loans can be used only to purchase ordinary and privately used residential properties that help to improve the living condition of the labors. The down payment for the purchase of one's second residential property shall be 50% or more of the total purchase price, and the interest rate of the loan shall be at least 1.1 times the interest rate of the individual housing provident fund loan for the first residential property during the same period. The individual housing provident fund loans are not available to labors and their families for purchasing their third or subsequent residential property.

RESIDENTIAL PROPERTY QUALITY WARRANTY

On May 20, 1998, the Ministry of Construction promulgated the Regulation for the Adoption of Residential Property Quality Warranties and the Residential Building User Guide for Commodity Residential Properties (《商品住宅實行住宅質量保證書和住宅使用説明書制度的規定》), which became effective on September 1, 1998. This regulation provides that the residential property quality warranty shall include the following: (1) quality grading as verified by a construction quality supervision authority; (2) guaranteed repair of the foundation and main structure within their reasonable use life; and (3) the contents and term of guaranteed repairs of all parts and components under normal usage. The term of guaranteed repair of residential buildings shall commence at the date of delivery by the developers of the residential buildings that have passed the check and acceptance procedure.

LEASING

Both the Urban Land Regulations and the Urban Real Estate Law permit the leasing of granted land use rights and of buildings or homes. On December 1, 2010, MOHURD promulgated the Measures for the Administration of Leases of Commodity Buildings (《商品房屋租賃管理辦法》) (the "**New Lease Measures**"), which became effective on February 1, 2011 and replace the Measures for the Administration of Leases of Buildings in Urban Areas (《城市房屋租賃管理辦法》), which were promulgated by the Ministry of Construction on May 9, 1995. Pursuant to the New Lease Measures, within 30 days after a lease contract is entered into, the parties thereto shall file with the local property administration authority. Any failure to comply with this filing requirement shall lead to a fine. According to the Urban Real Estate Law, rental income derived from any building situated on allocated land, or on land for which the landlord has acquired only allocated land use rights, must be turned over to the State.

INSURANCE

There are no mandatory provisions in the PRC laws, regulations or government rules that require real estate developers to take out insurance policies for real estate projects.

According to the Construction Law of the People's Republic of China (《中華人民共和國建築法》) promulgated by the Standing Committee of the NPC on November 1, 1997 and became effective on March 1, 1998, and amended with effect on April 22, 2011, construction enterprises must take out accident and casualty insurance for workers engaged in occupationally hazardous operations and pay an insurance premium. In the Opinions of the Ministry of Construction on Strengthening the Insurance of Accidental Injury in Construction (建設部關於加強建築意外傷害保險工作的指導意見) promulgated by the Ministry of Construction on May 23, 2003, the Ministry of Construction further emphasized the importance of insuring accidental injuries on construction sites and provided detailed guidance.

According to the Rules of Guangdong Province for Implementing the PRC Fire Control Law (廣東省實施《中華人民共和國消防法》辦法) revised on July 23, 2010 by the Standing Committee of the Guangdong Provincial People's Government, public gathering places must carry public liability insurance for fire accidents.

REAL ESTATE LOANS

Commercial Bank Loans

On August 30, 2004, the CBRC issued the Guideline for Commercial Banks on Risks of Real Estate Loans (商業銀行房地產貸款風險管理指引). According to the guideline, no loans may be granted for projects that have not obtained the requisite land use rights certificates, construction land planning permits, construction work planning permits and construction work commencement permits. The guideline also stipulates that at least 35% of the investment in a property development project must be funded using the real estate developer's own capital before banks may extend loans to the real estate developer. In addition, the guideline states that commercial banks should set up strict approval systems for loans.

On March 16, 2005, the PBOC promulgated the Notice on Adjusting the Housing Loan Policy and Deposit Rate of Excess Reserves for Commercial Banks (中國人民銀行關於調整商業銀行住房信貸政策和超額準備金存款利率的通知), which canceled the preferential mortgage lending interest rate for individuals and restricted the minimum mortgage loan rate to 0.9 times the benchmark rate. The PBOC also increased the public housing fund loan rate (住房公積金貸款利率) by 0.18% and permitted commercial banks to decrease the mortgage loan rate from 80% to 70% of the value of the property, provided it is located in a city where property prices are increasing too rapidly.

On May 31, 2006, the PBOC promulgated the Notice on Relevant Matters Regarding Adjusted Housing Credit Policies (中國人民銀行關於調整住房信貸政策有關事宜的通知). The notice provides that, beginning June 1, 2006, the first installment payment for an individual house purchased using a mortgage loan must be at least 30% of the purchase price. However, for houses purchased for self-residential purposes and with a gross floor area of not more than 90 sq.m., the 20% first installment payment regulation continues to apply.

On July 29, 2008, the PBOC and the CBRC issued the Notice on Financially Promoting the Economisation and Intensive Use of Land (中國人民銀行、 中國銀行業監督管理委員會關於金融促進節約集約用地的通知), which among other things,

- prohibits PRC commercial banks from granting loans to property developers for the purpose of paying land premiums;

- regulates secured loans for land reserves in various respects including a requirement to obtain a land use certificate, a requirement to secure up to 70% value of security's appraised value, and limiting the length of maturity to no more than two years;

- prudently grants or extends loans to property developers who (i) delay the commencement of development date specified in the land transfer agreement for more than one year; (ii) has not finished one-third of the intended project; or (iii) has not invested one-fourth of the intended total project investment;

- prohibits granting loans to property development projects that have been idle for two years; and

- prohibits accepting land that has been idle for two years as security for loans.

On January 7, 2010, the General Office of the State Council issued the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (國務院辦公廳關於促進房地產市場平穩健康發展的通知). The notice, among other things, provides that:

- For families (including debtors, their spouses and their minor children) who have bought a residential house using loans and are applying for loans to buy a second residential house or subsequent residential houses, the down payments of the loans must be at least 40%, and interest rates should be strictly commensurate with the credit risks.

- Banks are prohibited from offering loans for a property development project or to a property developer that is not in compliance with credit loan regulations or policies.

On April 17, 2010, the State Council issued the Notice on Strictly Restraining the Excessive Growth of the Property Prices in Some Cities (國務院關於堅決遏制部分城市房價過快上漲的通知), according to which a stricter differential housing credit policy shall be enforced. It provides, among other things, that (1) for first-time family buyers (including the borrower, his spouse and his minor children) of apartments larger than 90 sq.m., a down payment of at least 30% of the purchase price must be paid; (2) the down payment requirement on second-home mortgages was raised from 40% to at least 50% of the purchase price and the interest rate of the loan must be at least 1.1 times the benchmark rate; and (3) for home buyers who buy three or more houses, even higher requirements on both down payments and interest rates shall be levied. In addition, the banks can suspend housing loans to home buyers who are buying their third or subsequent homes in places where house prices have risen too rapidly and the housing supply is insufficient.

On September 29, 2010, the PBOC and the CBRC jointly issued the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan Policies (中國人民銀行、中國銀行業監督管理委員會關於完善差別化住房信貸政策有關問題通知), which (i) raised the minimum down payment to 30% of the purchase price for all first-home purchases using mortgage loans; (ii) required commercial banks in China to suspend mortgage loans (1) to customers buying their third or subsequent residence; and (2) to non-local residents who cannot provide documentation certifying payment of local tax or social security for more than one year; and (iii) prohibited the granting of new project bank loans or the extension of loans for all property companies with records of non-compliance regarding, among other things, holding idle land, changing the land use to a use beyond the scope of the designated purpose, postponing the commencement or completion of construction, or hoarding properties.

TRUST FINANCING

On October 1, 2001, The Trust Law of the People's Republic of China (《中華人民共和國信託法》) (the "**Trust Law**"), promulgated by the Standing Committee of the NPC on April 28, 2001, came into effect. The Trust Law regulates settlers, trustees and beneficiaries that engage in civil, business or public welfare trust activities within the PRC. For purposes of the Trust Law, a trust exists when a settler, based on his faith in the trustee, entrusts his property rights to the trustee and allows the trustee to, according to the will of the settler and in the name of the trustee, administer or dispose of such property in the interest of a beneficiary or for any other intended purpose. The trust property shall be segregated from the property owned by the trustee. If the trustee dies or the trustee as a corporate body is dissolved, removed or is declared bankrupt according to applicable law, and the trusteeship is accordingly terminated, the trust property shall not form part of his estate or liquidation property.

A trust shall be created for lawful trust purposes and shall be in writing. To create a trust, there must be definite property in the trust, and such property including the lawful property right must be lawfully owned by the settler. If laws or administrative regulations stipulate that a registration shall be made for the creation of a type of trust, such registration shall be made accordingly, or the trust shall have no effect.

On March 1, 2007, The Management Measures for Trust Companies (《信託公司管理辦法》) promulgated by the CBRC on January 23, 2007 came into effect. For the purposes of these measures, "trust financing company" shall mean any financial institution established pursuant to the PRC Company Law and these Measures, and that primarily engages in trust activities; and the term "trust activities" shall mean any activities of a trust financing company through which it accepts a trust and handles trust affairs as a trustee and obtains remuneration. A trust financing company engaging in trust activities shall comply with the law, administrative regulations and with the trust document, and may not harm the interests of the State or the public, or the legal rights and interests of third parties. To become a trust financing company, a financial institution shall be approved by the CBRC and shall obtain a financial business license. A trust financing company may apply to engage in cash trusts, movable property trusts, real estate property trusts or any other business regulated by PRC laws and regulations or approved by the CBRC. When a trust financing company manages or disposes of trust property,

it must be honest, prudent and efficient in carrying out its responsibilities. Meanwhile, trust property is not part of the trust financing company's own property and does not constitute a liability of the trust financing company toward the beneficiary. When a trust financing company is terminated by way of liquidation or dissolution, trust property shall not be part of its property subject to liquidation.

On February 4, 2009, the amended Measures for the Administration of Trust Companies' Trust Plans of Assembled Funds (《信託公司集合資金信託計劃管理辦法》) promulgated by the CBRC came into effect. This regulation is applicable to the establishment of trust plans of assembled funds ("**Trust Plan**") in the PRC. Trust Plans must be established according to relevant industry policies, laws and regulations, and shall have an explicit investment target and strategy. For the purposes of this regulation, "Trust Plan" includes any trust activity in which the trust financing company acts as a trustee, according to the will of the settler, or administers or disposes of the settler's property in the interest of a beneficiary. The property in a Trust Plan is segregated from property owned by the trust financing company. A trust financing company is prohibited from mixing the property in a Trust Plan with its own property. When a trust financing company is dissolved, deregistered or declared bankrupt according to the law, property in Trust Plans shall not form part of the liquidation property.

During the period of a Trust Plan, the trust financing company is required to select well-managed commercial bank as the custodian. The trust financing company is also required to establish specific departments and appoint specialized employees to manage the Trust Plan. Furthermore, the trust financing company may be required to disclose information about the Trust Plan in accordance with relevant laws and regulations.

From October 2008 to November 2010, the CBRC issued several regulatory notices in relation to real estate activities conducted by trust financing companies, including a Circular on Relevant Matters Regarding Strengthening the Supervision of the Real Estate and Securities Businesses of Trust Companies (關於加強信託公司房地產、證券業務監管有關問題的通知), promulgated by the CBRC on October 28, 2008 and effective beginning the same date, pursuant to which trust financing companies are restricted from providing trust loans, in form or in nature, to (i) property projects that have not obtained the requisite land use rights certificates, construction land planning permits, construction work planning permits and construction work commencement permits; (ii) property developers that have not been issued Class 2 (or higher class) qualification certificates by the relevant competent construction authorities; (iii) property projects of which less than 35% of the total investment is funded by the property developers' own capital (the 35% requirement was changed to 20% for affordable housing and ordinary commodity apartments, and to 30% for other property projects as provided by the Notice on Adjusting the Capital Ratio of Fixed Assets Investment Projects (國務院關於調整固定資產投資項目資本金比例的通知) issued by the State Council on May 25, 2009; and (iv) property developers for paying land premiums or for working capital purposes.

LOCAL LEGISLATION

While the Urban Land Regulations set out a general framework for transactions relating to land use rights, Guangdong and Hunan municipal legislation regulates specific transactions within specified areas relating to the grant and transfer of land use rights. These local regulations are numerous. Some of them are inconsistent with national legislation. The central authorities have taken the position that if inconsistencies arise, national legislation shall prevail.

ESTABLISHMENT OF REAL ESTATE ENTERPRISES

In accordance with the Urban Real Estate Law, which was revised on August 30, 2007, "real estate development enterprise" is defined as any enterprise that engages in developing and operating real estate. In accordance with the Administrative Regulations on the Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》), which were promulgated and implemented on July 20, 1998 by the State Council, the establishment of a real estate development enterprise shall, in addition to the conditions for the establishment of enterprises prescribed by the relevant laws and administrative regulations, fulfill the following conditions:

1. The registered capital shall exceed RMB1 million; and

2. The enterprise shall have more than four full-time technical personnel who hold certificates of qualification in real estate and construction engineering, and more than two full-time accountants who hold certificates of qualifications.

People's governments of the provinces, autonomous regions and municipalities directly under the central government may, in light of the conditions of their respective localities, establish requirements for registered capital and specialized technical personnel more stringent than those in the preceding paragraph.

Pursuant to the Regulations on Real Estate Development in Guangdong Province (《廣東省房地產開發經營條例》), which were revised by the Standing Committee of the Guangdong Provincial People's Congress and enforced on October 16, 1997, the self-owned current capital of a real estate development enterprise in Guangdong Province shall be at least RMB3 million, and real estate development enterprises with different qualification classifications should adhere to the appropriate requirements regarding full-time professional technicians.

Pursuant to the Regulations on Real Estate Development in Hunan Province (《湖南省城市房地產開發經營管理辦法》), which were enacted by the People's Government of Hunan Province on April 12, 2006 and enforced on June 1, 2006, the registered capital of a real estate development enterprise in Hunan Province shall be at least RMB4 million, and real estate development enterprises with a different qualification classification should adhere to the appropriate requirements regarding full-time professional technicians.

In accordance with the Urban Real Estate Law, establishing a real estate development enterprise requires registering with the Administration for Industry and Commerce. The Administration for Industry and Commerce shall handle the registration procedures for, and issue licenses to, only whose registrants who comply with this law. Those which establish a limited liability company or limited stock company to engage in real estate development and operations shall also comply with the relevant provisions of the Corporate Law. A real estate enterprise shall report its establishment to the department of real estate development designated by a people's government above the county level where the registration department is located within one month of obtaining its business license.

Qualifications of Real Estate Development Enterprises

Classification and Rating of Qualifications of Real estate Development Enterprises

In accordance with the relevant provisions of the Administrative Regulations on the Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》), a real estate development enterprise should, within 30 days of obtaining a business license, report its establishment to the competent department of real estate development of the locality where the registration authority is located. The competent department of real estate development should, on the basis of the real estate enterprise's assets, specialized technical personnel, and development and management achievements, assess the competency level of the real estate development enterprise. The real estate development enterprise should, in accordance with its assessed level of competency, undertake appropriate real estate development projects.

On March 29, 2000, the Ministry of Construction promulgated the Regulations on Administration of the Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》). Pursuant to the regulations, enterprises engaged in real estate development should apply for an enterprise qualification level. Enterprises that fail to obtain certificates of real estate investments (hereinafter referred to as qualification certificates) shall not engage in the real estate development business.

Enterprises engaged in real estate development are classified into four qualification levels, Level I, Level II, Level III and Level IV, in accordance with the enterprise's characteristics. The preliminary examination of the Level I qualification should be performed by administrative departments at the provincial level and then reported to the construction administrative departments of the State Counsel for approval. The examination measures for enterprises in Level II or lower should be developed by the construction administrative department at the provincial, autonomous region or municipal level. Those enterprises passing the qualifying examination should be awarded the corresponding levels of qualification certificates by the qualifying examination departments. Newly-established real estate enterprises should be recorded by a competent department of real estate development within 30 days of receiving a business license. The competent department of real estate development should verify and issue a provisional qualification certificate (《暫定資質證書》) to any enterprise that conforms to the conditions within 30 days of receiving its application. Provisional qualification certificates are valid for one year. A competent department of real

estate development may extend the valid period of a provisional qualification certificate for up to two years, depending on actual conditions. An enterprise engaged in real estate development shall apply to the competent department of real estate development for verification of its qualification level one month before the expiration of its provisional qualification certificate.

According to the Regulations on Real Estate Developments in Guangdong Province, a developer who seeks to establish a real estate development enterprise should obtain an approval from the provincial or municipal people's government or the construction authority authorized by them, and shall apply for a qualification certificate in accordance with the rules. The qualifications of real estate development enterprises are classified into four classes: class 1, class 2, class 3 and class 4.

Under the Regulations on Real Estate Developments in Hunan Province, real estate development enterprises are classified into five classes: class 1, class 2, class 3, class 4 and provisional qualification. The class 1 qualification shall be subject to preliminary assessment by the real estate development authority under the people's government of the province and to final approval by the construction authority under the State Council; classes 2, 3 and 4 and the provisional qualification shall be assessed by the real estate development authority under the people's government of the province. For classes 3 and 4 and the provisional qualification, the real estate development authority under the people's government of the province can entrust the real estate development authority under the municipal people's governments in cities with district divisions and autonomous prefectures to assess the qualifications and report to the relevant people's governments of the province. The qualification certificate is valid for three years. The provisional qualification certificate is valid for one year. The authority can extend the validity period of provisional qualification certificates for up to two years after considering the actual business situation of an enterprise.

Business Scope of Real Estate Development Enterprises

Pursuant to the relevant provisions of the Regulations on the Administration of the Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》), an enterprise shall develop and manage real estate only within its prescribed business scope, and shall not undertake tasks beyond those appropriate to its level. Level I real estate development enterprises are not subject to restrictions on the scale of their projects. Real estate development enterprises in Level II and below may construct projects with an area smaller than 250,000 sq.m. The specific range of business is determined by the competent construction administrative department at the provincial level.

The Regulations on Real Estate Developments in Guangdong Province have not set out any express provisions addressing the permitted scope of real estate projects.

Under the Regulations on Real Estate Developments in Hunan Province, the gross floor area of a project to be developed by a class 1 real estate developers are not subject to restrictions on the gross floor area of projects they may develop. The gross floor area of projects developed by class 2 real estate developers should be smaller than 250,000 sq.m. Class 3 real estate developers may undertake projects with a gross floor area of up to 150,000 sq.m. The gross floor area of project to be developed by class 4 real estate developers and developers with a provisional qualification should be less than 50,000 sq.m.

Annual Inspection of the Qualifications of Real Estate Development Enterprises

Pursuant to the relevant provisions of the Regulations on the Administration of Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》), an annual inspection system has been implemented to inspect the qualifications of real estate development enterprises. For enterprises that do not conform to the original qualification conditions or that have engaged in objectionable acts, their qualification certificates should be downgraded or canceled by the original qualification approval department. The annual inspection of real estate development enterprises with Level 1 qualification is the responsibility of a competent construction administrative department of the State Council or its authorized authority. For the annual inspection of real estate development enterprises in level II or below, the competent construction administrative department of provinces, autonomous regions and municipalities directly under the central government shall develop the administrative measures.

Under the Regulations on Real Estate Developments in Guangdong Province, the qualifications of a real estate developer should be annually inspected.

Under Hunan Province's Detailed Rules for the Implementation of the Administration of the Qualifications of Real Estate Development Enterprises (湖南省房地產開發企業資質管理實施細則), the qualifications of real estate developers should also be annually inspected.

FOREIGN INVESTMENT IN PROPERTY DEVELOPMENT

On July 11, 2006, the Ministry of Construction, MOFCOM, the NDRC, the PBOC, the SAIC and SAFE jointly issued the Options on Regulating the Entry and Administration of Foreign Investment into the Real Estate Market (關於規範房地產市場外資進入和管理的意見) (the "**171 document**"). The 171 document provides that: (i) foreign organizations and individuals who have established foreign invested enterprises are permitted to invest and purchase non-self-residential real estate in China; branches of foreign organizations established in China and foreign individuals who work or study in China for longer than one year are eligible to purchase, using their real names, commercial houses that match their actual needs for personal use or use as a home; (ii) the registered capital of foreign-invested real estate corporations with total investments of more than US$10 million shall be at least 50% of its total investment; (iii) foreign-invested real estate corporations may apply for a foreign-invested enterprise approval certificate (外商投資企業批准證書) and business license (營業執照) only after they have fully settled their land premiums and obtained the State-owned land use rights certificate; (iv) foreign investors shall pay off the entire transfer price as a lump sum with their own funds if they acquire Chinese domestic real estate corporations; (v) no offshore or Chinese domestic loans are permitted and the foreign exchange administration shall not approve the conversion of foreign loans into RMB if the foreign-invested real estate corporations have not contributed their registered capital in full, or have not obtained the State-owned land use rights certificate, or if their capital for a development project is less than 35% of the total investment; and (vi) Chinese or foreign investors are prohibited from guaranteeing, in any contract, a fixed return or fixed revenue in disguised form.

On August 14, 2006, the General Office of MOFCOM promulgated the Notification on Relevant Issues on Implementing the Opinions on Regulating Foreign Capital Admittance and Management in the Property Market (商務部辦公廳關於貫徹落實《關於規範房地產市場外資准入和管理的意見》有關問題的通知). According to this notification, foreign-invested property enterprises with a total investment exceeding US$3 million but not more than US$10 million shall have registered capital of at least 50% of its total investment and its registered capital shall be at least 70% when the total investment is less than or equal to US$3 million. Foreign investors that merge domestic property enterprises through stock equity transfers and other means shall appropriately arrange their staff, deal with banking debts, and pay off all transfer payments in a lump sum with its own funds within three months of the issuing date of their foreign-invested enterprise business license. Foreign investors that acquire stock equity of the Chinese side with a foreign-invested property enterprise shall appropriately arrange its staff, deal with banking debts, and pay off all consideration for the transfer in a lump sum with its own funds within three months of the issuing date of their foreign-invested enterprise business license.

MOFCOM and SAFE jointly issued the Notice on Further Strengthening and Regulating the Approval and Administration Regarding Foreign Direct Investment in the Real Estate Industry (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) (the "**No. 50 Notice**") on May 23, 2007. Under the No. 50 Notice, local commercial authorities should reinforce the approval and supervision process applicable to foreign-invested real estate enterprises, and strictly control foreign funds from investing in high-end real estate development projects. Foreign-invested companies intending to engage in property development, should first obtain land use rights, or should at least have entered into a pre-contract purchase agreement for obtaining land use rights or property ownership with the relevant land administrative authorities, land developers, or the owners of the house or other buildings; otherwise, the proposed foreign-invested real estate company will not be approved by the authorities. An existing foreign-invested company that intends to expand its business operations or a company that intends to operate or develop a new real estate project should undertake the relevant procedures with the approval authorities.

The General Department of SAFE issued the Notice on Issuing the List of the First Batch of Foreign-Invested Real Estate Projects Having Passed the Procedures for Filing with the Ministry of Commerce (國家外匯管理局綜合司關於下發第一批通過商務部備案的外商投資房地產項目名單的通知) (the "**No. 130 Rule**") on July 10, 2007. The No. 130 Rule includes the list of the first batch of foreign-funded real estate projects that have passed MOFCOM's filing procedures. In addition, according to the No. 130 Rule, real estate enterprises with foreign investment that has been filed with MOFCOM on or after June 1, 2007 shall not be permitted to borrow money from overseas, including through shareholder loans and foreign commercial loans. Further, for those that fail to file with MOFCOM after June 1, 2007, foreign exchange registrations, foreign exchange alteration registrations, and the sale and purchase of foreign exchange under capital account will not be effected by SAFE or its branches.

On December 24, 2011, MOFCOM and the NDRC jointly issued a revised Catalog, which became effective on January 30, 2012 and provides, among other things, that the development and construction of high-end hotels, high-end office buildings and international convention centers by foreign invested enterprises shall be restricted. The construction and operation of villas by foreign invested enterprises shall be prohibited. The real estate enterprises with foreign investment can be established as Sino-foreign joint ventures, sino-foreign cooperative ventures or as wholly foreign-owned enterprises. Prior to registering their establishment, enterprises shall be approved by MOFCOM or its local branches and obtain a certificate of approval for the establishment of enterprises with foreign investment (外商投資企業批准證書).

On June 18, 2008, MOFCOM issued the Notice Regarding the Registration for Foreign-Funded Real Estate Industry (商務部關於做好外商投資房地產業備案工作的通知) ("**Circular 23**"), which requires that registration filings be preliminarily examined by the provincial branch of MOFCOM before being submitted to MOFCOM for registration. Pursuant to Circular 23, MOFCOM may select approximately five to ten registered foreign-invested real estate enterprises as samples for test examinations each quarter, and for any enterprise that is determined to have failed to comply with current regulations, MOFCOM may inform SAFE and request that the enterprise's foreign currency registration and status be canceled.

On April 6, 2010, the State Council issued the Opinions on Further Enhancing the Utilization of Foreign Investment (國務院關於進一步做好利用外資工作的若干意見), which provides that projects with a total investment (including capital increase) of less than US$300 million in an industry in which foreign investment is encouraged or permitted as listed in the Catalog, may be approved by local governments, except for those that need to be approved by relevant departments of the State Council, as specified in the Catalog of Investment Projects Approved by the Government.

On June 10, 2010, MOFCOM issued the Notice Relating to Decentralizing the Examination of and Approval Power Regarding Foreign Investment (商務部關於下放外商投資審批權限有關問題的通知). It stipulates that for the establishment of foreign-invested enterprises with total investments of less than US$300 million under the encouraged and permitted categories, and less than US$50 million under the "restricted" category as specified in the Catalog, MOFCOM's branches at the provincial, autonomous region or municipal level shall be in charge of examination and approval. For the establishment of foreign-invested enterprises with total investments of more than US$300 million under the "encouraged" and "permitted" category, where there is no need for a comprehensive balance review by the State, institutions for approval are at the local authority level.

Moreover, on November 22, 2010, MOFCOM promulgated the Notice on Strengthening the Administration of the Approval and Registration of Foreign Investment in the Real Estate Industry (商務部辦公廳關於加強外商投資房地產業審批備案管理的通知), which provides, among other things, that when a real estate enterprise is established within the PRC with overseas capital, it is prohibited from purchasing and/or selling real estate properties completed or under construction in the PRC for arbitrage purposes. The local MOFCOM authorities are not permitted to authorize investment companies to engage in real estate development business.

PROPERTY SERVICE ENTERPRISES

Foreign-Invested Property Service Enterprises

Pursuant to the Catalog, property management services fall into the "permitted" category. Foreign-invested property service enterprises can be established in the form of Sino-foreign joint ventures, Sino-foreign cooperative ventures or wholly foreign-owned enterprises. Prior to registering its establishment, an enterprise shall be approved by MOFCOM or MOFCOM's local branches, and shall obtain a certificate of approval for the establishment of enterprises with foreign investment.

Qualifications for Property Service Enterprises

Enterprises that engage in property management shall implement a qualifications management system pursuant to relevant state regulations in the Property Management Regulations (《物業管理條例》), which were implemented on September 1, 2003 and revised on August 26, 2007. Pursuant to the relevant regulations in the Measures on the Management of the Qualifications of Property Service Enterprises (《物業服務企業資質管理辦法》), which were implemented on May 1, 2004 and revised on November 26, 2007, newly-established property service enterprises shall submit files to competent departments in charge of municipal property directly under the central government and the People's governments of cities with districts where commercial registrations are conducted for the application for qualifications within 30 days of receiving the registration certificates. The qualifications examination organs shall audit and issue qualifications certificates of a level appropriate to the enterprises.

In accordance with the Measures on the Administration of the Qualifications of Property Service Enterprises (《物業服務企業資質管理辦法》), the qualifications of property service enterprises are divided into level I, level II and level III. The competent construction department of the State Council is responsible for issuing and managing level I qualification certificates. Competent construction departments under the provincial and autonomous regional People's Governments are responsible for issuing and managing level II qualification certificates, and competent real estate construction departments under the People's Government of municipalities directly under the central government are responsible for issuing and managing level II and III qualification certificates, under the guidance and supervision of the competent construction departments of the State Council. The competent real estate construction departments of cities with districts are responsible for issuing and managing level III qualification certificates, under the guidance and supervision of competent construction departments under the provincial and autonomous regional People's Governments.

Level I property service enterprises shall undertake various property management projects. Level II property service enterprises shall undertake property management of residence projects which are less than 300,000 sq.m. and non-residence projects which are less than 80,000. Level III property service enterprises shall undertake property management of residence projects which are less than 20,000 sq.m. and non-residential projects which are less than 50,000 sq.m. An annual check system has been implemented for property service enterprises.

Pursuant to relevant regulations in the Property Management Regulations in Guangdong Province (《廣東省物業管理條例》), which were implemented on October 1, 1998 and revised on November 28, 2008, during the period of pre-phase property management, construction companies shall recruit property service enterprises that have relevant qualifications through bidding; when the number of bidders is fewer than three or the total construction area is less than 50,000 sq.m., property management enterprises with relevant qualifications may be recruited through agreement, subject to the approval of the property management department of the district or the People's Government at the county level.

Recruitment of Property Service Enterprises

In accordance with the relevant regulations of the Property Right Law (《物權法》) and the Property Management Regulations (《物業管理條例》), the selection and recruitment of property service enterprises should be agreed to by at least half of the total owners and such owners shall have a construction gross area of more than half of the construction gross area. Prior to recruiting property service enterprises by owner and owner conference, if the construction units select the property services enterprises, a written pre-phase property management contract should be signed.

Regulation on property service charges

The Guangdong Price Control Bureau and the Guangdong Provincial Department of Housing and Urban-Rural Development established management procedures and provisions for charging property management service fees, which became effective on April 1, 2010, to safeguard the legitimate rights and interests of owners and of property services companies.

LANDSCAPING ENTERPRISES

Foreign-Invested Landscaping Enterprises

Pursuant to the provisions of the Catalog, the landscaping industry falls into the "permitted" category. In accordance with the relevant laws and regulations, foreign-invested landscaping enterprises may be established in the form of Sino-foreign joint ventures, Sino-foreign cooperative ventures or wholly foreign-owned enterprises. Prior to registering its establishment, an enterprise shall be approved by MOFCOM or by its local authorities and obtain a certificate of approval (外商投資企業批准證書) for the establishment of enterprises with foreign investment.

Qualifications of Landscaping Enterprises

Pursuant to the Regulations on Urban Landscaping (《城市綠化條例》), which were promulgated on June 22, 1992 and implemented since August 1, 1992, the design of urban landscaping project shall be entrusted to design organs with the appropriate qualification certificates.

Pursuant to the relevant regulations in the Qualification Management Measures on Urban Landscaping Enterprises (《城市園林綠化企業資質管理辦法》), which were promulgated on July 4, 1995 and implemented October 1, 1995, and the Qualification Standards for Urban Landscaping Enterprises (《城市園林綠化企業資質標準》), which were implemented February 1, 2007, the qualifications in the measures refer to the quality, technical and managerial levels of the staff, engineering equipment, capital and benefit conditions, contractual operation capacities, construction performance, etc. Urban landscaping enterprises shall follow the relevant provisions to apply for corporate qualifications from the competent departments and shall obtain a certificate of approval prior to engaging in the relevant operating activities.

The qualifications of landscaping enterprises can be categorized into level I, level II and level III. Newly established urban landscaping enterprises shall submit the required documents to the competent administrative department of urban landscaping to apply for the preliminary examination of qualification; a Qualifications Trial Implementation Certificate of Urban Landscaping Enterprises (城市園林綠化企業資質試行證書) will be issued after approval for the preliminary examination has been obtained. The competent administrative department of urban landscaping shall conduct an official qualification audit and investigation of the enterprise and issue a qualification certificate upon approval. Enterprises that have passed the audit and obtained the Qualifications Trial Implementation Certificate of Urban Landscaping Enterprises (城市園林綠化企業資質證書) shall be subject to annual inspections by the qualification inspection department.

EMPLOYMENT

The Employment Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) was promulgated by the Standing Committee of the NPC on June 29, 2007 and implemented January 1, 2008. This law sets out specific provisions relating to the execution, contents and terms of employment contracts, and the rights and obligations of employees and employers (including minimum wage requirements). This law provides, among others, that at the time of hiring, the employer shall truthfully inform the employee as the scope of work, working conditions, place of work, occupational hazards, production safety conditions, compensation and as to other matters at the employee's request. In addition, unless otherwise prohibited by the PRC Labor Contract Law or objected to by the employees, the employer is also required to enter into non-fixed-term employment contracts with employees who have already entered into fixed-term employment contracts for two consecutive terms. Further, when an employment contract is terminated in accordance with the specific situations mentioned in the PRC Employment Contract Law, the amount of compensation shall equal the monthly wage of the employee multiplied by the number of full years that the employee has worked for the employer. The employer is also required to issue to the employee proof of termination of the employment contract and shall carry out the procedures for transferring the employee's file and social insurance account within 15 days. An employer needs to archive all terminated employment contracts for at least two years. The implementation of this law protects both employees and employers. Our Company shall comply with this law.

In addition, under the Regulations on Paid Annual Leave for Employees (《職工帶薪年休假條例》), which were promulgated by the State Council on December 14, 2007 and became effective on January 1, 2008, employees who have worked continuously for more than one year are entitled to paid vacation ranging from five to 15 days, depending on the the duration of their employment. Employees who consent to waive such vacation at the request of employers shall be compensated in an amount equal to three times their normal daily salaries for each vacation day being waived.

The Employment Promotion Law of the PRC (《中華人民共和國就業促進法》), which was promulgated by the Standing Committee of the NPC on August 30, 2007, has been in force since January 1, 2008. This law mainly regulates the employment systems such as employment supporting services and human resource market. This law sets out specific provisions relating to the hiring practices of employers to ensure an equal opportunity environment for all candidates. This law provides that employers cannot apply different hiring criteria to men and women, or refuse employment solely on the basis of gender, background or disability. Further, an employer may not contractually restrict female employees from marrying or bearing children.

PRC TAXATION

PRC Deed Tax

Under the Provisional Regulations of the PRC on the Deed Tax (《中華人民共和國契稅暫行條例》) which took effect on October 1, 1997, deed tax applies to entities and individuals that accept the transfer of land use rights and the ownership of houses within the territory of the PRC.

The transfer of ownership of houses refer to the following acts:

- Assignment of the right to use state-owned land;
- Transfer of land use rights, including transfer by means of sale, gift and exchange, excluding the transfer of the right contract for the management of rural collective land;
- Purchase and sale of houses;
- Gift of houses; and
- Exchange of houses.

The transfer of land use rights and the ownership of houses by the means of the following methods are also deemed to be governed by the above regulation, as stipulated by the Implementation Rule of Provisional Regulation on Deed Tax (《中華人民共和國契稅暫行條例細則》):

- Using land use rights and ownership of a house as investment;
- Setting off debt with land use rights and the ownership of house;
- Obtaining land use rights and the ownership of a house as a prize; and
- Obtaining land use rights and the ownership of a house by the way of purchasing in advance.

The rate of deed tax will, within the range of three to five percent, be determined by the PRC government agencies of provincial, autonomous region and municipal level in light of the actual conditions of the underlying properties respective areas and shall be reported to the Ministry of Finance and the State Administration of Taxation.

The deed tax will be reduced or exempted under the following circumstances:

- For the acceptance of land and houses by state agencies, institutions, social organizations and military units for office, teaching, medical service, scientific research and military facilities, the deed tax will be exempted;
- For the initial purchase of state-owned residential houses by urban and township workers and staff members according to the provisions of relevant laws and regulations, the deed tax will be exempted;
- For the purchase of residential houses in replacement of houses damaged or destroyed due to force majeure, the deed tax will, upon approval, be reduced or exempted according to the circumstances; and
- Any other types of reduction or exemption provided by the Ministry of Finance.

Reduction or exemption of deed tax will not be applicable if the relevant land or house and the change of use is no longer within the above mentioned scope, and an amount of tax equivalent to the tax reduction or exemption should be repaid.

Income Tax

According to the PRC CIT Law of the People's Republic of China (《中華人民共和國企業所得税法》) enacted by the National People's Congress on March 16, 2007 and relevant implementation rules enacted by the State Council on December 6, 2007, both in effect from January 1, 2008, a uniform income tax rate of 25% will be applied towards PRC enterprises, foreign investment enterprises and foreign enterprises which have set up production and operation facilities in the PRC. The PRC CIT Law also permits enterprises to continue to enjoy their existing tax incentives, adjusted by certain transitional phase-out rules, under which enterprises that were subject to PRC CIT rate of 15% prior to January 1, 2008 may continue to enjoy the lower rate and gradually transition to the new CIT rate within five years after the effective date of the PRC CIT Law, that is 18% in 2008, 20% in 2009, 22% in 2010, 24% in 2011 and the new statutory CIT rate of 25% from 2012 onwards. In addition, under the phase-out rules, enterprises established before the promulgation date of the PRC CIT Law and which were granted tax holidays (such as a two-year exemption and three years of reduction by 50% and a five-year exemptions and five years of reduction by 50%) under the then effective tax laws or regulations may continue to enjoy their tax holidays until their expiration.

Under the PRC CIT Law, in effect from January 1, 2008, a withholding tax of 20% will be applicable to dividends paid by foreign-invested enterprises to foreign investors, unless otherwise stipulated in tax treaties concluded between Chinese government and other jurisdictions. However, due to a tax treaty between the PRC and Hong Kong on August 21, 2006, a company incorporated in Hong Kong will be subject to a withholding tax at a rate of 5% on dividends it receives from a company incorporated in the PRC if it holds a 25% interest or more in the PRC company. In addition, the PRC State Administration of Taxation promulgated a tax notice on October 27, 2009, or Circular 601, which provides that tax treaty benefits will be denied to "conduit" or shell companies without business substance, and a beneficial ownership analysis will be used based on a "substance-over-the-form" principle to determine whether or not to grant tax treaty benefits.

According to the Implementation Rule of the PRC CIT Law, if an enterprise incorporated outside the PRC has its "de facto management body" located within the PRC, such an enterprise may be recognized as a PRC tax resident enterprise and subject to CIT at the rate of 25%. According to the PRC CIT Law, dividends received by a qualified PRC tax resident from another qualified PRC tax resident are exempted from CIT. However, the PRC foreign exchange control authorities, which enforce the withholding tax, have not yet issued guidance with respect to the processing of outbound remittances to entities that are treated as resident enterprises for PRC CIT purposes. Therefore, it is possible that future guidance issued with respect to the new "resident enterprise" classification could result in a situation in which a withholding tax of 20% for non-PRC enterprise shareholders or a potential withholding tax of 20% for non-PRC individual shareholders is imposed on dividends that a foreign enterprise pay to them.

Business Tax

Pursuant to the Provisional Regulations of the People's Republic of China on Business Tax (《中華人民共和國營業税暫行條例》) enacted by the State Council on November 10, 2008 and effective as of January 1, 2009 and its Detailed Implementation Rules on the Provisional Regulations of the People's Republic of China on Business Tax (《中華人民共和國營業税暫行條例實施細則》) issued by the Ministry of Finance and State Administration of Tax on December 15, 2008 and effective as of January 1, 2009 the tax rate on transfers of immovable properties, their superstructures and attachments is 5%.

On May 30, 2006, the State Administration of Taxation promulgated the Notice Regarding Issues Relating to Strengthening the Administration of Levy and Collection of Business Tax on Residential Properties (關於加強住房營業税徵收管理有關問題的通知). This notice requires that, among other things, starting from June 1, 2006, for residential properties sold within five years since the original purchase, a business tax is levied on the total selling price; for ordinary residential properties sold more than five years (inclusive) after the original purchase, the business tax is exempted. For non-ordinary residential properties sold more than five years (inclusive) after the original purchase, the business tax is levied on the difference between the selling price and the original purchase price.

On January 27, 2011, the Ministry of Finance and the State Administration of Taxation issued the Notice on Adjusting the Business Tax Policy on Transfers of Residential Properties by Individuals (關於調整個人住房轉讓營業税政策的通知) to discourage speculative activities in the secondary property market and control soaring housing prices. For example, effective from January 28, 2011:

- transfers of residential properties by individuals who have held them for less than five years are subject to a business tax calculated on a gross basis;

- transfers of non-ordinary residential properties by individuals who have held them for five years or more are subject to a business tax calculated on a net basis; and

- transfers of ordinary residential properties by individuals who have held them for five years or more are exempted from the business tax.

Land Appreciation Tax

Under the Provisional Regulations of the PRC on Land Appreciation Tax (《中華人民共和國土地增值税暫行條例》) promulgated by the State Council on December 13, 1993 and its implementation rules, land appreciation tax or LAT, applies to both domestic and foreign investors, irrespective of whether they are corporate entities or individuals. LAT is payable on the appreciation in value representing the balance of the proceeds received on sales, after deducting various prescribed items. LAT is charged at progressive rates ranging from 30% to 60%. An exemption from payment of LAT may be available if the taxpayer constructs ordinary residential apartments and the appreciation amount does not exceed 20% of the sum of

deductions allowed under PRC laws. If, however, the appreciation amount exceeds 20% of the sum of allowable deductions, such an exemption is not available and the taxpayer will be liable to LAT on the full appreciation amount, after taking account of the allowable deductions. The allowable deductions include the following items:

- Payment made to acquire land use rights;
- Costs and expenses related to land development and the construction of the properties;
- Construction costs and charges in the case of newly constructed buildings and facilities or assessed value in the case of old buildings and structures;
- Taxes in connection with the transfer of real estate; and
- Other items stipulated by the Ministry of Finance.

LAT is charged at progressive rates ranging from 30% to 60% of the appreciation value (i.e., the balance as described above).

Appreciation value	LAT rates (%)
For the portion	
Not exceeding 50% of allowable deductions	30
Over 50% but not more than 100% of allowable deductions	40
Over 100% but not more than 200% of allowable deductions	50
Over 200% of allowable deductions	60

Urban Land-use Tax

Pursuant to the Provisional Regulations of the People's Republic of China Governing Land-Use Tax in Cities and Towns (《中華人民共和國城鎮土地使用税暫行條例》) enacted by the State Council on September 27, 1988, effective as of November 1, 1988 and revised on December 31, 2006, land-use taxes in respect of urban land is to be levied according to the area of relevant land. According to the Approval on Land-Use Tax Exemption of Foreign Investment Enterprises (關於外商投資企業免徵土地使用税問題的批復) issued by the State Administration of Taxation on March 27, 1997, land-use fees instead of land-use taxes were to be collected from foreign-invested enterprises. However, the Provisional Regulations of the People's Republic of China Governing Land-Use Tax in Cities and Towns was revised by the State Council on December 31, 2006. As of January 1, 2007, land-use taxes are to be collected from foreign-invested enterprise. The annual tax is between RMB0.6 and RMB30.0 per square meter of urban land. On June 1, 2007, the State Administration of Taxation promulgated the Approval on Levy of Urban Land-Use Tax of Foreign Investment Enterprises and Foreign Enterprise (關於外商投資企業和外國企業徵收城鎮土地使用税問題的批復) and restated the above points.

Real Estate Tax

Pursuant to State Council Order 546 (中華人民共和國國務院令第546號) on December 31, 2008, starting from January 1, 2009, all enterprises, organizations and individuals that own or use real estate in China shall subject to real estate tax by using the calculation method as mentioned in the PRC Provisional Rules on Real Estate Tax (《中華人民共和國房產稅暫行條例》) promulgated by the State Council on September 15, 1986 according to which, real estate tax is calculated on the remaining original book value depending on where the real estate is located, at a rate of 1.2%, or on the rental income derived by the real estate at a rate of 12%.

FOREIGN CURRENCY EXCHANGE

On December 28, 1993, the PBOC, under the authority of the State Council, promulgated the Notice of the People's Bank of China Concerning Further Reform of the Foreign Currency Control System (中國人民銀行關於進一步改革外匯管理體制的公告), effective on January 1, 1994. The notice announced the abolition of the foreign exchange quota system, the implementation of conditional convertibility of Renminbi in current account items, the establishment of the settlement and payment system of foreign exchange by banks, and the unification of the official Renminbi exchange rate and the market rate for Renminbi established at swap centers. On June 20, 1996, the PBOC promulgated the Regulations for the Administration of the Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), which set out detailed provisions regulating the trading of foreign exchange by enterprises, economic organizations and social organizations in the PRC.

The principal regulation governing foreign currency exchange in the PRC is the Regulations for the Control of Foreign Exchange or the Foreign Exchange Regulations (《中華人民共和國外匯管理條例》), promulgated by the State Council in January 1996, as amended in January 1997 and August 2008. Under these regulations, Renminbi are freely convertible for payments of current account items, such as trade and service-related foreign exchange transactions and dividend payments, but are not freely convertible for capital expenditure such as direct investment, loans or investments in securities outside the PRC unless the approval of SAFE is obtained in advance.

Under the Foreign Exchange Regulations, foreign-invested enterprises in the PRC may purchase foreign currency for trade and service-related foreign exchange transactions without the approval of the State Administration of Foreign Exchange by providing commercial documents evidencing these transactions. They may also remit foreign currency to satisfy foreign exchange liabilities or to pay dividends. However, the relevant PRC government authorities, which have significant administrative discretion in implementing the laws, may restrict or eliminate the ability of foreign-invested enterprises to purchase and remit foreign currencies in the future. In addition, foreign exchange transactions involving direct investment, loans and investments in securities outside the PRC are subject to limitations and require approvals from SAFE.

Pursuant to the SAFE's Notice on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Inbound Investment via Overseas Special Purpose Vehicles (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知), or SAFE Circular No. 75, issued on October 21, 2005, (i) a PRC resident is required to register with the local branch of SAFE before he or she establishes or controls an overseas special purpose vehicle, or overseas SPV, for the purpose of overseas equity financing (including convertible debt financing); (ii) when a PRC resident transfers assets of or equity interests in a domestic enterprise into an overseas SPV, or engages in overseas financing after contributing assets or equity interests into an overseas SPV, such a PRC resident shall register his or her interest in the overseas SPV and the change thereof with the local branch of SAFE; and (iii) when the overseas SPV undergoes a material capital change event outside of China, such as a change in share capital or merger and acquisition, the PRC resident shall, within 30 days from the occurrence of such event, register such change with the local branch of SAFE. In May 2007 and May 2009, SAFE issued guidance to its local branches with respect to the procedures for SAFE registration, which strengthens the supervision on registration pursuant to SAFE Circular No. 75 and imposes obligations on onshore subsidiaries of the overseas SPVs to coordinate with and supervise the relevant PRC residents to complete the registration.

Under SAFE Circular No. 75, failure to comply with the registration procedures set forth above may result in restrictions on a PRC subsidiary's foreign exchange activities and impact its ability to distribute dividends to the overseas SPV. The failure may also result in such penalties as being ordered to remit the foreign exchange illegally paid out of China back into China, as well as the imposition of fines up to more than 30% but not more than such amount of foreign exchange illegally paid out.

On July 11, 2006, the Ministry of Construction, MOFCOM, the NDRC, the PBOC, SAIC and SAFE jointly issued the Opinions on Regulating the Entry and Administration of Foreign Investment into the Real Estate Market (關於規範房地產市場外資准入和管理的意見) (the "**171 document**"). The 171 document provides that: (i) foreign organizations and individuals who have established FIEs are allowed to invest and purchase non-self-resided real estate in China; branches or representative offices of foreign organizations established in China and foreign individuals who work or study in China for over a year are eligible to purchase commodity properties which match their real needs for self-utilization or self-residence under their real names; (ii) the registered capital of foreign-invested real estate corporations with total investments of more than US$10 million shall be no less than 50% of its total investment; (iii) foreign-invested real estate corporates can apply for the formal FIE approval certificate and business license only after they have paid back all the land premium and obtained the State-owned land use rights certificate; (iv) foreign investors shall pay off all the transfer price in a lump sum with their own funds if they acquire Chinese domestic real estate corporations; (v) no offshore or Chinese domestic loan is allowed and the foreign exchange administration shall not approve the conversion of foreign loans into RMB if the foreign-invested real estate corporations have not paid their registered capital in full, or have not obtained the State-owned land use rights certificate, or their internal fund for a development project is less than 35% of the total investment; and (vi) by no means can Chinese or foreign investors make any commitment in any documents to guarantee a fixed return or fixed revenue in disguised form for any party in the contract.

In accordance with the 171 document, MOFCOM and SAFE jointly issued a Notice on Further Strengthening and Regulating the Approval and Administration regarding Foreign Direct Investment in the Real Estate Industry (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) ("**No. 50 Notice**") on May 23, 2007. Under the Notice, local commercial authorities should reinforce the approval and supervision process over foreign invested real estate enterprises, and strictly control foreign fund from investing in high-end real estate development projects. For foreign-invested company intending to engage in the property development business, the land use rights should be obtained, or at least has entered into pre-contract purchase agreement with the relevant land administrative authorities, land developers, or the owners of the house or other constructions, otherwise the proposed foreign-invested real estate company will not be approved by the authorities. For existing foreign-invested company who intends to expand its operations in its business operation or company who intends to engage in the operation or development of the new real estate project, they should undertake relevant procedures with the approval authority.

No. 50 Notice strictly controls the acquisition or merger of domestic real estate enterprises by means of return investment (includes the same effective controller). It also prohibits Chinese or foreign investors in real estate joint ventures to reach any terms that aim to achieve a fixed return for either party. Once the local authority has approved the establishment of a foreign-invested real estate enterprise, it should immediately file such approval with MOFCOM.

The local SAFE administrative authority and designated foreign exchange bank will not conduct foreign exchange purchase and settlement process for foreign-invested real estate company who fails to satisfy MOFCOM filing requirements or to pass the joint annual examination of foreign-invested enterprises.

On July 10, 2007, the General Department of SAFE issued the Notice on Issuing the List of the First Batch of Foreign-invested Real Estate Projects Having Passed the Procedures for Filing with the Ministry of Commerce (國家外匯管理局綜合司關於下發第一批通過商務部備案的外商投資房地產項目名單的通知) (the "**No. 130 Rule**"). The No. 130 Rule included the list of the first batch of foreign-funded real estate projects that passed MOFCOM's filing procedures.

According to No. 130 Notice, registration regarding the establishment of foreign-invested real estate enterprises shall be made with MOFCOM. However, such real estate enterprises with foreign investment as filed with MOFCOM will not be permitted to borrow money from overseas, including through shareholder loans and foreign commercial loans. Further, for those which fail to file with MOFCOM after June 1, 2007, neither foreign exchange registration, foreign exchange alteration registration nor sale and purchase of foreign exchange under capital account will be effected with SAFE or its branches.

On August 29, 2008, SAFE issued the "Notice of the General Department of SAFE on Improving on Relevant Business Operations Issues Concerning the Administration of the Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises" (國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知) ("**Notice 142**") which regulates the conversion by a foreign-invested enterprise of foreign currency into Renminbi by restricting how the converted Renminbi may be used. Notice 142 requires that the Renminbi funds converted from the foreign currency capital of a foreign-invested enterprise may only be used for purposes within the business scope of the relevant foreign invested companies approved by the applicable governmental authority and cannot be used for equity investments or acquisitions within the PRC unless specifically provided for otherwise. In addition, SAFE strengthened its supervision over the flow and use of Renminbi funds converted from the foreign currency capital of a foreign-invested enterprise. An offshore holding company that uses foreign exchange to invest in real estate businesses in the PRC is typically required to conduct the real estate operations through PRC subsidiaries that were established as foreign-invested real estate companies and invest in such foreign-invested PRC subsidiaries through equity contribution. In addition, it is required to complete the requisite filing procedures with MOFCOM before it can remit any funds from offshore. The use of such Renminbi capital may not be changed without SAFE's approval, and may not, in any case, be used to repay or prepay Renminbi loans if such loans have not been used. Violations of Notice 142 will result in severe penalties, such as heavy fines set out in the relevant foreign exchange control regulations.

OUR HISTORY AND DEVELOPMENT

Origins and History

Our Group was founded in 1999 when Mr. Shum, our founding shareholder and one of our executive Directors, together with Mr. Guan, one of our executive Directors, jointly established a project company, namely Sweetland Real Estate to engage in the residential property development project, Sweetland (翠逸家園) in Guangzhou City. In October 1999, Mr. Shum established Times Development Group, as an investment holding company. From 2001 to 2003, Times Development Group together with Sweetland Real Estate, through a project company engaged in the development of another residential property development project, Times Laguna Garden (時代花園), in Guangzhou City.

In March 2000, Mr. Shum together with Ms. Li established Hong Kong Times Investments. In May 2001, Hong Kong Times Investment, together with Guangzhou Bairun Real Estate Co., Ltd. (廣州百潤置業有限公司), an Independent Third Party, established Times Group, a Sino-foreign co-operative joint venture. On July 30, 2007, Times Group was converted into a wholly foreign owned enterprise upon the exit of Guangzhou Bairun Real Estate Co., Ltd.

In 2007, we commenced a series of reorganization steps to consolidate our property development business.

With the development and expansion of our businesses, Mr. Shum set up or acquired a series of operating subsidiaries and project companies in the PRC through Times Development Group and Times Group and contributed the necessary financial resources to such subsidiaries to facilitate their real estate-related operations. The businesses of those operating subsidiaries and project companies include property development, property leasing and property management. As of September 30, 2013, we had a total of 28 residential property projects at various stages of development. See the section entitled "Business — Description of Our Projects" in this prospectus for more details of these projects and land interests.

The following is a summary of our Group's key business development milestones:

1999	• Sweetland Real Estate was established and engaged in the residential property development project, Sweetland (翠逸家園) in Guangzhou City. • Times Development Group (formally known as Guangzhou Times Investment Development Co., Ltd.) was established.
2000	• Hong Kong Times Investments was incorporated.
2001	• Times Group (formerly known as Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) was established.
2004	• We began to form our competitive strength and define ourselves as a "Life Stylist" (生活藝術家).
2006	• We started to enter into the residential property development market in Foshan City through the establishment of Guangdong Shengyu and the development of Times King City (Foshan). • We were awarded "China Real Estate Enterprise Top 200 (Among Top 100)" (中國房地產企業200強(前100強)) by Institute for Urban and Environment Studies Chinese Academy of Social Sciences (中國社會科學院城市發展與環境研究中心), Chinese Real Estate Enterprises Federation (中華全國房地產企業聯合會) and China Real Estate Entrepreneurs Association (中房企業家協會).
2007	• We started to enter into the residential property development market in Zhongshan City through the acquisition of Zhongshan Kaixuan and the development of Times Mont Blanc (Zhongshan). • We started to enter into the residential property development market in Zhuhai City through the acquisition of Zhuhai Zhongzhu and the development of Times Laguna (Zhuhai). • We started to enter into the residential property development market in Qingyuan City through the development of Fogang Shilian Project. • Our Company was incorporated in the Cayman Islands.
2009	• We were awarded "China Real Estate Enterprise Top 200 Golden Globe Award (Rank No. 25)" (中國房地產企業200強金球獎(第25名)) by Institute for Urban and Environmental Studies Chinese Academy of Social Sciences (中國社會科學院城市發展與環境研究中心), Chinese Real Estate Enterprises Federation (中華全國房地產企業聯合會) and China Real Estate Entrepreneurs Association (中房企業家協會).
2011	• We started to enter into the residential property development market in Changsha City through the acquisition of Foshan Jiefengli and Shenzhen Jinhaidi and we indirectly held 50% equity interest in Changsha Meiguiyuan. • Times King City (Changsha) was developed by Changsha Meiguiyuan.

2012
- We were awarded Guangdong Province Trustworthy Enterprise for ten consecutive years (2002-2011) (連續十年(2002-2011) 廣東省守合同重信用企業) by GAIC.
- We were awarded Qualification Certificate for Property Management Enterprise in the PRC (First Class) (國家一級物業服務企業資質証書) by the Ministry of Housing and Urban-Rural Development of the PRC.

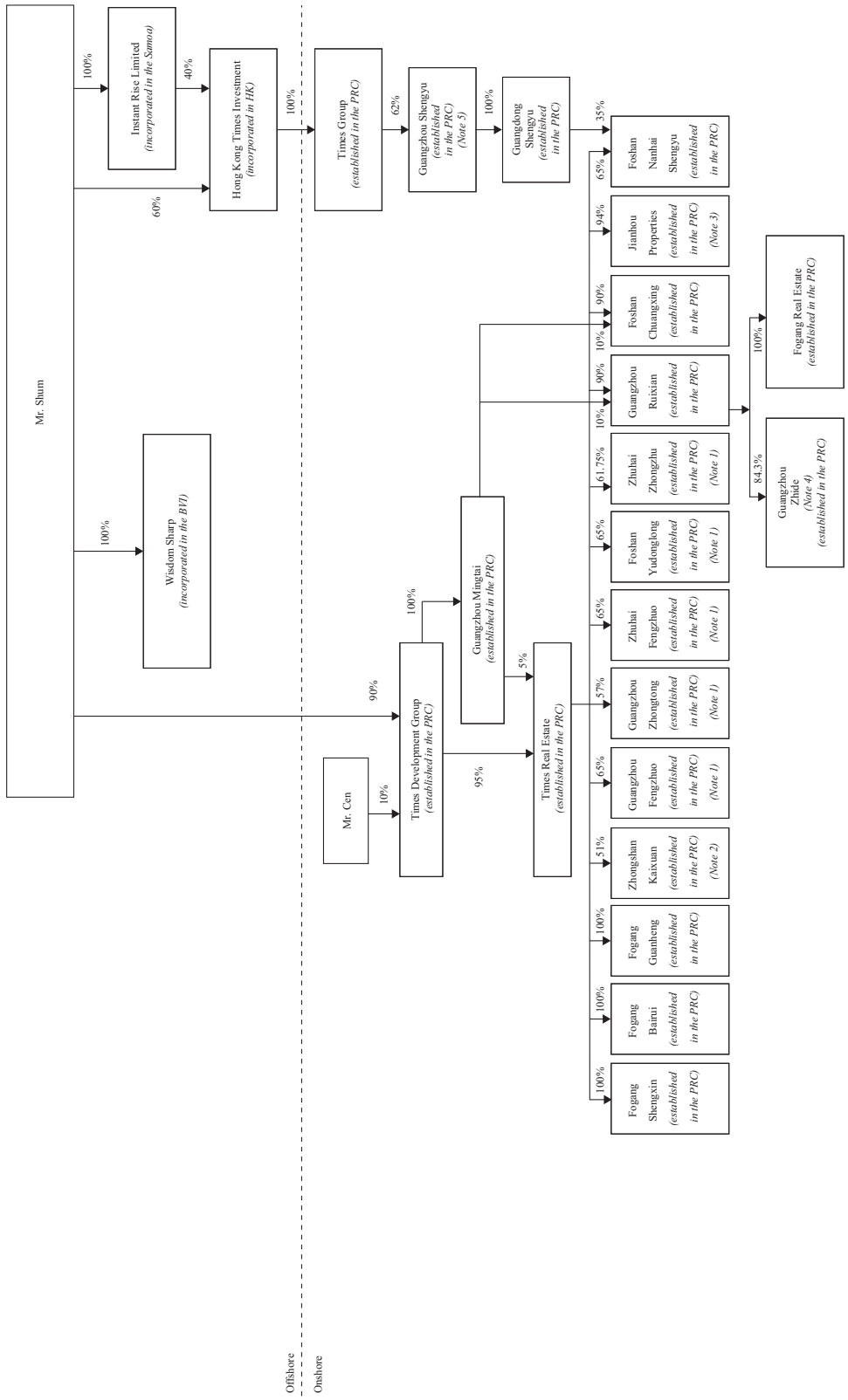
2013
- We were awarded "2013 China's Top 50 Real Estate Developers" (Rank No.35) (2013 中國房地產開發企業50強(第35名)) by China Real Estate Research Institute (中國房地產研究會), China Real Estate Association (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心).
- We were awarded "2013 China Real Estate Development Enterprise Comprehensive Development Top 10 (2013 中國房地產開發企業綜合發展10強) by China Real Estate Research Institute (中國房地產研究會), China Real Estate Association (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心).

Core Management Team

We have adopted a centralized management model, under which all our PRC operating subsidiaries and project companies are under the control and supervision of our core management team headed by Mr. Shum and consists of Mr. Guan, Mr. Bai Xihong, Mr. Li Qiang, Mr. Cen, Mr. Niu Jimin, Mr. Liu Yongshao and Mr. Tao Chengjiang (the "**Core Management Team**"). All the members of the Core Management Team have been with us throughout the Track Record Period (except for Mr. Niu Jimin, who joined us in March 2011). All important business decisions of our PRC operating subsidiaries and project companies, including but not limited to, business operations, land acquisition and project development, planning and sale, were made by the Core Management Team, which was responsible for our results during the Track Record Period. It is expected that the Core Management Team will continue to be involved in the management of our Group after the Global Offering.

OUR REORGANIZATION

Immediately prior to the Reorganization, our corporate structure was as follows:



Notes:

(1) Zhuhai Baifuchen held 35%, 43%, 30%, 30% and 28.5% of the equity interest in each of Guangzhou Fengzhuo, Guangzhou Zhongtong, Zhuhai Fengzhuo, Foshan Yudonglong and Zhuhai Zhongzhu, respectively. Guangzhou Bolang, an Independent Third Party, held 5%, 5% and 4.75% of the equity interest in each of Zhuhai Fengzhuo, Foshan Yudonglong and Zhuhai Zhongzhu, respectively. Zhongzhu Holdings, an Independent Third Party, has 5% interest in Zhuhai Zhongzhu.

(2) The remaining 49% equity interest in Zhongshan Kaixuan was owned by Mr. Yu Shunhui (余順輝), Mr. Yang Zhijun (楊志君) and Mr. Yang Lijun (楊立君) in the proportion of 17%, 16% and 16%, respectively. All of them are Independent Third Parties save for the equity interest aforesaid.

(3) Jianhou Properties was owned as to 5% by Guangzhou Hourun and 1% by Ms. Lou Ruyu (樓汝于). Both of them are Independent Third Parties.

(4) Guangzhou Zhide was owned as to 15.7% by Mr. Yao Xusheng (姚旭升), an Independent Third Party save for the equity interest aforesaid.

(5) Guangzhou Shengyu was owned as to 30% by Zhuhai Baifuchen and 8% by Guangzhou Bolang. Both of them were Independent Third Parties at the relevant time save for the equity interest aforesaid.

Specifically, the Reorganization consisted of the following steps:

Establishment of Our Company to acquire and hold interest in our Group

On November 14, 2007, our Company was incorporated in the Cayman Islands to act as the holding company of all the businesses and operations of our Group. The initial authorized share capital of our Company was HK$380,000 divided into 3,800,000 Shares of HK$0.10 each. Upon incorporation, its share capital was held as to 100 Shares by Mr. Shum nil-paid.

On December 6, 2007, Mr. Shum transferred 81 nil-paid Shares he owned in the issued share capital of our Company to Renowned Brand, a BVI company wholly owned by Mr. Shum; and 19 nil-paid Shares he owned in the issued share capital of our Company to East Profit, a BVI company wholly owned by Ms. Li. After completion of the transfer, our Company was owned as to 81% by Renowned Brand and 19% by East Profit.

On December 6, 2007, our Company acquired three shares in the share capital of Wisdom Sharp from Mr. Shum. The consideration of which was satisfied by crediting as fully settled the 81 nil-paid Shares held by Renowned Brand and the 19 nil-paid Shares held by East Profit and the issue of 81 Shares to Renowned Brand and 19 Shares to East Profit as directed by Mr. Shum.

On October 18, 2013, Renowned Brand transferred 42 shares it owned in the issued share capital of Asiaciti Enterprises to East Profit. After completion of the transfer, Asiaciti Enterprises was owned as to 60% by Renowned Brand and 40% by East Profit.

Establishment of Our Holding Company

On November 8, 2007, Asiaciti Enterprises was set up and its entire issued share capital was held as to 81 shares by Renowned Brand and 19 shares by East Profit. On December 21, 2007, Asiaciti Enterprises acquired 162 Shares held by Renowned Brand and 38 Shares held by East Profit in the issued share capital of our Company, the consideration of which was satisfied by Asiaciti Enterprises allotting and issuing 81 shares to Renowned Brand and 19 shares to East Profit. No shareholders' agreement has been entered into between Renowned Brand and East Profit in respect of their ownership in Asiaciti Enterprises.

Incorporation of BVI Intermediate Holding Companies

On March 22, 2006, Wisdom Sharp was incorporated and the authorized share capital of Wisdom Sharp was US$50,000 divided into 50,000 shares with a par value of US$1.00 each. Upon incorporation, its entire issued share capital was held by Mr. Shum.

On May 25, 2007, Million Sensor was incorporated and the authorized share capital of Million Sensor was US$50,000 divided into 50,000 shares with a par value of US$1.00 each. Upon incorporation, its entire issued share capital was held by Wisdom Sharp.

On June 14, 2007, Heaven Town was incorporated and the authorized share capital of Heaven Town was US$50,000 divided into 50,000 shares with a par value of US$1.00 each. Upon incorporation, its entire issued share capital was held by Wisdom Sharp.

On September 13, 2007, Grand Highway was incorporated and the authorized share capital of Grand Highway was US$50,000 divided into 50,000 shares with a par value of US$1.00 each. Upon incorporation, its entire issued share capital was held by Wisdom Sharp.

On September 21, 2007, Venus Tower was incorporated and the authorized share capital of Venus Tower was US$50,000 divided into 50,000 shares with a par value of US$1.00 each. Upon incorporation, its entire issued share capital was held by Wisdom Sharp.

Offshore Acquisition and Disposal

(a) Hong Kong Times Investments

On November 7, 2007, Grand Highway acquired 60% and 40% of the issued share capital in Hong Kong Times Investments from Mr. Shum and Instant Rise Limited, a company wholly owned by Mr. Shum, at HK$111,600,000 and HK$74,400,000, respectively. The consideration for the acquisition was determined after an arm's length negotiation with reference to the value of Hong Kong Times Investment as appraised by the parties, which was settled on December 6, 2007. After the transfer, 100% of the issued share capital in Hong Kong Times Investments is held by Grand Highway.

(b) Times Development (HK)

By an instrument of transfer and bought and sold notes (and subsequently amended) all dated November 7, 2007, Heaven Town acquired 50% of the issued share capital in Times Development (HK) from Mr. Shum at HK$8,660,000. The consideration for the acquisition was determined after an arm's length negotiation with reference to the value of Times Development (HK) as appraised by the parties, which was fully settled. After the transfer, 50% of the issued share capital in Times Development (HK) is registered in the name of Heaven Town and 50% of the issued share capital is registered in the name of Mr. Huang Zhi Min (黃志敏), an Independent Third Party.

(c) Wah Tai

On November 7, 2007, Million Sensor acquired 51% and 49% of the issued share capital in Wah Tai from Independent Third Parties, Mr. Huang Zhi Xin (黃志新) and Mr. Guan Anzhi (關安芝), respectively, for consideration of HK$45,900 and HK$44,100, respectively, which was determined after an arm's length negotiation with reference to the value of Wah Tai as appraised by the parties, which was fully settled. After the transfer, 100% of issued share capital in Wah Tai was held by Million Sensor.

(d) Steelmine Minerals

On February 6, 2008, Venus Tower acquired 55%, 30% and 15% of the issued share capital and related shareholder's loan in the sum of HK$25,658,928 in Steelmine Minerals from Independent Third Parties, Mr. Feng Zhi Hong (馮志洪), Mr. Liu Chun Bo (劉純波) and Mr. Fung Chun Kit, Edmond (馮俊傑), respectively, for an aggregate amount of approximately RMB479,061,098, which was determined after an arm's length negotiation with reference to the value of Steelmine Minerals as appraised by the parties, which was fully settled. After the transfer, 100% of issued share capital in Steelmine Minerals was held by Venus Tower.

(e) Heaven Town

At the time of acquisition of 50% of the issued share capital in Times Development (HK) from Mr. Shum as referred to in (b) above, our intention was to acquire the remaining 50% of the issued share capital in Times Development (HK) from Mr. Huang Zhi Min (黃志敏). However, Mr. Huang Zhi Min later intended to retain his 50% of the issued share capital in Times Development (HK). Accordingly, on February 13, 2008, Wisdom Sharp disposed of its 100% of the issued share capital in Heaven Town (which held 50% of the issued share capital in Times Development (HK)) to Mr. Zeng Man Cheng (曾滿呈), an Independent Third Party, for consideration of HK$9,446,000, which was determined after an arm's length negotiation with reference to the value of Heaven Town as appraised by the parties, which was fully settled. Upon completion of the disposal, both Heaven Town and Times Development (HK) ceased to be subsidiaries of our Company.

(f) Profit City

On January 9, 2009, Hong Kong Times Investments acquired approximately 99.9999% and 0.0001% of the issued share capital in Profit City from Jianlibao Holdings (H.K.) Company Limited and Fai Yin Investment Company Limited (both of them are Independent Third Parties), respectively, for an aggregate amount of RMB10,000,000, which was determined after an arm's length negotiation and with reference to the value of the assets held by Profit City and was fully settled. After the transfer, 100% of the issued share capital in Profit City was held by Hong Kong Times Investments.

Onshore Acquisition and Disposal

As part of the Reorganization, our Group has carried out numerous acquisitions and disposals, details of which are summarized below. Save as specifically disclosed in the prospectus, (i) the purpose of the acquisitions from and disposals to Independent Third Parties is to foster business development of the Group and to complement our existing business and (ii) the purposes of the acquisitions from and disposals to members of the Group are to streamline corporate structure of the Group and to rationalize the management of the Group.

(a) Acquisition by Times Real Estate and Guangzhou Shengyu of the remaining interests in operating subsidiaries and project companies

Prior to the acquisition, Times Real Estate held either the entire interests or the majority interests of various operating subsidiaries and project companies, with the minority interests of which were held by Independent Third Parties at the relevant time, namely Zhuhai Baifuchen, Guangzhou Bolang, Mr. Yu Shun Hui (余順輝), Mr. Yang Zhijun (楊志君), Mr. Yang Lijun (楊立君), Guangzhou Hourun, Ms. Lou Ruyu (樓汝于), Mr. Yao Xusheng (姚旭升) and Zhongzhu Holdings or by Guangzhou Mingtai, a wholly owned subsidiary of Times Development Group.

On October 10, 2007, Times Real Estate acquired the entire interest in Fogang Real Estate from its subsidiary, Guangzhou Ruixian, for consideration of RMB3,000,000 which was determined based on the then registered capital of Fogang Real Estate and has been fully settled. On October 16, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired 10% equity interest in Guangzhou Ruixian from Guangzhou Mingtai for consideration of RMB350,000 which was determined based on the then registered capital of Guangzhou Ruixian and was fully settled. On October 25, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired 10% equity interest in Foshan Chuangxing from Guangzhou Mingtai for consideration of RMB1,000,000, which was determined based on the then registered capital of Foshan Chuangxing and was fully settled. After the acquisitions, all of Fogang Real Estate, Guangzhou Ruixian and Foshan Chuangxing became wholly owned subsidiaries of Times Real Estate. As Foshan Chuangxing did not commence business, Foshan Chuangxing was deregistered on December 11, 2009.

On November 10, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired 28.5% and 4.75% equity interest in Zhuhai Zhongzhu from Zhuhai Baifuchen and Guangzhou Bolang for consideration of RMB2,850,000 and RMB475,000,

respectively, which was determined by reference to the then registered capital of Zhuhai Zhongzhu and was fully settled. On March 28, 2008, a sale and purchase agreement was entered into whereby Times Real Estate acquired 5% equity interest in Zhuhai Zhongzhu from Zhongzhu Holdings for consideration of RMB500,000, which was determined by reference to the then registered capital of Zhuhai Zhongzhu and was fully settled. Upon the completion of the acquisition, Zhuhai Zhongzhu becomes a wholly owned subsidiary of our Company.

On November 10, 2007, sale and purchase agreements were entered into whereby Times Real Estate acquired from Zhuhai Baifuchen the minority equity interests in each of Guangzhou Fengzhuo (35%), Guangzhou Zhongtong (43%) and Foshan Yudonglong (30%) for consideration of RMB10,500,000, RMB12,900,000 and RMB600,000, respectively, which was determined by reference to each of the relevant company's then registered capital and was fully settled. On the same date, a sale and purchase agreement was entered into whereby Times Real Estate acquired 5% equity interest in Foshan Yudonglong from Guangzhou Bolang for consideration of RMB100,000 which was determined based on the nominal value of the then registered capital of Foshan Yudonglong and was fully settled. Upon the completion of the acquisitions, all such companies became wholly owned subsidiaries of Times Real Estate. As the projects developed by Guangzhou Zhongtong and Guangzhou Fengzhuo were completed, Guangzhou Zhongtong and Guangzhou Fengzhuo were deregistered on June 7, 2013 and November 9, 2010, respectively.

On October 12, 2007, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired from Zhuhai Baifuchen (30%) and Guangzhou Bolang (5%) the minority equity interests in Zhuhai Fengzhuo for consideration of RMB3,000,000 and RMB500,000, respectively, which was determined by reference to the then registered capital of Zhuhai Fengzhuo and was fully settled. Upon the completion of the acquisition, Zhuhai Fengzhuo becomes a wholly owned subsidiary of our Company.

On November 27, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired from Mr. Yu Shunhui (余順輝), Mr. Yang Zhijun (楊志君) and Mr. Yang Lijun (楊立君) an aggregate of 49% of equity interest in Zhongshan Kaixuan for an aggregate consideration of RMB4,900,000, respectively, which was determined after an arm's length negotiation and with reference to the then registered capital in Zhongshan Kaixuan and was fully settled. Upon the completion of the above acquisition, Zhongshan Kaixuan becomes a wholly owned subsidiary of our Company.

Times Real Estate transferred the entire interest in Fogang Real Estate, Guangzhou Ruixian, Zhuhai Zhongzhu, Foshan Yudonglong and Zhongshan Kaixuan to Guangzhou Shengyu for consideration of RMB30,000,000, RMB3,500,000, RMB10,000,000, RMB20,000,000 and RMB10,000,000 on July 1, 2011, August 22, 2011, June 20, 2011, June 20, 2011 and July 8, 2011, respectively which was determined based on the then registered capital of Fogang Real Estate, Guangzhou Ruixian, Zhuhai Zhongzhu, Foshan Yudonglong and Zhongshan Kaixuan and each of the consideration was fully settled.

(b) Acquisition by Times Group of 38% equity interest in Guangzhou Shengyu and the subsequent disposal and acquisition by Times Real Estate of the entire equity interest in Guangzhou Shengyu

On November 10, 2007, a sale and purchase agreement was entered into whereby Times Group acquired 30% and 8% equity interests in Guangzhou Shengyu from Zhuhai Baifuchen and Guangzhou Bolang for consideration of RMB36,000,000 and RMB9,600,000, respectively, which was determined after an arm's length negotiation and with reference to the then registered capital in Guangzhou Shengyu and have been fully settled. On November 25, 2009, a sale and purchase agreement was entered into whereby Times Real Estate acquired 100% equity interest from Times Group in Guangzhou Shengyu for consideration of RMB120,000,000, which was determined based on the then registered capital of Guangzhou Shengyu and was fully settled. Upon the completion of the acquisition, Guangzhou Shengyu became a wholly owned subsidiary of Times Real Estate. On November 18, 2011, Times Real Estate transferred 100% equity interest in Guangzhou Shengyu to Guangzhou Bolang, an Independent Third Party except being a nominee shareholder of certain subsidiaries of our Company, as a nominee for the benefit of Times Real Estate. The entrustment arrangement aforesaid was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. As the 2011 arbitration was about to conclude and following the execution of the Payment Deed, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on January 20, 2012, and 100% equity interest in Guangzhou Shengyu was transferred back to Times Real Estate. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement aforesaid are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

(c) Acquisition by Times Group of the entire interest in Times Real Estate

On November 13, 2007, a sale and purchase agreement was entered into whereby Times Group acquired the entire interest in Times Real Estate from Times Development Group and Guangzhou Mingtai for consideration of RMB237,500,000 and RMB12,500,000, respectively, which was determined based on the then registered capital of Times Real Estate and was fully settled. Upon the completion of the acquisition, Times Real Estate became a wholly owned subsidiary of Times Group. On September 13, 2010, Times Group transferred 100% equity interest in Times Real Estate to Guangzhou Bolang, an Independent Third Party at the relevant time, as a nominee for the benefit of Times Group. On November 30, 2010, Guangzhou Bolang transferred 100% equity interest in Times Real Estate to Guangzhou Qinxi Investment Co., Ltd ("**Guangzhou Qinxi**"), an Independent Third Party at the relevant time, as a nominee for the benefit of Times Group.

The entrustment arrangements aforesaid were made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. As the 2011 arbitration was about to conclude, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on April 5, 2011, and 100% equity interest in Times Real Estate was transferred back to Times Group. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreements aforesaid are legal and valid under PRC Laws. Further details of the dispute and the subsequent resolution are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

(d) Acquisition by Guangdong Shengyu of 65% equity interest in Foshan Nanhai Shengyu

On November 14, 2007, a sale and purchase agreement was entered into whereby Guangdong Shengyu acquired 65% equity interest in Foshan Nanhai Shengyu from Times Real Estate for consideration of RMB650,000, which was determined based on the then registered capital of Foshan Nanhai Shengyu and was fully settled. Upon the completion of the acquisition, Foshan Nanhai Shengyu becomes a wholly owned subsidiary of Guangdong Shengyu.

(e) Acquisition by Guangzhou Shengyu of the entire interest in Guangzhou Minhua

On November 20, 2009, a sale and purchase agreement was entered into whereby Times Real Estate acquired 100% equity interest in Guangzhou Minhua from Wah Tai for consideration of RMB364,307,750, which was determined based on the then registered capital of Guangzhou Minhua and was fully settled. On February 2, 2010, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 10% equity interest in Guangzhou Minhua from Times Real Estate for consideration of RMB58,680,000, which was determined based on the then registered capital of Guangzhou Minhua and was fully settled. On June 29, 2011, the capital of Guangzhou Minhua was reduced from RMB586,800,000 to RMB364,307,750, after which Guangzhou Shengyu ceased to be a shareholder of Guangzhou Minhua, and Guangzhou Minhua was held as to 100% by Times Real Estate. On July 8, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Guangzhou Minhua from Times Real Estate for consideration of RMB364,307,750, which was determined based on the then registered capital of Guangzhou Minhua and was fully settled. Upon the completion of the acquisition, Guangzhou Minhua becomes a wholly owned subsidiary of Guangzhou Shengyu.

(f) Acquisition by Fogang Guanheng of 50% equity interest in Foshan Yuhua and the subsequent acquisition by Guangzhou Shengyu in Foshan Yuhua

Foshan Yuhua was held as to 50% by Steelmine Minerals and as to 50% by Foshan Guanglian Industrial Development Limited (佛山市南海廣聯實業發展有限公司) ("**Foshan Nanhai**"). For the purpose of developing property project in Foshan, on January 16, 2008, a sale and purchase agreement was entered into whereby Fogang Guanheng acquired 50% equity

interest and the related shareholder's loan in Foshan Yuhua from Foshan Nanhai, an Independent Third Party, for consideration of RMB233,938,902.48, which was determined after an arm's length negotiation with reference to the then value of Foshan Yuhua as appraised by the parties, and was fully settled.

On March 26, 2008, a sale and purchase agreement was entered into whereby Steelmine Minerals acquired 50% equity interest in Foshan Yuhua from Fogang Guanheng for consideration of RMB24,000,000, which was determined based on the then registered capital of Foshan Yuhua and was fully settled. On December 28, 2009, a sale and purchase agreement was entered into whereby Times Real Estate acquired 100% equity interest from Steelmine Minerals in Foshan Yuhua for consideration of RMB48,000,000, which was determined based on the then registered capital of Foshan Yuhua and was fully settled. On June 20, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Foshan Yuhua from Times Real Estate for consideration of RMB48,000,000, which was determined based on the then registered capital of Foshan Yuhua and was fully settled. Upon the completion of the acquisition, Foshan Yuhua becomes a wholly owned subsidiary of Guangzhou Shengyu.

(g) Acquisition by Fogang Yongsheng of the entire interest in Fogang Zhongyi

On February 1, 2008, for a property development project in Qingyuan City, a sale and purchase agreement was entered into whereby Fogang Yongsheng acquired the entire interest in Fogang Zhongyi from Dingtai (Fogang) Real Estate Development Company Limited (鼎太(佛岡)房地產開發有限公司), an Independent Third Party, for consideration of RMB82,225,000, which was determined based on the then registered capital of Fogang Zhongyi and was fully settled. Such that after the acquisition, Fogang Zhongyi becomes a wholly owned subsidiary of our Company.

(h) Acquisition by Times Real Estate of the entire interest in Times Property Management

On March 10, 2008, a sale and purchase agreement (as amended by a supplemental agreement dated March 12, 2008) was entered into whereby Times Real Estate acquired the entire interest in Times Property Management from Mr. Yao Xu Sheng (姚旭升), an Independent Third Party at the time of the transaction, and Mr. Guan Anzhi (關安芝), an Independent Third Party at the time of the transaction, respectively, for considerations of RMB24,400 and RMB6,100, respectively, which have been fully settled. The consideration involved was based on the then net asset value of Times Property Management. For the purpose of the Group's business development, on November 27, 2009, a sale and purchase agreement was entered into whereby Guangzhou Huaya acquired 100% equity interest in Times Property Management from Times Real Estate for consideration of RMB3,000,000, which was determined based on the then registered capital of Times Property Management and was fully settled. Upon the completion of the acquisition, Times Property Management becomes a wholly owned subsidiary of Guangzhou Huaya.

(i) Disposal of Guangzhou Zhide to an Independent Third Party and subsequent acquisition of Guangzhou Zhide by Guangzhou Yongtai

On October 10, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired the entire interest in Guangzhou Zhide from Guangzhou Ruixian and Mr. Yao Xusheng (姚旭升), an Independent Third Party at the time of the transaction, for consideration of RMB2,950,000 and RMB550,000, respectively. On December 20, 2007, a sale and purchase agreement was entered into whereby Times Real Estate transferred the entire interest in Guangzhou Zhide to Guangzhou Beike Trading Limited (廣州市貝科貿易有限公司) ("**Guangzhou Beike**"), an Independent Third Party, for consideration of RMB3,500,000, which we received on January 5, 2008. Upon completion of the disposal, Guangzhou Zhide ceased to be a subsidiary of our Company.

Prior to the disposal of Guangzhou Zhide, Guangzhou Zhide was engaged in the business of property management and leasing. It did not provide any property management services to the residential property projects developed by us. As property management and leasing were not our core business, we disposed of Guangzhou Zhide in January 2008.

On January 28, 2010, a sale and purchase agreement was entered into whereby Ms. Guan Wanji (關婉姬), Mr. Cen Jiancai (岑建財) and Mr. Cen acquired 35%, 35% and 30% equity interest in Guangzhou Zhide from Guangzhou Beike for consideration of RMB10,500,000, RMB10,500,000 and RMB9,000,000, respectively, which was fully settled. In order to facilitate the business expansion of Guangzhou Zhide, certain subsidiaries of our Company agreed to act as guarantors of certain loan agreements entered into by Guangzhou Zhide. In light of the proposed Listing and in order to minimize the number of continuing connected transactions between Guangzhou Zhide and our Group, on December 17, 2012, three sale and purchase agreements were entered into whereby Guangzhou Yongtai acquired 35%, 35% and 30% equity interest in Guangzhou Zhide from Ms. Guan Wanji, Mr. Cen Jiancai and Mr. Cen for consideration of RMB3,500,000, RMB3,500,000 and RMB3,000,000, respectively, which was determined after an arm's length negotiation and by reference to a valuation report and was fully settled. Upon completion of the acquisition, Guangzhou Zhide becomes a wholly owned subsidiary of our Company.

(j) Acquisition by Guangzhou Shengyu and Times Real Estate of the entire interest in Shenzhen Jinhaidi and Foshan Jiefengli

On January 6, 2011, a sale and purchase agreement was entered into whereby Times Real Estate acquired 80% equity interest in Shenzhen Jinhaidi from Mr. Luo Weiwen (羅偉文) for consideration of RMB317,112,000 which was determined after an arm's length negotiation with reference to the value of Shenzhen Jinhaidi as appraised by the parties, and was fully settled. On the same date, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 20% equity interest in Shenzhen Jinhaidi from Mr. Luo Zhiwen (羅志文) for consideration of RMB79,278,000, which was determined after an arm's length negotiation with reference to the value of Shenzhen Jinhaidi appraised by the parties. Both Mr. Luo Weiwen and Mr. Luo Zhiwei are Independent Third Parties. Upon the completion of the acquisition, Shenzhen Jinhaidi is held as to 80% by Times Real Estate and 20% by Guangzhou Shengyu.

On December 28, 2010, three sale and purchase agreements were entered into whereby Times Real Estate acquired 40% equity interest in Foshan Jiefengli from Mr. Luo Weiwen (羅偉文), 25% from Mr. He Shaofan (何少凡) and 10% from Mr. Luo Zhiwen (羅志文) for consideration of RMB39,676,000, RMB24,797,500 and RMB9,919,000, respectively, which was determined after an arm's length negotiation with reference to the value of Foshan Jiefengli appraised by the parties, and was fully settled. On the same date, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 25% equity interest in Foshan Jiefengli from Mr. He Shaoping (何少平), for consideration of RMB24,797,500, which was determined after an arm's length negotiation with reference to the value of Foshan Jiefengli as appraised by the parties, and was fully settled. Upon the completion of the acquisition, Foshan Jiefengli is held as to 75% by Times Real Estate and 25% by Guangzhou Shengyu. All of the individuals aforesaid are Independent Third Parties.

Shenzhen Jinhaidi and Foshan Jiefengli hold 40% and 10%, respectively, of the equity interest in Changsha Meiguiyuan and the purpose of the above acquisitions is for property development in Changsha City.

(k) Acquisition by Guangzhou Shengyu of the entire interest in Zhongshan Wanlian

On June 4, 2010, for property development in Zhongshan City, a sale and purchase agreement was entered into whereby Times Real Estate acquired 100% equity interest in Zhongshan Wanlian from Mr. Yang Lijun (楊立君), an Independent Third Party, for consideration of RMB1,000,000, which was determined after an arm's length negotiation by reference to the then registered capital of Zhongshan Wanlian, and was fully settled. On July 8, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shenyu acquired 100% equity interest in Zhongshan Wanlian from Times Real Estate for consideration of RMB45,000,000, which was determined based on the then registered capital of Zhongshan Wanlian and was fully settled. Upon the completion of the acquisition, Zhongshan Wanlian becomes a wholly owned subsidiary of Guangzhou Shengyu.

(l) Acquisition by Guangzhou Shengyu of the entire interest in Guangzhou Donghe

On September 3, 2007, a sale and purchase agreement was entered into whereby Times Property Management acquired 36% equity interest in Guangzhou Donghe from Guangdong Jianlibao Group Co., Ltd. (廣東健力寶集團有限公司) for consideration of RMB25,523,581, which was determined after an arm's length negotiation, with reference to the value of Guangzhou Donghe as appraised by the parties, and was fully settled. On December 30, 2007, a sale and purchase agreement was entered into whereby Guangzhou Pairuan Technology Co., Ltd. (廣州市派軟科技有限公司) ("**Pairuan Technology**"), an Independent Third Party, acquired 36% equity interest in Guangzhou Donghe from Times Property Management for consideration of RMB25,523,581, which was determined after an arm's length negotiation with reference to the value of Guangzhou Donghe as appraised by the parties, and was fully settled. The disposal aforesaid was made at the time when the Company was applying for Listing and the Company was concerned with the possible implication of such acquisition to the then listing timetable of the Company. Since the proposed Listing was suspended in 2008, the

Company re-launched the acquisition of Guangzhou Donghe. On December 26, 2008, a sale and purchase agreement was entered into whereby Times Real Estate acquired 36% equity interest in Guangzhou Donghe from Pairuan Technology for consideration of RMB87,355,712, which was determined after an arm's length negotiation with reference to the value of Guangzhou Donghe appraised by the parties, was fully settled. On November 20, 2009, a sale and purchase agreement was entered into whereby Times Real Estate acquired 64% equity interest in Guangzhou Donghe from Profit City for consideration of HK$64,000,000, which was determined based on the then registered capital of Guangzhou Donghe and was fully settled, and upon completion of which Guangzhou Donghe became a wholly owned subsidiary of Times Real Estate. On June 21, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Guangzhou Donghe from Times Real Estate for consideration of RMB111,075,800, which was determined based on the then registered capital of Guangzhou Donghe and was fully settled. Upon the completion of the acquisition, Guangzhou Donghe becomes a wholly owned subsidiary of Guangzhou Shengyu.

(m) Acquisition by Guangzhou Shengyu of the entire interest in Guangzhou Fujie

On February 4, 2010, for property development in Guangzhou City, a sale and purchase agreement was entered into whereby Times Real Estate acquired 60% and 30% equity interest in Guangzhou Fujie from Foshan Sanshui Fugang Real Estate Development Co., Ltd. (佛山市三水富港房地產開發有限公司) and Mr. Chen Fudong (陳富東) for consideration of RMB6,000,000 and RMB3,000,000, respectively, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Fujie, and was fully settled. Both of Foshan Sanshui Fugang and Mr. Chen Fudong are Independent Third Parties. On May 7, 2010, a sale and purchase agreement was entered into whereby Times Real Estate acquired 10% equity interest in Guangzhou Fujie from Foshan Sanshui Fugang for consideration of RMB1,000,000, which was determined after an arm's length negotiation by reference to the then registered capital of Guangzhou Fujie, and was fully settled. On June 20, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Guangzhou Fujie from Times Real Estate for consideration of RMB10,000,000, which was determined based on the then registered capital of Guangzhou Fujie, and was fully settled. Upon the completion of the acquisition, Guangzhou Fujie becomes a wholly owned subsidiary of Guangzhou Shengyu.

(n) Acquisition by Guangzhou Shengyu of the entire equity interest in Zhuhai Jingrun

On November 5, 2010, a sale and purchase agreement was entered into whereby Guangzhou Bolang acquired 35%, 25%, 14%, 14%, 8%, 2%, 1% and 1% equity interest in Zhuhai Jingrun from Ms. Xie Aiqun (謝愛群), Ms. Han Wenjuan (韓文娟), Mr. Wu Tian (吳田), Mr. Chen Qiming (陳麒名), Mr. Li Zhonghong (李仲宏), Mr. Tan Guohui (譚國輝), Mr. Chen Jiesheng (陳傑勝) and Ms. Chen Xilan (陳喜蘭), all of whom are Independent Third Parties, for consideration of RMB14,099,638, RMB10,071,170, RMB5,639,855, RMB5,639,855, RMB3,222,774, RMB805,694, RMB402,847 and RMB402,847, respectively, which was determined after an arm's length negotiation with reference to the then registered capital of Zhuhai Jingrun paid up by the then shareholders of Zhuhai Jingrun, and was fully settled. On

November 19, 2010, an entrustment agreement was entered into whereby Guangzhou Bolang, an Independent Third Party except being a nominee shareholder of certain subsidiaries of our Company, confirmed that 100% equity interest in Zhuhai Jingrun was held by it as a nominee for the benefit of Times Real Estate. Such entrustment arrangement was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. As the 2011 arbitration was about to conclude and following the execution of the Payment Deed, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on March 4, 2013. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement aforesaid are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

On April 2, 2011, Guangzhou Bolang transferred 80% equity interest in Zhuhai Jingrun back to Times Real Estate. As a result of which, the entrustment arrangement with respect to 80% equity interest in Zhuhai Jingrun was terminated. On June 10, 2011, Guangzhou Shengyu acquired 80% equity interest in Zhuhai Jingrun from Times Real Estate for consideration of RMB35,040,000, which was determined based on the then registered capital of Zhuhai Jingrun and was fully settled. On March 4, 2013, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 20% equity interest in Zhuhai Jingrun from Guangzhou Bolang. As a result of which, the entrustment arrangement with respect to 20% equity interest in Zhuhai Jingrun was terminated. Upon the completion of the acquisition, 100% equity interest in Zhuhai Jingrun is held by Guangzhou Shengyu.

(o) Acquisition by Guangzhou Shengyu of 99% equity interest in Guangzhou Nanying and the subsequent entrusted loan arrangement

On August 15, 2009, a sale and purchase agreement was entered into whereby Guangzhou Hengde acquired 99% equity interest in Guangzhou Nanying from Jinteng Industrial Co., Ltd. (金騰實業有限公司) for consideration of RMB356,400,000, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Nanying and was fully settled. On April 11, 2011, an equity transfer agreement was entered into whereby Guangzhou Hengde transferred 99% equity interest in Guangzhou Nanying to Guangzhou Shengyu for consideration of RMB356,400,000, which was determined based on the then registered capital of Guangzhou Nanying and was fully settled. After the transfer aforesaid, Guangzhou Nanying was held as to 99% by Guangzhou Shengyu and 1% by Zhuhai Special Economic Zone Nanying Industrial Co., Ltd. Guangzhou Office (珠海經濟特區南英實業有限公司廣州公司) ("**Zhuhai Nanying**").

For the purpose of obtaining an entrusted loan in the sum of RMB500 million (the "**Entrusted Loan**") by Guangzhou Nanying from Bank of China Limited Guangzhou Panyu Branch as the trustee bank entrusted by Wanlian Securities Company Limited (萬聯證券有限責任公司), the lender of the Entrusted Loan, and as security provided for the due repayment of the Entrusted Loan,

China Orient Asset Management Corporation Shanghai Office ("**China Orient**") acts as a guarantor of the Entrusted Loan. As security provided to China Orient for being the guarantor of the Entrusted Loan, on July 2, 2013, Guangzhou Shengyu transferred 20% equity interest in Guangzhou Nanying to Daye Trust Company Limited (大業信託有限責任公司) ("**Daye Trust**") which will hold such equity interest on trust for China Orient. Upon the completion of the transfer, Guangzhou Nanying is held as to 79% by Guangzhou Shengyu, 20% by Daye Trust and 1% by Zhuhai Nanying. Our PRC legal advisers, Commerce & Finance, confirmed that the Entrusted Loan and the transfer of 20% equity interest in Guangzhou Nanying to Daye Trust as security under the Entrusted Loan are legal and valid under PRC Laws.

(p) Acquisition by Guangzhou Shengyu of the entire interest in Guangzhou Tianhe

On January 13, 2011, for property development in Guangzhou City, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 30% equity interest in Guangzhou Tianhe from Guangzhou Pige Industrial Co., Ltd. (廣州市皮革工業股份有限公司) ("**Guangzhou Pige**"), an Independent Third Party, for consideration of RMB300,000, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Tianhe. On August 17, 2011, for property development in Guangzhou City, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 69% equity interest in Guangzhou Tianhe from Guangzhou Pige for consideration of RMB35,190,000 including the land held by Guangzhou Tianhe, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Tianhe. The consideration of the sale and purchase agreements aforesaid was not paid and the agreements were supplemented by agreements dated June 5, 2013 and July 22, 2013 to the effect that, among others, (i) the remaining 1% equity interest in Guangzhou Tianhe would be transferred by Guangzhou Pige to Guangzhou Shengyu, and (ii) the total consideration the transfer of 100% equity interest was modified to RMB140,000,000, which would be settled in accordance with the terms of the supplemental agreements aforesaid and the last installment will be due on September 22, 2014. Upon the completion of the acquisition, Guangzhou Tianhe becomes a wholly owned subsidiary of Guangzhou Shengyu.

(q) Acquisition by Guangzhou Shengyu of the entire interest in Guangdong Guangchang

On November 1, 2012, pursuant to a capital increase and share transfer agreement dated September 28, 2012 entered into between Guangzhou Shengyu and Guangzhou Gaoying Taifu Real Estate Development Co., Ltd (廣州市高盈泰福房地產發展有限公司) ("**Gaoying Taifu**"), Guangzhou Shengyu settled an amount of RMB38,070,000 for the increase in the capital of Guangdong Guangchang. After the increase, Guangzhou Shengyu held 90% equity interest in Guangdong Guangchang, and the remaining 10% equity interest was held by Gaoying Taifu. On November 26, 2012, for property development in Guangzhou City, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 10% equity interest in Guangdong Guangchang from Gaoying Taifu for consideration of RMB15,000,000, which was fully settled. Upon the completion of the acquisition, Guangdong Guangchang becomes a wholly owned subsidiary of Guangzhou Shengyu.

(r) Acquisition by Times Real Estate of 10% equity interest in Fogang Guanheng and the subsequent acquisition by Guangzhou Shengyu in Fogang Guanheng

On April 24, 2007, a sale and purchase agreement was entered into whereby Times Real Estate acquired 10% equity interest in Fogang Guanheng from Guangzhou Mingtai for consideration of RMB500,000, which was determined based on the then registered capital of Fogang Guanheng and was fully settled. On August 22, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Fogang Guanheng from Times Real Estate for consideration of RMB5,000,000, which was determined based on the then registered capital of Fogang Guanheng and was fully settled. Upon the completion of the acquisition, Fogang Guanheng becomes a wholly owned subsidiary of Guangzhou Shengyu.

(s) Acquisition by Guangzhou Shengyu of the entire interest in Zhuhai Guoji

On January 6, 2013, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 50% equity interest in Zhuhai Guoji from Mr. Yan Le (嚴樂), an Independent Third Party, for consideration of RMB2,500,000, which was determined after an arm's length negotiation with reference to the then registered capital of Zhuhai Guoji, and was fully settled. On July 5, 2013, two sale and purchase agreements were entered into whereby Guangzhou Shengyu acquired the remaining 40% and 10% equity interest in Zhuhai Guoji from Mr. Yan Le and Ms. Deng Fen, an Independent Third Party, respectively, for consideration of RMB2,000,000 and RMB500,000, respectively, which was determined after an arm's length negotiation with reference to the then registered capital of Zhuhai Guoji, and was fully settled. Upon the completion of the acquisition, Zhuhai Guoji becomes a wholly owned subsidiary of Guangzhou Shengyu.

(t) Acquisition by Guangzhou Zhide of 5% equity interest in Zhide Technology

Zhide Technology was owned as to 95.05% by Guangzhou Zhide and as to 4.95% by Mr. Zhang Jiasheng (張家盛), an Independent Third Party. On March 14, 2013, a sale and purchase agreement was entered into whereby Guangzhou Zhide acquired 4.95% equity interest in Zhide Technology from Mr. Zhang Jiasheng for consideration of RMB500,000, which was determined after an arm's length negotiation by reference to the then registered capital of Zhide Technology, and was fully settled. Upon the completion of the acquisition, Zhide Technology became a wholly owned subsidiary of Guangzhou Zhide.

(u) Acquisition by Guangzhou Shengyu of 51% equity interest in Zhuhai Jinwu

For the purpose of development of the Jinwu project in Zhuhai, on January 20, 2013, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 25% and 26% equity interest in Zhuhai Jinwu from Mr. Liu Chunguang (劉春光) and Shanghai Dingzhong Jianxin Investment Management Co., Ltd. (上海鼎眾建鑫投資管理有限公司) ("**Shanghai Dingzhong**") for consideration of RMB250,000 and RMB260,000, respectively, which was determined after an arm's length negotiation by reference to the then registered capital of Zhuhai Jinwu, and was fully settled. Both Mr. Liu Chunguang and Shanghai Dingzhong are Independent Third Parties. Upon the completion of the acquisition, Zhuhai Jinwu is held as to 51% by Guangzhou Shengyu, 24% by Mr. Liu Chunguang and 25% by Shanghai Dingzhong.

(v) Deregistration of Jianhou Properties

Prior to reorganization, Jianhou Properties was held as to 94% by Times Real Estate, 5% by Guangzhou Hourun and 1% by Ms. Lou Ruyu (樓汝于), an Independent Third Party. As Jianhou Properties did not commence any business, Jianhou Properties was deregistered on September 27, 2010.

(w) Acquisition by Guangzhou Shengyu of the entire interest in Foshan Meigui Huaye and Foshan Meiguiyuan

On May 27, 2013, a sale and purchase agreement was entered into whereby Times Real Estate acquired 70% equity interest in Foshan Meigui Huaye from Ms. Zhong Xingmei (鍾杏梅) for consideration of RMB196,546,000, which was determined after an arm's length negotiation with reference to the value of Foshan Meigui Huaye as appraised by the parties. On the same date, sale and purchase agreements were entered into whereby Guangzhou Shengyu acquired 18%, 5%, 5% and 2% equity interest in Foshan Meigui Huaye from Mr. Luo Zhiwen (羅志文), Mr. He Shaoping (何少平), Mr. He Shaofan (何少凡) and Ms. Luo Yuanping (羅苑萍), respectively, for consideration of RMB50,540,400, RMB14,039,000, RMB14,039,000 and RMB5,615,600, respectively, which was determined after an arm's length negotiation with reference to the value of Foshan Meigui Huaye as appraised by the parties. The consideration aforesaid was partly settled by installments in accordance with the respective terms of the sale and purchase agreements and the last installment will be due on November 26, 2013. All of the individuals aforesaid were, at the relevant time, Independent Third Parties. Upon the completion of the acquisition, Foshan Meigui Huaye becomes a wholly owned subsidiary of our Company.

On May 27, 2013, a sale and purchase agreement was entered into whereby Times Real Estate acquired 70% equity interest in Foshan Meiguiyuan from Ms. Zhong Xingmei (鍾杏梅) for consideration of RMB131,033,000, which was determined after an arm's length negotiation with reference to the value of Foshan Meiguiyuan as appraised by the parties, and was fully settled. On the same date, sale and purchase agreements were entered into whereby Guangzhou Shengyu acquired 18%, 5%, 5% and 2% equity interest in Foshan Meiguiyuan from Mr. Luo Zhiwen (羅志文), Mr. He Shaoping (何少平), Mr. He Shaofan (何少凡) and Ms. Luo Yuanping (羅苑萍), respectively, for consideration of RMB33,694,200, RMB9,359,500, RMB9,359,500 and RMB3,743,800, respectively, which was determined after an arm's length negotiation with reference to the value of Foshan Meiguiyuan as appraised by the parties, and was fully settled. All of the individuals aforesaid were, at the relevant time, Independent Third Parties. Upon the completion of the acquisition, Foshan Meiguiyuan becomes a wholly owned subsidiary of our Company. Foshan Meigui Huaye and Foshan Meiguiyuan hold 30% and 20%, respectively, of the equity interest in Changsha Meiguiyuan and the purpose of the above acquisitions is for property development in Changsha City.

(x) Acquisition by Guangzhou Shengyu of the entire interest in Qingyuan Xilong

On April 12, 2010, for property development in Qingyuan City, a sale and purchase agreement was entered into whereby Times Real Estate acquired 50% equity interest in Qingyuan Xilong from Mr. Jiang Zhuoliang (江卓良), an Independent Third Party, for consideration of RMB2,500,000, which was determined after an arm's length negotiation by reference to the then registered capital of Qingyuan Xilong, and was fully settled. On July 5, 2010, a sale and purchase agreement was entered into whereby Times Real Estate acquired 50% equity interest in Qingyuan Xilong from Mr. Du Ruijian (杜銳堅), an Independent Third Party, for consideration of RMB2,500,000, which was determined after an arm's length negotiation by reference to the then registered capital of Qingyuan Xilong, was fully settled. On July 11, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Qingyuan Xilong from Times Real Estate for consideration of RMB5,000,000, which was determined based on the then registered capital of Qingyuan Xilong and was fully settled. Upon the completion of the acquisition, Qingyuan Xilong becomes a wholly owned subsidiary of Guangzhou Shengyu.

(y) Acquisition by Guangzhou Junbao of the entire interest in Guangzhou Tiansi and Guangzhou Tianlang

On February 20, 2013, a sale and purchase agreement was entered into whereby Guangzhou Junbao acquired 100% equity interest in Guangzhou Tiansi from Guangzhou Qingchu Group Co., Ltd. (廣州輕出集團股份有限公司) ("**Guangzhou Qingchu**"), an Independent Third Party, for consideration of RMB250,500,000 which was determined after an arm's length negotiation by reference to the value of Guangzhou Tiansi as appraised by the parties, and was fully settled. Upon the completion of the acquisition, Guangzhou Tiansi becomes a wholly owned subsidiary of Guangzhou Junbao.

On October 9, 2010, a sale and purchase agreement was entered into whereby Guangzhou Junbao acquired 30% equity interest in Guangzhou Tianlang from Guangzhou Tianlang Paint Chemical Co., Ltd. (廣州天朗塗料化工有限公司) ("**Tianlang Paint Chemical**"), an Independent Third Party, for consideration of RMB300,000, which was determined after an arm's length negotiation by reference to the then registered capital of Guangzhou Tianlang, and was fully settled. On November 22, 2010, a sale and purchase agreement was entered into whereby Guangzhou Junbao acquired 21% equity interest in Guangzhou Tianlang from Tianlang Paint Chemical for consideration of RMB210,000, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Tianlang, and was fully settled. On December 21, 2010, a sale and purchase agreement was entered into whereby Guangzhou Junbao acquired 49% equity interest in Guangzhou Tianlang from Tianlang Paint Chemical for consideration of RMB490,000, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Tianlang, and was fully settled. Upon the completion of the acquisition, Guangzhou Tianlang becomes a wholly owned subsidiary of Guangzhou Junbao and the above acquisition was for property development in Guangzhou City.

(z) Acquisition by Fogang Shengxin of the entire interest in Fogang Xinlong and Fogang Runxin

On April 21, 2009, for business development reasons, a sale and purchase agreement was entered into whereby Fogang Shengxin acquired 50% equity interest in Fogang Xinlong from Mr. Lin Wenjin (林文錦) and the other 50% equity interest from Mr. Li Qipu (李啟普) for consideration of RMB50,000 and RMB50,000, respectively, which was determined after an arm's length negotiation with reference to the then registered capital of Fogang Xinlong, and was fully settled. Both Mr. Lin Wenjin and Mr. Li Qipu are Independent Third Parties. Upon the completion of the acquisition, Fogang Xinlong becomes a wholly owned subsidiary of Fogang Shengxin.

On August 10, 2009, for business development reasons, a sale and purchase agreement was entered into whereby Fogang Shengxin acquired 50% equity interest in Fogang Runxin from Mr. Zeng Rongjin (曾榮進) and the other 50% equity interest from Mr. Zeng Wenqing (曾文清) for consideration of RMB15,000 and RMB15,000, respectively, which was determined after an arm's length negotiation by reference to the then registered capital of Fogang Runxin, and was fully settled. Both of Mr. Zeng Rongjin and Mr. Zeng Wenqing are Independent Third Parties. Upon the completion of the acquisition, Fogang Runxin becomes a wholly owned subsidiary of Fogang Shengxin.

(aa) Acquisition by Times Real Estate of the 50% equity interest in Guangzhou Lvdi Baiyun

On June 19, 2013, a joint development agreement was entered into between Times Real Estate and Guangzhou Lvdi Real Estate Co., Ltd ("**Guangzhou Lvdi**"), which was supplemented by an agreement entered into between the same parties on June 28, 2013, whereby Times Real Estate acquired 50% equity interest of Guangzhou Lvdi Baiyun through increasing its registered capital from RMB10,000,000 to RMB20,000,000. Upon the completion of the capital increase, Guangzhou Lvdi Baiyun is held as to 50% by Times Real Estate and 50% by Guangzhou Lvdi, an Independent Third Party.

(bb) Disposal of Zhuhai Shengyuan

On September 26, 2009, a sale and purchase agreement was entered into between Guangzhou Tianyi and Zhuhai Yongji Investment Consultant Co., Ltd. (珠海永基投資顧問有限公司) ("**Zhuhai Yongji**"), an Independent Third Party whereby Guangzhou Tianyi acquired 49% interest in Zhuhai Shengyuan from Zhuhai Yongji for consideration of RMB490,000, which was determined after an arm's length negotiation among the parties by reference to the then registered capital of Zhuhai Shengyuan, and was fully settled. On March 27, 2013, a sale and purchase agreement was entered into between Guangzhou Tianyi and Pairuan Technology (as defined under paragraph(l) above in this section), an Independent Third Party, in relation to the disposal of 100% equity interest in Zhuhai Shengyuan to Pairuan Technology for consideration of RMB1,000,000, which was determined after an arm's length negotiation among the parties by reference to the then registered capital of Zhuhai Shengyuan, and was fully settled. Upon completion of the transfer, Zhuhai Shengyuan ceased to be a subsidiary of our Company.

(cc) Disposal of Foshan Zhide Wangu

On March 26, 2013, a sale and purchase agreement was entered into between Guangzhou Zhide and Guangzhou Zhengyuan Investment Co., Ltd. (廣州市正元投資有限公司), an Independent Third Party, in relation to the disposal of 100% equity interest in Foshan Zhide Wangu, for consideration of RMB10,000 which was determined after an arm's length negotiation among the parties by reference to the net asset value of Foshan Zhide Wangu, and was fully settled. Upon completion of the transfer, Foshan Zhide Wangu ceased to be a subsidiary of our Company.

(dd) Disposal of Guangzhou Zhuorui

For the purpose of acquiring new project and new land, Guangzhou Zhuorui was established under the laws of the PRC on November 21, 2011 with a registered capital of RMB10,000,000. As at the date of its establishment, Guangzhou Zhuorui was wholly owned by Fogang Runxin. In relation to the trust financing in Zhuhai Jiayu, on November 11, 2013, a sale and purchase agreement was entered into whereby Zhongrong International Trust acquired 100% equity interest in Guangzhou Zhuorui from Fogang Runxin, for consideration of RMB10,000,000, which was determined after an arm's length negotiation among the parties by reference to the then registered capital of Guangzhou Zhuorui, and would be settled in accordance with the terms of the agreement aforesaid. See the section entitled "History and Corporate Structure — Our Reorganization — Establishment of Onshore Companies — (h) Establishment of Zhuhai Jiayu" for the details of the trust financing aforesaid. Upon completion of the transfer, Guangzhou Zhuorui ceased to be a subsidiary of our Company.

Establishment of Onshore Companies

(a) Establishment of Guangzhou Yongtai

For the preparation of acquiring new project and land, Guangzhou Yongtai was established under the laws of the PRC on June 22, 2011 with a registered capital of RMB11,000,000. At the time of its establishment, Guangzhou Yongtai was held as to 65% by Times Group and 35% by Guangzhou Bolang as a nominee for the benefit of Times Group. Guangzhou Bolang was an Independent Third Party except being a nominee shareholder of certain subsidiaries of our Company. Such entrustment arrangement was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. As the 2011 arbitration was about to conclude and following the execution of the Payment Deed, the entrustment arrangement was no longer necessary to the Group and hence it was terminated on March 6, 2013 and the 35% equity interest in Guangzhou Yongtai was transferred back to Times Group. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

(b) Establishment of Guangzhou Tianyi

For the preparation of acquiring new project and land, Guangzhou Tianyi was established under the laws of the PRC on June 2, 2009 with a registered capital of RMB10,010,000. At the time of its establishment, Guangzhou Tianyi was wholly owned by Times Real Estate. On December 1, 2009, Times Group acquired 100% equity interest in Guangzhou Tianyi from Times Real Estate for consideration of RMB10,010,000, which was determined based on the then registered capital of Guangzhou Tianyi and was fully settled. On October 20, 2010, Times Group transferred 100% equity interest in Guangzhou Tianyi to Guangzhou Bolang as a nominee for the benefit of Times Group. Guangzhou Bolang was an Independent Third Party at the relevant time except being a nominee shareholder of another subsidiary of our Company. The entrustment arrangement aforesaid was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. On September 22, 2011, Guangzhou Bolang transferred 100% equity interest in Guangzhou Tianyi to Guangzhou Shengyu, as a result of which the entrustment arrangement with respect to 100% equity interest in Guangzhou Tianyi was terminated. As the 2011 arbitration was about to conclude, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on September 22, 2011. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

(c) Establishment of Guangzhou Hongwei

For property development in Guangzhou City, Guangzhou Hongwei was established under the laws of the PRC on March 10, 2011 with a registered capital of RMB11,000,000. Since the time of its establishment, Guangzhou Hongwei is held as to 70% by Guangzhou Luogang District Jiulong Town Hongwei Village Economic Cooperatives (廣州市蘿崗區九龍鎮紅衛村經濟聯合社), an Independent Third Party, and 30% by Times Real Estate.

(d) Establishment of Guangzhou Hengde

For the purpose of acquiring Guangzhou Nanying, Guangzhou Hengde was established under the laws of the PRC on July 13, 2009 with a registered capital of RMB10,010,000. Since the time of its establishment, Guangzhou Hengde is held as to 70% by Times Real Estate and 30% by Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司), an Independent Third Party.

(e) Establishment of Guangzhou Hongtai

For the development of Ocean Times, Guangzhou Hongtai was established under the laws of the PRC on January 14, 2010 with a registered capital of RMB11,000,000. At the time of its establishment, Guangzhou Hongtai was wholly owned by Times Group. On February 9,

2010, a sale and purchase agreement was entered into whereby Times Real Estate acquired 100% equity interest in Guangzhou Hongtai from Times Group for consideration of RMB11,000,000, which was determined based on the then registered capital of Guangzhou Hongtai and was fully settled. On June 21, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Guangzhou Hongtai from Times Real Estate for consideration of RMB11,000,000, which was determined based on the then registered capital of Guangzhou Hongtai and was fully settled. For the purpose securing the Financing (as defined below), on November 16, 2012, a sale and purchase agreement was entered into whereby Zhongshan Tianyue acquired 40% equity interest in Guangzhou Hongtai from Guangzhou Shengyu for consideration of RMB14,000,000, which was determined based on the then registered capital of Guangzhou Hongtai and was fully settled.

Zhongshan Tianyue was a wholly owned subsidiary of Guangzhou Shengyu and Guangzhou Hongtai is owned 40% by Zhongshan Tianyue and 60% by Guangzhou Shengyu. For the purpose of obtaining financing in the sum of RMB388.7 million (the "**Financing**") by Guangzhou Hongtai from Shenzhen Ruici Chunhua Investment Corporation (Limited Partnership) ("**Ruici Chunhua**") and Shenzhen Ruici Qiushi Investment Corporation (Limited Partnership) ("**Ruici Qiushi**") (collectively, the "**Lenders**"), which are Independent Third Parties, and as security provided to the Lenders, two sale and purchase agreements were entered into on November 28, 2012 between (i) Guangzhou Shengyu and Ruici Chunhua, and (ii) Guangzhou Shengyu and Ruici Qiushi, respectively, for the purpose of disposing 100% equity interest in Zhongshan Tianyue held by Guangzhou Shengyu to Ruici Chunhua and Ruici Qiushi, for consideration of RMB5,000,000 and RMB5,000,000, respectively, which was determined after an arm's length negotiation among the parties and was fully settled and formed part of the Financing. As part of the aforesaid Financing, upon due repayment of the Financing, Ruici Chunhua and Ruici Qiushi shall transfer 100% of the equity interest in Zhongshan Tianyue to Guangzhou Shengyu.

(f) Establishment of Guangzhou Junbao, Guangzhou Haorong

For the purpose of acquiring new project, Guangzhou Junbao was established under the laws of the PRC on July 8, 2010 with a registered capital of RMB10,010,000. At the time of its establishment, Guangzhou Junbao was held as to 70% by Times Real Estate and 30% by Guangzhou Dafushi Investment Co., Ltd. (廣州大富時投資有限公司) (formerly known as Guangzhou Guohui Logistics Co., Ltd. (廣州國匯物流有限公司)) ("**Guangzhou Dafushi**"), an Independent Third Party. On October 31, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 70% equity interest in Guangzhou Junbao from Times Real Estate for consideration of RMB7,007,000, which was determined based on the then registered capital of Guangzhou Junbao and was fully settled. Upon the completion of the acquisition, Guangzhou Junbao is held as to 70% Guangzhou Shengyu and 30% by Guangzhou Dafushi Investment Co., Ltd.

For the purpose of acquiring new project or new land, Guangzhou Haorong was established under the laws of the PRC on October 21, 2010 with a registered capital of RMB1,000,000. Since the time of its establishment, Guangzhou Haorong has been wholly owned by Guangzhou Junbao.

(g) Establishment of Zhuhai Shenghui

For the purpose of acquiring new land in Zhuhai City, Zhuhai Shenghui was established under the laws of the PRC on December 6, 2012 with a registered capital of RMB10,000,000. Since the time of its establishment, Zhuhai Shenghui has been wholly owned by Guangzhou Shengyu.

(h) Establishment of Zhuhai Jiayu

For the purpose of acquiring new project or new land, Zhuhai Jiayu was established under the laws of the PRC on November 2, 2012 with a registered capital of RMB10,000,000. At the time of its establishment, Zhuhai Jiayu was wholly owned by Guangzhou Shengyu. For the purpose of securing the Trust Financing (as defined below), on October 8, 2013, a sale and purchase agreement was entered into whereby Guangzhou Zhuorui acquired 40% equity interest in Zhuhai Jiayu from Guangzhou Shengyu for consideration of RMB12,000,000, which was determined based on the then registered capital of Zhuhai Jiayu and was fully settled.

Upon the completion of the acquisition, Zhuhai Jiayu is held as to 40% by Guangzhou Zhuorui and 60% by Guangzhou Shengyu. Guangzhou Zhuorui was an indirect wholly owned subsidiary of Guangzhou Shengyu before November 11, 2013. For the purpose of obtaining trust financing in the sum of RMB450 million (the "**Trust Financing**") by Zhuhai Jiayu from Zhongrong International Trust, which is an Independent Third Party, and as security provided to Zhongrong International Trust, a sale and purchase agreement was entered into on November 11, 2013 between Fogang Runxin and Zhongrong International Trust for the purpose of disposing 100% equity interest in Guangzhou Zhuorui held by Fogang Runxin to Zhongrong International Trust, for consideration of RMB10,000,000, which was determined after an arm's length negotiation among the parties by reference to the then registered capital of Guangzhou Zhuorui and would be settled in accordance with the terms of the agreements aforesaid and formed part of the Trust Financing. As part of the Trust Financing, upon due repayment of the Trust Financing, Zhongrong International Trust shall, upon exercise of option by Guangzhou Shengyu, transfer 100% of the equity interest in Guangzhou Zhuorui to Guangzhou Shengyu.

(i) Establishment of Guangzhou Zichen

For the purpose of acquiring new project and new land, Guangzhou Zichen was established under the laws of the PRC on July 3, 2012 with a registered capital of RMB10,000,000. Since the time of its establishment, Guangzhou Zichen is held as to 80% by Guangzhou Shengyu and 20% by Zhuhai Tianchen Equity Investment Center (Limited Partnership) (珠海天宸股權投資中心(有限合夥)) ("**Zhuhai Tianchen**"), an Independent Third Party. On March 14, 2013, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 20% equity interest in Guangzhou Zichen from Zhuhai Tianchen for consideration of RMB2,000,000, which was determined after an arm's length negotiation with reference to the then registered capital of Guangzhou Zichen, and was fully settled. Upon the completion of the acquisition, Guangzhou Zichen becomes a wholly owned subsidiary of Guangzhou Shengyu.

(j) Establishment of Foshan Yongheng

For the purpose of acquiring new project and new land, Foshan Yongheng was established under the laws of the PRC on August 22, 2012 with a registered capital of RMB11,000,000. Since the time of its establishment, Foshan Yongheng has been wholly owned by Guangzhou Shengyu.

(k) Establishment of Fogang Shengxin and Fogang Bairui

Due to business development, Fogang Shengxin was established under the laws of the PRC on September 13, 2007 with a registered capital of RMB3,000,000. At the time of its establishment, Fogang Shengxin was wholly owned by Times Real Estate. On August 22, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Fogang Shengxin from Times Real Estate for consideration of RMB3,000,000, which was determined based on the then registered capital of Fogang Shengxin and was fully settled. Upon the completion of the acquisition, Fogang Shengxin becomes a wholly owned subsidiary of Guangzhou Shengyu.

Due to business development, Fogang Bairui was established under the laws of the PRC on September 28, 2007 with a registered capital of RMB3,000,000. At the time of its establishment, Fogang Bairui was wholly owned by Times Real Estate. On August 22, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Fogang Bairui from Times Real Estate for consideration of RMB3,000,000, which was determined based on the then registered capital of Fogang Bairui and was fully settled. Upon the completion of the acquisition, Fogang Bairui becomes a wholly owned subsidiary of Guangzhou Shengyu.

(l) Establishment of Fogang Yongsheng and Guangdong Shengyu

For the purpose of acquiring Fogang Zhongyi, Fogang Yongsheng was established under the laws of the PRC on January 11, 2008 with a registered capital of RMB3,000,000. At the time of its establishment, Fogang Yongsheng was wholly owned by Times Real Estate. On July 1, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Fogang Yongsheng from Times Real Estate for consideration of RMB10,000,000, which was determined based on the then registered capital of Fogang Yongsheng and was fully settled. Upon the completion of the acquisition, Fogang Yongsheng becomes a wholly owned subsidiary of Guangzhou Shengyu.

For the development of Times King City (Foshan), Guangdong Shengyu was established under the laws of the PRC on June 19, 2006 with a registered capital of RMB30,000,000. At the time of its establishment, Guangdong Shengyu was held as to 62% by Times Real Estate, 30% by Zhuhai Baifuchen and 8% by Guangzhou Bolang. On July 13, 2006, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Guangdong Shengyu from Times Real Estate, Guangzhou Bolang and Zhuhai Baifuchen for consideration of RMB18,600,000, RMB2,400,000 and RMB9,000,000, respectively, which was determined after an arm's length negotiation with reference to the then registered capital of Guangdong Shengyu, and was fully settled. Upon the completion of the acquisition, Guangdong Shengyu becomes a wholly owned subsidiary of Guangzhou Shengyu.

(m) Establishment of Qingyuan Rongjing

For the development of Times King City (Qingyuan), Qingyuan Rongjing was established under the laws of the PRC on February 10, 2010 with a registered capital of RMB5,000,000. At the time of its establishment, Qingyuan Rongjing was wholly owned by Times Real Estate. On July 11, 2011, a sale and purchase agreement was entered into whereby Guangzhou Shengyu acquired 100% equity interest in Qingyuan Rongjing from Times Real Estate for consideration of RMB5,000,000, which was determined based on the then registered capital of Qingyuan Rongjing and was fully settled. On December 30, 2011, Guangzhou Shengyu transferred 100% equity in Qingyuan Rongjing to Guangzhou Qinxi, an Independent Third Party at the time of this transaction, as a nominee for the benefit of Guangzhou Shengyu. The entrustment arrangement aforesaid was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. On February 1, 2012, a sale and purchase agreement was entered into whereby Times Real Estate acquired 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi. On August 15, 2012, a sale and purchase agreement was entered into whereby Times Real Estate acquired the remaining 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi. As a result of the completion of the sale and purchase agreements dated February 1, 2012 and August 15, 2012, respectively, the entrustment arrangement with respect to 100% equity interest in Qingyuan Rongjing was terminated. As the 2011 arbitration was about to conclude and following the execution of the Payment Deed, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on August 15, 2012. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

(n) Establishment of Guangzhou Fengdu

For the preparation of acquiring new project and new land, Guangzhou Fengdu was established under the laws of the PRC on November 21, 2011 with a registered capital of RMB10,000,000. Since the date of its establishment, Guangzhou Fengdu has been wholly owned by Fogang Xinlong.

(o) Establishment of Guangzhou Huaya and Zhide Property Management

Guangzhou Huaya was established under the laws of the PRC on August 31, 2009 with a registered capital of RMB11,000,000. At the time of its establishment, Guangzhou Huaya was wholly owned by Guangzhou Tianyi. On November 16, 2011, Guangzhou Tianyi transferred 100% equity interest in Guangzhou Huaya to Guangzhou Mingtai, as a nominee for the benefit of Guangzhou Tianyi. Such entrustment arrangement was made mainly to avoid any change to the management of the Group and to minimize the possible negative impact on the business operations of the Group as a result of the dispute between, among others, our Company and the Investors in relation to the Note Subscription Agreement. On March 7, 2013, Guangzhou Mingtai transferred 100% equity interest in Guangzhou Huaya to Guangzhou Yongtai, as a result of which the entrustment arrangement with respect to 100% equity interest in Guangzhou Huaya was terminated. As the 2011 arbitration was about to conclude and following the execution of the Payment Deed, the entrustment arrangement was no longer necessary to the Group and hence it was subsequently terminated on March 7, 2013. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the entrustment agreement are legal and valid under PRC Laws. Further details of the dispute, the subsequent resolution and the arbitration in 2011 are set out under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements."

Zhide Property Management was established under the laws of the PRC on September 30, 2009 with a registered capital of RMB100,000. Since the date of its establishment, Zhide Property Management has been wholly owned by Guangzhou Zhide.

(p) Establishment of Guangzhou Guangdechang and Zhide Zhengxing

Guangzhou Guangdechang was established under the laws of the PRC on March 25, 2010 with a registered capital of RMB30,000,000. At the time of its establishment, Guangzhou Guangdechang was owned as to 55% by Guangzhou Zhide, 30% by Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司) and 15% by Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司). Both of Guangzhou Xiandai Investment Co., Ltd. and Guangzhou Jiada Investment Consulting Co., Ltd. are Independent Third Parties.

Zhide Zhengxing was established under the laws of the PRC on April 28, 2011 with a registered capital of RMB5,000,000. Since the date of its establishment, Zhide Zhengxing has been wholly owned by Guangzhou Zhide.

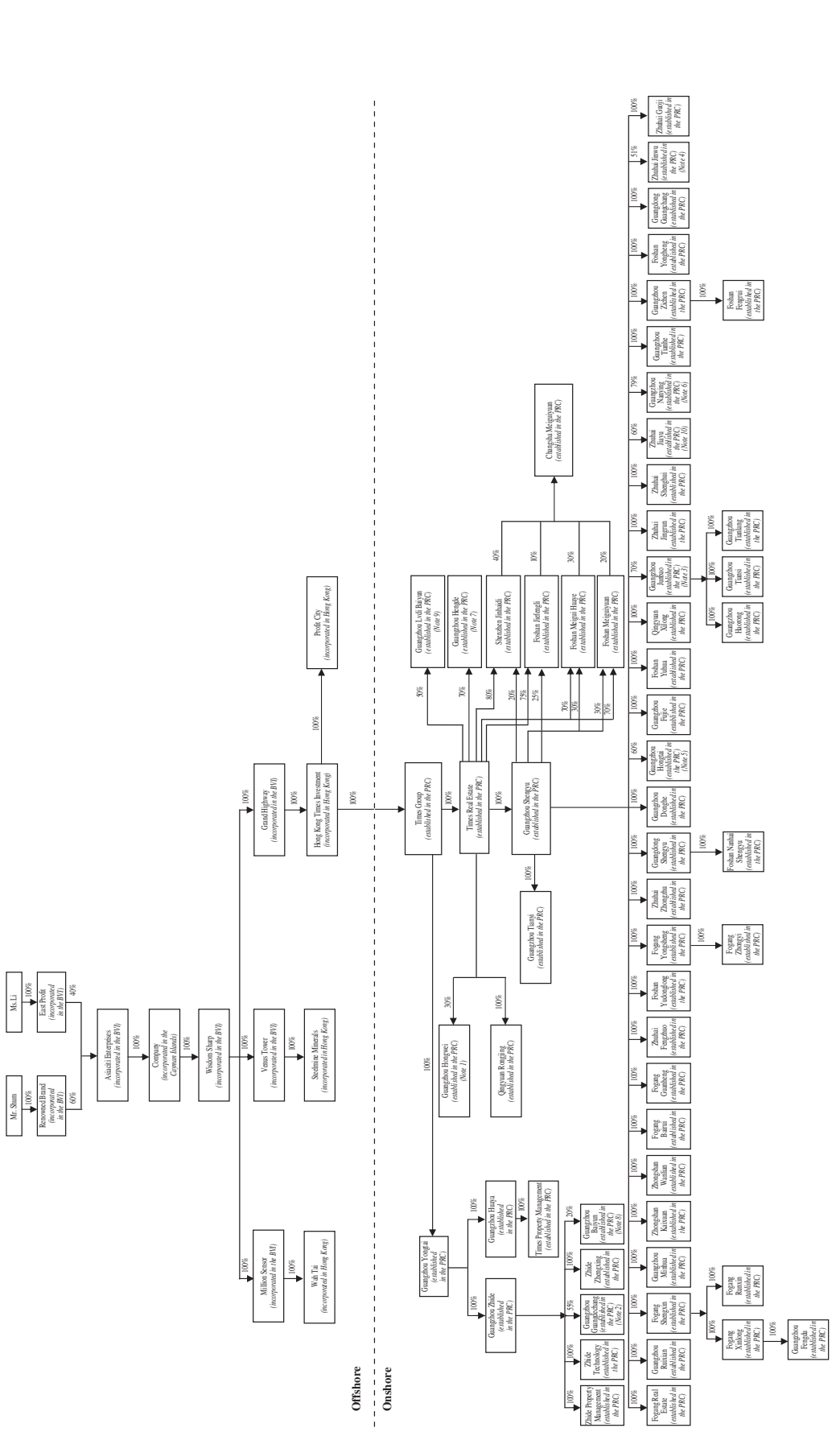
(q) Establishment of Foshan Fengrui

Foshan Fengrui was established under the laws of the PRC on August 19, 2013 with a registered capital of RMB10,000,000. Since the time of its establishment, Foshan Fengrui has been wholly owned by Guangzhou Zichen.

Entrustment arrangements

In respect of the entrustment arrangements set out under the sections entitled "History and Corporate Structure — Our Reorganization — Onshore Acquisition and Disposal — (b) Acquisition by Times Group of 38% equity interest in Guangzhou Shengyu and the subsequent disposal and acquisition by Times Real Estate of the entire equity interest in Guangzhou Shengyu — (c) Acquisition by Times Group of the entire interest in Times Real Estate — (n) Acquisition by Guangzhou Shengyu of the entire equity interest in Zhuhai Jingrun" and "History and Corporate Structure — Our Reorganization — Establishment of Onshore Companies — (a) Establishment of Guangzhou Yongtai — (b) Establishment of Guangzhou Tianyi — (m) Establishment of Qingyuan Rongjing — (o) Establishment of Guangzhou Huaya and Zhide Property Management", such entrustment arrangements were entered into and intended to avoid any possible change to the management of the relevant PRC operating subsidiaries of our Group and minimize any possible negative impact on their business operations as a result of the dispute in relation to the Note Subscription Agreement. Since our Company is the ultimate controlling shareholder of the relevant operating subsidiaries in the PRC, it was concerned that the Investors might remove the management of the operating subsidiaries in the PRC through the aforesaid share controlling relationship if the share mortgages over certain offshore subsidiaries of our Company are enforced. Since such PRC operating subsidiaries covered all of the development projects of our Group, if their operations were disrupted, the ability of the Controlling Shareholders and our Company to repay the Investors would be adversely affected. Further details of the Note Subscription Agreement and the dispute in relation thereto are set out under the sections entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Note Subscription Agreement and Exchangeable Notes — Redemption of the Exchangeable Notes and Repayment Agreements".

Upon the completion of the Reorganization but immediately before completion of the Global Offering and the Capitalization Issue, our corporate structure was as follows:



Notes:

1. The remaining 70% interest in Guangzhou Hongwei is held by Guangzhou Hongwei Economic Cooperatives (廣州市羅崗區九龍鎮紅衛村經濟聯合社).

2. The remaining 45% interest in Guangzhou Guangdechang is held by Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司) and Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司) in the proportion of 30% and 15%, respectively.

3. The remaining 30% in Guangzhou Junbao is held by Guangzhou Dafushi.

4. The remaining 49% interest in Zhuhai Jinwu is held by Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) in the proportion of 25% and 24%, respectively.

5. The remaining 40% in Guangzhou Hongtai is held by Zhongshan Tianyue.

6. The remaining 21% interest in Guangzhou Nanying is held by Zhuhai Nanying and Daye Trust in the proportion of 1% and 20%, respectively.

7. The remaining 30% interest in Guangzhou Hengde is held by Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司).

8. Guangzhou Baiyun is owned as to 20% by Guangzhou Zhide and 80% by Independent Third Parties. As advised by our PRC legal advisers, Commerce & Finance, Guangzhou Baiyun has obtained the approval from the relevant government authority in relation to its money lending business.

9. The remaining 50% interest in Guangzhou Lvdi Baiyun is held by Guangzhou Lvdi.

10. The remaining 40% interest in Zhuhai Jiayu is held by Guangzhou Zhuorui.

Capitalization Issue

Conditional on the share premium account of our Company being credited as a result of the Global Offering, the Directors are authorized to capitalize the amount of HK$129,221,979.9 from such account and apply such sum to paying up in full at par a total of 1,292,219,799 Shares for allotment and issue to its then shareholder Asiaciti Enterprises.

PRE-IPO INVESTMENT AND DEBT RESTRUCTURING

Note Subscription Agreement and Exchangeable Notes

On January 9, 2008, Asiaciti Enterprises obtained loans from the Investors in cash in an aggregate principal amount of US$200 million (or approximately RMB1,440 million) (the "**Loan Proceeds**") pursuant to the Note Subscription Agreement. In consideration of such loans, Asiaciti Enterprises issued to the Investors the Exchangeable Notes in an aggregate principal amount of US$200 million, and simultaneously, our Company allotted and issued to Asiaciti Enterprises one Share credited as fully-paid at an issue price equal to the aggregate principal amount of US$200 million, as provided for in the Note Subscription Agreement to settle the Loan Proceeds from Asiaciti Enterprises. The Loan Proceeds were obtained by Asiaciti Enterprises, the Controlling Shareholder of our Company, to assist the development of our Company and the Loan Proceeds were required to be applied towards, among others, contribution as equity to our Company to strengthen our Company's financial infrastructure, to implement business plans and to help our Company prepare for Listing. All of the Loan Proceeds obtained by Asiaciti Enterprises had been applied by our Company to fund the acquisition of various property development projects.

Under the Note Subscription Agreement, the Investors have the benefit of certain covenants including restrictive covenants relating to the disposal of assets and other aspects of the management of the Company and other members of the Group.

In consideration of the Investors agreeing to lend the principal amount of the Exchangeable Notes to Asiaciti Enterprises, our Company has unconditionally and irrevocably guaranteed, as principal obligor and not merely as surety, to the Investors the due, punctual and complete performance of all obligations due and owing to the Investors by Asiaciti Enterprises. Our Company shall indemnify each of the Investors immediately on demand by Highup Holdings Limited (as agent of and the security trustee for itself and other Noteholders) against all losses, liabilities, damages, deficiencies, suits, debts, obligations, interest, penalties, expenses, judgments or settlements of any nature or kind, including all costs and expenses related thereto, suffered by any Investor, the amount of which shall equal to the amount which such Investor would otherwise have been entitled to recover from Asiaciti Enterprises.

The Exchangeable Notes are also secured by various share mortgages over all of the issued share capital of Asiaciti Enterprises, Renowned Brand, East Profit, our Company and all the direct and indirect offshore subsidiaries of our Company at the time when the Exchangeable Notes were issued on January 9, 2008 (collectively, the "**Share Mortgages**"), except only 50% of the then issued share capital of Times Development (HK) was mortgaged.

Redemption of the Exchangeable Notes and Repayment Agreements

Pursuant to the right of redemption under the terms and conditions of the Exchangeable Notes, on October 28, 2009 and January 10, 2011 respectively, the Noteholders (as defined below) served redemption notice on Asiaciti Enterprises pursuant to the Exchangeable Notes. A dispute arose among the parties primarily relating to the acquisition of a property project in Panyu by our Group in July 2009 (see the section entitled "Business — Description of Our Projects — Guangdong Province — Guangzhou — (1) Times Bund" for further details of the property project in Panyu) and whether or not the circumstances at the relevant time justified the serving of a redemption notice under the Exchangeable Notes, which was subsequently resolved through arbitration in Hong Kong in 2011. The arbitral tribunal in Hong Kong considered that the serving of the redemption notice was justified and a final award (the "**Final Award**") was granted by the arbitral tribunal in October 2011 to the Noteholders under which the Obligors (as defined below), among others, are jointly and severally liable to make repayment of the principal amount of the Loan Proceeds, payment of the redemption premium (calculated by reference to an internal rate of return on the principal amount of the Loan Proceeds) and default interest pursuant to the Note Subscription Agreement and payment of arbitration costs, which in total amounted to approximately US$600 million. On January 20, 2012, our Company, Mr. Shum, Asiaciti Enterprises, Renowned Brand, East Profit (the "**Obligors**") and Highup Holdings Limited (as the agent and a security trustee of itself and the other Noteholders) entered into a payment deed ("**Payment Deed**"), by which the aggregate repayment amount was amended to approximately US$350 million (calculated by reference to an internal rate of return of 11.5% per annum in respect of the principal amount of the Loan Proceeds as a result of an arm's length negotiation between the relevant parties). The Payment

Deed was supplemented by (i) a deed dated March 20, 2012 (the "**Supplemental Deed**") entered into between the Obligors and Highup Holdings Limited and Sino-Ocean Land Capital Investment Limited and (ii) a confirmation letter dated March 22, 2013 issued by Highup Holdings Limited to the Obligors (the "**Amendment Letter**", together with the Payment Deed and the Supplemental Deed, are referred to as the "**Repayment Agreements**"). The Repayment Agreements were entered into for effecting satisfaction of the Obligors' obligations under the Note Subscription Agreement, the Exchangeable Notes and the Final Award.

In connection with and in order to facilitate Listing, the Obligors and Highup Holdings Limited (the "**Agent**", as an agent and a security agent and trustee of itself and the other Noteholders) entered into a restructuring deed (the "**Restructuring Deed**") on July 12, 2013 to amend and supplement the terms of the Repayment Agreements, including but not limited to the payment schedule for the amounts owed but not yet fallen due by the Obligors to the Noteholders and the modification of the security given by the Obligors to the Noteholders under the Note Subscription Agreement and Exchangeable Notes.

Principal terms of the Restructuring Deed

Payment Schedule

All installments (the "**installments**") due and payable under the Repayment Agreements in the total amount of approximately US$191 million as at the date of the Restructuring Deed have been settled by the Obligors to the Agent (of which a total of approximately US$70.2 million was paid by the Company to the Investors on behalf of Asiaciti Enterprises on March 6, 2012, March 13, 2012, March 20, 2012, March 27, 2012, April 12, 2012, October 16, 2012 and May 15, 2013, and the remaining was paid by Asiaciti Enterprises to the Investors directly on December 24, 2012, March 18, 2013, May 6, 2013, May 15, 2013 and May 23, 2013) and the remaining balance shall be settled in accordance with the following schedule under the Restructuring Deed:

	Payment Due Date	Installment	Expected Source of Funding *(Note 3)*
1.	July 15, 2013	US$24,330,111 *(Note 1)*	–
2.	September 15, 2013	US$48,660,222 *(Note 1)*	–
3.	January 15, 2014	US$24,330,111 *(Note 2)*	Proceeds of the Global Offering *(Note 4) (Note 5)*
4.	March 15, 2014	US$31,725,312 *(Note 2)*	Proceeds of the Global Offering and our own working capital *(Note 4) (Note 5)*
5.	May 15, 2014	US$29,910,680 *(Note 2)*	Proceeds of the Global Offering and our own working capital *(Note 4) (Note 5)*

Note 1: The first and the second installments were duly paid by Asiaciti Enterprises on July 15, 2013 and September 2, 2013, respectively, using its own funds.

Note 2: The third to fifth installments shall be settled by our Company.

Note 3: Subject to Note 4 below, this column sets out our Company's current plan to fund the third to fifth installments.

Note 4: Upon a Qualifying Listing (as defined below) and assuming a Qualifying Listing happens before January 15, 2014 (the due date of the third installment under the Restructuring Deed), approximately one third of the net proceeds of the Global Offering shall be applied to repay the installment. See the section entitled "Future Plans and Use of Proceeds — Use of Proceeds" for further details on the use of proceeds of the Global Offering. Should this amount be insufficient to repay the installment, our Company will apply its working capital to finance such payment.

Note 5: If the Offer Price is fixed at HK$3.85 (being the mid-point of the indicative range and the net proceeds of the Global Offering being HK$1,548.2 million, assuming no exercise of the Over-allotment Option) we expect to fund the third installment (being US$24,330,111) from the net proceeds of the Global Offering and to apply the balance of the one third of the net proceeds of the Global Offering after deduction of the third installment on a pro rata basis to the fourth and the fifth installments, respectively. Any shortfall of the fourth and the fifth installments will be funded by our working capital.

After the full payment of the first and the second installments by the Obligors (other than our Company) in accordance with the terms of the Restructuring Deed (which took place on July 15, 2013 and September 2, 2013, respectively), our Company (i) assumed the payment obligations of the Obligors (other than our Company) under the Restructuring Deed and is liable to make payment to the Agent from the third installment and onwards as set out above (the "**Novation**"); and (ii) ceased to be a guarantor of the performance by the Obligors of their payment obligation under the Repayment Agreements and the Restructuring Deed.

Termination events

Set out below are some of the key termination events provided under the Restructuring Deed (the "**Termination Events**"):

(i) any installment set out in the Payment Schedule above or any other amount payable under the Restructuring Deed which has fallen due is not settled on or before the due date for such payment; or

(ii) any breach of any provision of the Restructuring Deed; or

(iii) any payment to or any discharge given by the Agent or any Investor is avoided or reduced for any reason (including without limitation as a result of insolvency, breach of fiduciary or statutory duties or any similar event); or

(iv) any entity currently owned or controlled directly or indirectly (through any other entity) by Hong Kong Times Investments and/or Times Group is sold, transferred or otherwise disposed of or subject to any encumbrance without the Agent's prior written approval (unless (i) the transferee is one of the member of the Group and (ii) following such sale, transfer or disposal or encumbrance, the relevant entity remains owned and controlled to the same extent as previously, directly or indirectly by Hong Kong Times Investments and/or Times Group; or

(v) at any time after the date of the Restructuring Deed and prior to the occurrence of a Qualifying Listing (as defined below), without the Agent's prior written approval:

(1) any of our Company, any Obligor (including when such Obligor is a guarantor rather than a primary obligor), any member of our Group (each a "**Relevant Entity**") issues any equity securities or securities convertible into equity in any Relevant Entity to any person other than the existing shareholders of the relevant company; or

(2) our Company or any Obligor declares and/or pays any dividend or making any distribution to its shareholders except as contemplated by the Restructuring Deed;

(3) any Relevant Entity enters into any transaction, disposes of any assets, grants any guarantee or incurs any indebtedness in each case other than on arm' length terms with a party that is not in any way related with our Company, any Obligor, any member of the Group or any controlled entity and has a material adverse effect;

(4) any Relevant Entity is not able to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to a general re-adjustment or re-scheduling of its indebtedness or makes a general assignment for the benefit of its creditors and has a material adverse effect;

(5) any Relevant Entity takes any action or other steps or legal proceedings are started (under any applicable insolvency, bankruptcy or reorganization law) for its winding up, bankruptcy, dissolution, administration or reorganization (whether by way of a voluntary arrangement, creditors' actions or otherwise) or for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, security trustee or similar officer of it or of any or all of its revenues, incomes or assets and has a material adverse effect;

(6) any Relevant Entity defaults, or receives notice of default, under any agreement or obligation relating to any borrowing or indebtedness, or as a result of such default, any indebtedness of any Relevant Entity becomes payable or capable of being declared payable before its stated maturity or is not settled when due and has a material adverse effect; or

(7) Mr. Shum ceases to control our Company.

(vi) at any time after completion of a Qualifying Listing:

(1) trading in the Shares is suspended for 15 consecutive business days (as defined in the Restructuring Deed) or any proceedings are commenced or threatened for the delisting of the Shares of our Company;

(2) our Company or any of its subsidiaries is not able to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to a general re-adjustment or re-scheduling of its indebtedness or makes a general assignment for the benefit of its creditors and could have a material adverse effect;

(3) our Company or any of its subsidiaries takes any action or other steps or legal proceedings are started (under any applicable insolvency, bankruptcy or reorganization law) for its winding up, bankruptcy, dissolution, administration or reorganization (whether by way of a voluntary arrangement, creditors' actions or otherwise) or for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, security trustee or similar officer of it or of any or all of its revenues, incomes or assets and could have a material adverse effect;

(4) our Company or any of its subsidiaries defaults, or receives notice of default, under any agreement or obligation relating to any borrowing or indebtedness, or as a result of such default, any indebtedness of any Relevant Entity becomes payable or capable of being declared payable before its stated maturity or is not settled when due and could have a material adverse effect; or

(5) Mr. Shum ceases to control our Company.

Upon the occurrence of a Termination Event, the Obligors shall pay to the Agent an amount which will yield an internal rate of return of 20% per annum on all avoided, reduced or unpaid installments under the Restructuring Deed as liquidated damages and any other sums payable under the Restructuring Deed, and the Agent (for itself and on behalf of the Noteholders) shall be entitled to wind up the companies the shares of which are subject to the Share Mortgages, bankrupt Mr. Shum and enforce their rights under the Share Mortgages (including but not limited to disposing any and/or all of the shares subject to the Share Mortgages) and other transaction documents.

Release of Share Mortgages and other rights

Under the Restructuring Deed and assuming completion of a Qualifying Listing takes place prior to the full payment of the installments under the Restructuring Deed, the Share Mortgages and other rights shall be released in two phases: (i) upon completion of a Qualifying Listing; and (ii) upon the full payment of the installments in accordance with the terms of the Restructuring Deed.

Pursuant to the Restructuring Deed, upon completion of a Qualifying Listing, all share mortgages created over the shares in the issued share capital of our Company, Asiaciti Enterprises, Renowned Brand and East Profit and all the security interest created thereby will be discharged and released with immediate effect. Further, all other rights of the Investors (including such rights described under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Note Subscription Agreement and Exchangeable Notes" in this prospectus) and the obligations of the Obligors (including our Company) under the Note Subscription Agreement, the Exchangeable Notes, the Repayment Agreements, the Final Award and other related documents will be discharged and terminated.

Upon full payment of the installments in accordance with the terms of the Restructuring Deed, the Exchangeable Notes shall be deemed to have been fully redeemed, the obligations of the Obligors under the Note Subscription Agreement, the Exchangeable Notes, the Share Mortgages (other than the share mortgages created over the shares in the issued share capital of our Company, Asiaciti Enterprises, Renowned Brand and East Profit and all the security interest created thereby, assuming completion of a Qualifying Listing takes place prior to the full payment of the installments under the Restructuring Deed), the Final Award, the Repayment Agreements, the Restructuring Deed and all other transaction documents shall be deemed to have been discharged in full, at which point, the Termination Events (as defined above) will no longer be applicable and all share mortgages created over the shares in the issued share capital of Wisdom Sharp, Grand Highway and Hong Kong Times Investments and all the security interest created thereby will be discharged and released with immediate effect.

Subject to compliance with the terms and conditions of the Restructuring Deed, the Agent and the Investors will not, prior to the occurrence of a Termination Event:

(a) accelerate or demand payment of the outstanding debt other than the Installments;

(b) take any steps to enforce the Final Award;

(c) take any steps to pursue any legal proceedings or winding up proceedings against the Obligors or any member of the Group, or bankruptcy proceedings against Mr. Shum;

(d) enforce any of the Share Mortgages or register the Agent or its nominee as the shareholder, director or registered agent or company secretary of any of the Obligors or companies subject to the Share Mortgages; and

(e) exercise any right available to them under the Note Subscription Agreement, the Exchangeable Notes, the Share Mortgages and other transaction documents.

For the purpose of this section, a "**Qualifying Listing**" shall mean a listing of the Shares on the Main Board of the Stock Exchange where:

(a) the issuance of equity by our Company results in gross proceeds being received by us of not less than US$100,000,000 (or such lesser amount as the Agent (on behalf of the Noteholders) shall approve in writing) being received by us; and

(b) the public float of the Shares following such Listing equals or exceeds 25% of the total issued share capital of our Company immediately after the completion of such Listing.

Declaration of dividends

Prior to the Novation (as defined above), on June 6, 2013, our Company declared a special dividend of approximately RMB442.4 million to Asiaciti Enterprises to offset the debt owed to our Company by Asiaciti Enterprises in respect of certain previous installments under the Repayment Agreements paid through our Company. There was no gain or loss recognized by our Company from such previous payments our Company made on behalf of Asiaciti Enterprises.

As a result of the Novation, our Company recorded a payable to the Noteholders in the sum of approximately US$86 million and a receivable from Asiaciti Enterprises of the same amount. In order to facilitate the Novation, our Company (i) declared on September 16, 2013 dividends out of its distributable reserves in accordance with the applicable laws of the Cayman Islands in favor of Asiaciti Enterprises in the amount of approximately US$70.2 million and (ii) applied the balances due to Asiaciti Enterprises as at September 16, 2013 totalled approximately US$15.7 million to offset the amounts owing by Asiaciti Enterprises to our Company under the Novation. There was no gain or loss recognized by our Company from the assumption of liability under the Novation.

See the sections entitled "Financial Information — Indebtedness and Contingent Liabilities — Exchangeable Notes and Restructuring Deed" and "Financial Information — Dividends and Distributable Reserves" in the prospectus for further details regarding the declaration of dividends mentioned above.

Exchangeable Notes

1. Summary of the Exchangeable Notes

Details of the principal terms of the Exchangeable Notes are as follows:

Issuer: Asiaciti Enterprises

Purchasers: The name of the purchasers of the Exchangeable Notes and the respective principal amounts of the Exchangeable Notes are as follows:

Purchaser (each, a "Noteholder")	Aggregate Principal Amount of Exchangeable Notes
Highup Holdings Limited *(note)*	US$90 million
Poplar Victory Limited *(note)*	US$20 million
PA Asset Opportunity IX Limited	US$20 million
PA Capital Opportunity II Limited	US$40 million
Sino-Ocean Land Capital Investment Limited	US$30 million
Total	**US$200 million**

Note: The Exchangeable Notes in the principal amount of US$20 million was transferred by Highup Holdings Limited to Poplar Victory Limited on January 30, 2008.

Save as the Noteholders' interest mentioned in this prospectus, the Noteholders are Independent Third Parties. Save for the transactions contemplated under the Note Subscription Agreement and the Exchangeable Notes, each of the Investors did not have any past or current business relationship with our Group.

Exchange of Shares: The Noteholders were entitled to exchange the Exchangeable Notes to Shares upon the occurrence of a firm commitment underwritten initial public offering of our Shares, and the listing of such Shares on any stock exchange as approved under the Exchangeable Notes in accordance with the formula set out in the Exchangeable Notes.

Right of redemption: Unless previously redeemed or exchanged pursuant to terms and conditions of the Exchangeable Notes, the Noteholders have the right (but not obligation) to demand Asiaciti Enterprises to forthwith redeem the Exchangeable Notes, which the Noteholders did on October 28, 2009 and January 10, 2011, respectively, see the section entitled "— Redemption of the Exchangeable Notes and Repayment Agreements" above for more details.

2. Transfer of Exchangeable Notes by Highup Holdings Limited

On January 30, 2008, Highup Holdings Limited transferred an Exchangeable Notes in the principal amount of US$20 million to Poplar Victory Limited, being a special purpose vehicle under Gateway Capital Real Estate Fund II, in accordance with the relevant provisions of the Note Subscription Agreement. After such transfer, Poplar Victory Limited became one of the "**Noteholders**."

3. Brief description of the Investors

Based on the information provided by the Investors, set out below is the brief description of the Investors:

(a) Highup Holdings Limited

Highup Holdings Limited is a limited liability company incorporated in the BVI and it is wholly owned by Warburg Pincus Real Estate I, L.P., a fund managed by Warburg Pincus LLC, a global private equity firm.

(b) PA Asset Opportunity IX Limited and PA Capital Opportunity II Limited

Each of PA Asset Opportunity IX Limited ("**PA Asset**") and PA Capital Opportunity II Limited ("**PA Capital**") is a limited liability company incorporated in the BVI.

PA Asset is wholly owned by Pacific Alliance Asia Opportunity Fund L.P., an investment fund managed by Pacific Alliance Investment Management Limited. PA Capital is wholly owned by Pacific Alliance China Land Limited, an investment fund managed by Pacific Alliance Real Estate Limited. Each of PA Asset and PA Capital is an affiliate of PAG, an Asia alternative investment fund management group. PAG has extensive experience investing in the region's capital markets and property sectors.

(c) Sino-Ocean Land Capital Investment Limited

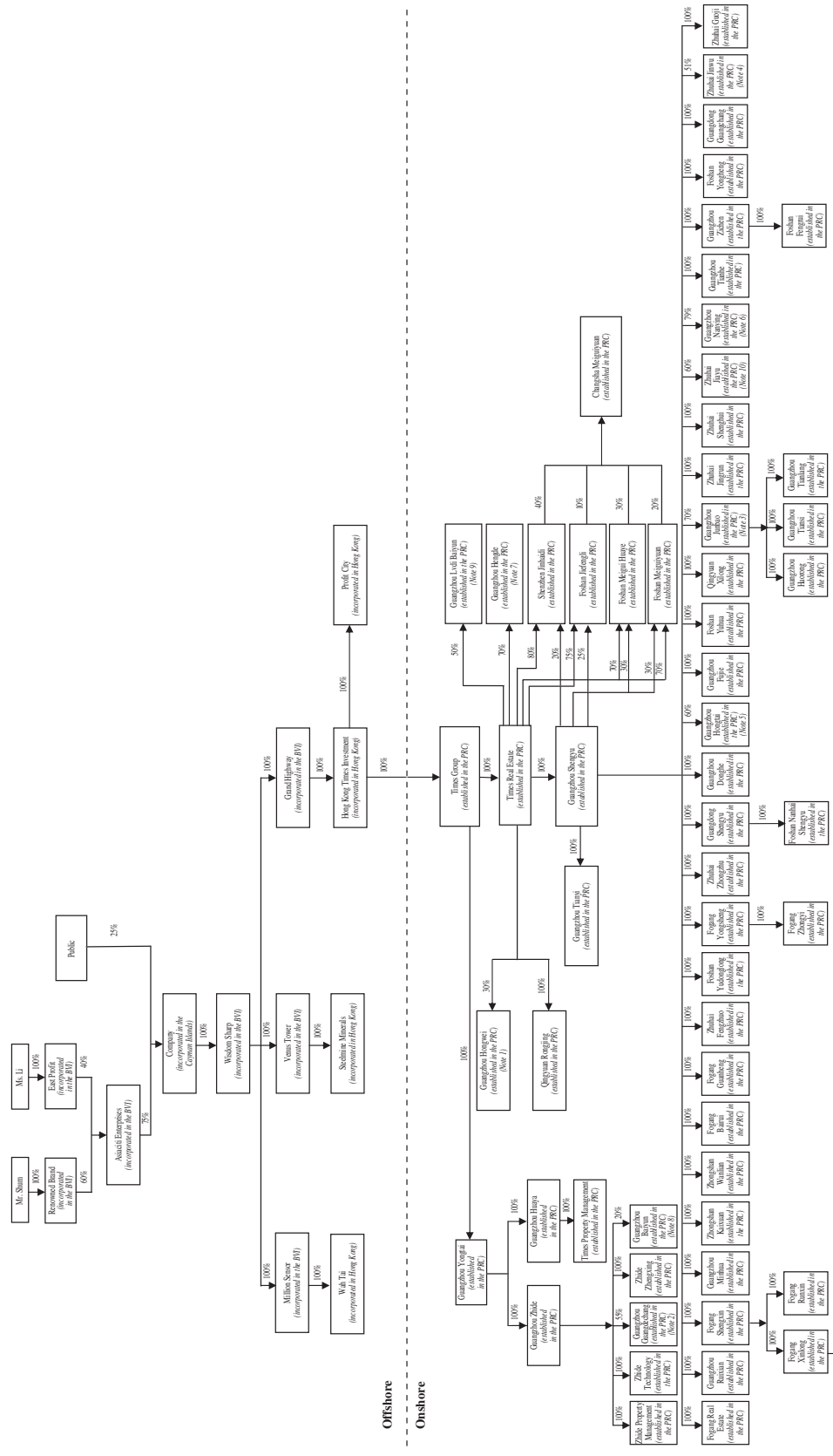
Sino-Ocean Land Capital Investment Limited is an investment holding company incorporated under the laws of the BVI. It is a wholly owned subsidiary of Sino-Ocean Land Holdings Limited, a Hong Kong company listed on the Hong Kong Stock Exchange (stock code: 3377). Sino-Ocean Land Holdings Limited and its subsidiaries (the "**Sino-Ocean Land**") have over 20 years of experience in China's real estate industry. Sino-Ocean Land is one of the leading property developers in Beijing and the Pan-Bohai Rim and actively accomplishing its national strategic plan with a coastal and riparian focus. Sino-Ocean Land focuses on developing mid-to-high end residential properties, high-end office premises and retail premises.

(d) Poplar Victory Limited

Poplar Victory Limited is a limited liability company incorporated in the BVI and it is wholly owned by Gateway Capital Real Estate Fund II, a real estate private equity fund with a long-term investment focus in greater China and Asia Pacific. The fund, managed by Gaw Capital, has total capital commitments of US$800 million.

Gaw Capital is a private equity fund management company, focusing on real estate investments in high barrier to entry markets and maintains a strong geographic focus in the Greater China and Asia Pacific regions. Gaw Capital has four Asian real estate funds under management: Gateway China Fund I, Gateway Capital Real Estate Fund II, Gateway Real Estate Fund III and Gateway Real Estate Fund IV. As of July 2013, the four funds have combined total equity commitments of approximately US$2.2 billion (excluding co-investments) and US$2.3 billion (including co-investments).

Immediately after completion of the Global Offering and the Capitalization Issue, our corporate structure was as follows:



Notes:

1. The remaining 70% interest in Guangzhou Hongwei is held by Guangzhou Hongwei Economics Cooperatives (廣州市羅崗區九龍鎮紅衛村經濟聯合社).

2. The remaining 45% interest in Guangzhou Guangdechang is held by Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司) and Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司) in the proportion of 30% and 15%, respectively.

3. The remaining 30% in Guangzhou Junbao is held by Guangzhou Dafushi.

4. The remaining 49% interest in Zhuhai Jinwu is held by Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) in the proportion of 25% and 24%, respectively.

5. The remaining 40% in Guangzhou Hongtai is held by Zhongshan Tianyue.

6. The remaining 21% interest in Guangzhou Nanying is held by Zhuhai Nanying and Daye Trust in the proportion of 1% and 20%, respectively.

7. The remaining 30% interest in Guangzhou Hengde is held by Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司).

8. Guangzhou Baiyun is owned as to 20% by Guangzhou Zhide and 80% by Independent Third Parties. As advised by our PRC legal advisers, Commerce & Finance, Guangzhou Baiyun has obtained the approval from the relevant government authority in relation to its money lending business.

9. The remaining 50% interest in Guangzhou Lvdi Baiyun is held by Guangzhou Lvdi.

10. The remaining 40% interest in Zhuhai Jiayu is held by Guangzhou Zhuorui.

PRC GOVERNMENTAL APPROVALS

Mr. Shum is a permanent resident of Hong Kong. He acquired an interest in Times Group, a foreign-invested enterprise, through Hong Kong Times Investments prior to September 8, 2006. As confirmed by our PRC legal advisers, Commerce & Finance, Mr. Shum has applied for and obtained the registration of establishment of the relevant offshore companies under the SAFE Notice on Issues Relating to Foreign Exchange Control on Fund Raisings by Domestic Residents through Offshore Special Purpose Vehicles and Round-trip Investments (《國家外滙管理局關於境內居民通過境外特殊目的公司融資及返程投資外滙管理有關問題的通知》) ("**No. 75 Notice**") on December 14, 2007. On July 24, 2013, Mr. Shum has obtained the registration on the changes to the offshore investment issued by SAFE Guangdong Branch. In view of the fact that (i) Mr. Shum became a permanent resident of Hong Kong in 2004; (ii) he acquired the interest in Times Group through Hong Kong Times Investments prior to September 8, 2006; (iii) all the onshore acquisition steps we have undertaken within the PRC for the purpose of the Global Offering as described in the section entitled "— Our Reorganization — Onshore Acquisition and Disposal" above have been approved by the relevant competent PRC government authorities pursuant to the applicable PRC laws and regulations; and (iv) the various steps we have undertaken in the aforesaid onshore acquisition do not fall within the types of transactions regulated by the Provisions on the Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) ("**M&A Rules**") jointly promulgated by six ministries and commissions of the PRC, including MOFCOM, which became effective from September 8, 2006, as advised by our PRC legal advisers, Commerce & Finance, the M&A Rules are not applicable to the Global Offering and no approval or consent from the CSRC or any other PRC government authority is required in relation to the Global Offering.

MOFCOM and SAFE jointly issued Notice 50 in May 2007 to further regulate the establishment of a FIREE in China by a foreign investor, by requiring additional filing procedures with MOFCOM. SAFE also issued Notice 130 in July 2007 to further restrict the ability of a FIREE to increase its registered capital and apply for foreign exchange registrations after June 2007.

Since the issue of Notice 50 and Notice 130, we have increased the registered capital of two of our then-existing FIREEs. We increased the registered capital of Times Group in January 2008 by US$73 million and Guangzhou Minhua in June 2008 by US$47.5 million. Times Group and Guangzhou Minhua had obtained the approval of the Bureau of Foreign Trade and Economic Cooperation of Guangzhou Municipality (廣州市對外貿易經濟合作局). Times Group and Guangzhou Minhua undertook the requisite filing procedures with MOFCOM and completed the increases in their registered capital.

If we have projects that involve increases in the registered capital of existing FIREE incorporated in the PRC in the future, we must undergo the relevant procedures stipulated in Notice 50 and Notice 130 and fulfill the foreign exchange requirements in accordance with the relevant PRC regulations within the approved investment time limit and amount.

In respect of the capital injection of US$200 million by our Controlling Shareholder, Asiaciti Enterprises, from its issuance of the Exchangeable Notes, we repatriated part of the proceeds into the PRC by increasing the registered capital of our then-existing FIREEs incorporated in the PRC, namely, Times Group and Guangzhou Minhua.

Our PRC legal advisers, Commerce & Finance, have confirmed that the repatriation of the proceeds had complied with the requirements of Notice 50 and Notice 130 in respect of completing the approval and filing procedures.

In accordance with Notice 50, if we propose to establish new FIREEs in PRC using the proceeds from the Global Offering, then we must complete the requisite filing procedures with MOFCOM in addition to obtaining the approval of local authorities for the establishment of such FIREEs. Based on the requirements of Notice 130, if we intend to use the proceeds from the Global Offering to increase the registered capital of the existing FIREE, i.e., Times Group, or establish new FIREEs after June 2007, then we must complete the requisite filing procedures with MOFCOM before we can apply for foreign exchange registration to allow the proceeds to be remitted into PRC for increasing the registered capitals of the existing FIREE or establishing new FIREEs.

OVERVIEW

We are one of the leading property developers in Guangdong Province, focusing on the development of mid-market to high-end residential properties. Our business comprises three areas: (i) property development, i.e., the development of residential and commercial properties for sale, (ii) property leasing, i.e., the development, leasing and sub-leasing of commercial properties owned by us or Independent Third Parties, and (iii) property management, i.e., the provision of property management services to our residential customers.

According to DTZ, in 2012, we ranked 11th among all real estate developers by contracted sales volume in Guangdong Province,[(1)] and third among non-listed developers in Guangdong Province in terms of contracted sales volume. In 2013, we ranked 35th out of the "2013 China's Top 50 Real Estate Developers" (2013中國房地產開發企業50強) and were among the "Star of 2012 China Top 100 Real Estate Developers" (2012中國房地產百強企業 — 百強之星), which were selected by the Development Research Center of the State Council (國務院發展研究中心), Tsinghua University's Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院). In 2012, we received the "2012 Best Enterprise Brand Image Award" (2012最佳企業品牌形象獎) from the China Finance Summit Organization Committee (中國財經峰會組委會). We believe our success is attributable to our market positioning, our well-recognized "Times Property" (時代地產) brand image and our property developments with modern designs.

Property development — We define ourselves as a "life stylist" (生活藝術家), with a vision of introducing contemporary and artistic lifestyles to increasingly affluent middle- to high-income households that have relatively high disposable income and strong purchasing power. To meet the anticipated needs and preferences of our target customers during their progression through different stages of their professional careers and lives, we offer three series of residential property developments, namely the "Growth Series" (成長型), the "Blossom Series" (成熟型) and the "Prosperity Series" (成功型). Our series contain modern and artistic themes designed by reputable architecture and design firms, such as AECOM, Hanhua, HS Architects and SCDA Architects. Substantially all of our residential developments are equipped with well-designed ancillary facilities, such as residents-only parks, clubhouses and swimming pools. We have introduced an art gallery within Times Deconstruction (時代玫瑰園) and we have included private theaters and art salons in some of our property developments to enhance the artistic experience for our customers. To increase our operating efficiency and enhance our cost and quality control, we have standardized and replicated certain themes that we believe to be the most popular among our product offerings. We have also developed commercial properties within our residential property developments so that retail shops and other entertainment facilities are made available to our residential neighborhoods.

Note:

1. According to DTZ, Guangdong Province comprises Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou.

Property leasing — We seek to sell the commercial properties within our residential developments as soon as practicable. During the Track Record Period, we rented out a small portion of the commercial properties within our residential developments which had not yet been sold. In addition, we occupied certain premises in Times Property Center for our corporate headquarters, with the remaining premises being leased to third parties. Leveraging our experience in leasing and managing our properties, we also engage in the sub-leasing of commercial properties owned by Independent Third Parties.

Property management — We provide quality property management services to our residential customers through our property management company, Times Property Management, which is a property management enterprise in the PRC (first class) (中華人民共和國物業服務企業(一級)).

Leveraging our strong presence in Guangdong Province, we expanded into neighboring Hunan Province in 2011. We typically select sites located in Emerging Urban Areas. As of September 30, 2013, we had a total of 28 residential property projects at various stages of development, 27 of which were located in Guangdong Province, including ten in Guangzhou, six in Foshan, six in Zhuhai, three in Qingyuan and two in Zhongshan, and one of which was located in Changsha, Hunan Province. These 28 projects had an aggregate site area of approximately 4,328,327 sq.m. and an aggregate GFA of approximately 11,269,018 sq.m. As of September 30, 2013, approximately 3,016,908 sq.m. of the GFA was completed, approximately 3,697,977 sq.m. of the GFA was under development and approximately 4,554,133 sq.m. of the GFA was held for future development. Our business strategy is to focus on residential project development. Except for certain premises in Times Property Center that are leased to third parties, the property projects we develop are mainly for sale.

In order to maximize investment returns, improve cash flow and obtain sustainable growth, we strive to shorten our project development cycle. We believe this efficient project development practice is crucial to the success of our business operations. In support of this model, we develop our properties through standardized procedures and by creating standardized residential units for each development theme, while catering to the unique consumer preferences of each market. See the section entitled "— Our Business — Property Development" below for further details.

COMPETITIVE STRENGTHS

We believe that the following strengths enable us to compete effectively in the property markets in China:

We are one of the leading property developers in Guangdong Province, one of the most economically prosperous regions in China, with our well-recognized "Times Property" (時代地產) brand

We are one of the leading property developers in Guangdong Province, one of the most populous and economically prosperous regions in China. According to DTZ, Guangzhou was the third-largest city in China in terms of GDP in 2012. According to DTZ, in 2012, we ranked

11th among all real estate developers by contracted sales volume in Guangdong Province,[(1)] and third among non-listed developers in Guangdong Province[(1)] in terms of contracted sales volume. In 2013, we ranked 35th out of the "China's Top 50 Real Estate Developers" (2013中國房地產開發企業50強) and were among the "Star of 2012 China Top 100 Real Estate Developers" (2012中國房地產百強企業－百強之星), which were selected by the Development Research Center of the State Council (國務院發展研究中心), Tsinghua University's Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院). Between 2005 and 2007, we were among the "Top 20 Most Competitive Real Estate Companies in Guangzhou" (廣州最具競爭力房地產20強) named by the Guangzhou Enterprise Evaluation Association (廣州市企業評價協會).

We have strived to develop quality residential properties in Guangdong Province since 1999. As of September 30, 2013, we had 19 completed property phases with an aggregate completed GFA of approximately 3,016,908 sq.m. Over the years, we have received a number of awards. Examples of our recent awards, including the following:

- In 2012, we received the "2012 Best Enterprise Brand Image Award" (2012最佳企業品牌形象獎) from the China Finance Summit Organization Committee (中國財經峰會組委會); and

- In 2011, we were awarded the "2011 China Real Estate Oscar 2011 China's Top 10 Real Estate Brand Enterprise" (2011中國地產奧斯卡2011中國Top 10房地產品牌企業) by the China Real Estate Industry Association (中國房地產業協會).

See the section entitled "— Awards and Recognitions" for details of our awards and recognitions.

Leveraging our well-recognized brand and our knowledge and experience in the property development industry in Guangdong Province, we successfully expanded into Changsha, Hunan Province in 2011. We believe our experience and success in the competitive real estate development industry in Guangdong Province will enable us to further penetrate into regions where we currently operate and will provide a platform for us to replicate our success in other regions going forward, broadening the geographical scope of our business in regions where we choose to execute our expansion strategy.

We have a diversified product portfolio of quality developments that differentiates our projects from those of our competitors

We define ourselves as a "life stylist" (生活藝術家), with a vision of introducing contemporary and artistic lifestyles to the increasingly affluent middle- to high-income households that have relatively high disposable income and strong purchasing power. We have three series of property developments that are targeted at customers progressing through different stages of their professional careers and lives.

Note:

1. According to DTZ, Guangdong Province comprises Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou.

We strive to distinguish ourselves from our competitors by developing properties with modern and artistic themes and ancillary facilities based on the needs and preferences of our target customers. For example, we have created project themes, such as "Fashionable and Dynamic," "Noble and Elegant" and "Luxurious and Extraordinary" that correspond to our "Growth Series" (成長型), "Blossom Series" (成熟型) and "Prosperity Series" (成功型) of property developments, respectively, to appeal to our target customers. All of the project themes were designed by reputable architecture and design firms, such as AECOM, Hanhua, HS Architects and SCDA Architects. Over the years, we have received a number of awards for our property projects. Examples of our recent awards include the "2012 APIDA 20th Asia Pacific Region Interior Design Award" (2012 APIDA第二十屆亞太室內設計大獎), which was awarded to the designer of one of our projects by the Hong Kong Interior Design Association (香港室內設計協會) and the "2012 Guangzhou Real Estate Network Festival Most Artistic Mansion Award" (2012廣州地產網絡盛典最佳藝術豪宅大獎), which was awarded to Times Bund by Sohu Focus (搜狐焦點). Furthermore, we place a strong emphasis on the quality of our property developments.

To enhance our image as a "life stylist" (生活藝術家), we include extensive ancillary facilities in our property developments. For example, in one of our recent property developments, Times Bund, we included a private theater and a multi-function clubhouse with a GFA of approximately 3,823 sq.m., both of which were decorated with fine paintings and sculptures. We also included a community art gallery within Times Deconstruction to enhance the artistic experience of our customers.

To further differentiate our project developments from those of our competitors, we aim to offer quality property management services tailored to the needs of our customers. We believe the quality of our developments and their modern designs have been a key factor in enabling us to sell our properties at prices higher than the overall average selling price of residential properties in the same cities and/or districts during the Track Record Period. We believe our quality developments have enabled us to build a strong customer base that has resulted in repeat purchases and referrals. For example, based on our internal records, over 40%, 30% and 28% of our sales recorded for Times City, Times King City (Zhongshan) and Times King City (Zengcheng), respectively, were from repeat purchases or referrals. We believe our quality developments have proven popular among our target customers over the years and have helped us establish our reputation and enhance recognition of our "Times Property" (時代地產) brand.

We have acquired land reserves sufficient to support our operation in the next five years

We have strategically selected and acquired our land reserves to strengthen our presence in Guangdong and Hunan Provinces, to sustain continued growth and to further expand into cities in Guangdong Province and Changsha, Hunan Province. As of September 30, 2013, we had land reserves in major cities in Guangdong Province and Hunan Province with a total GFA attributable to us of over 8.4 million sq.m. We believe our land reserves are sufficient for our operational needs for the next five years. We acquire most of our land through government-organized auctions and the listing-for-sale process, or by acquiring equity interests in project

companies that hold the land use rights and by participating in the "Urban Redevelopment" (三舊改造) policies. See the section entitled "— Project Development Management — Times Property Standardized Operational and Management System — Land Acquisition" below for further details on land acquisition.

Based on our experience in the PRC real estate industry, we have strategically located most of our developments in Emerging Urban Areas. We believe such areas offer our customers more living space and convenient access to city centers at reasonable prices. Properties in Emerging Urban Areas are typically more affordable than properties in city centers but provide many of the benefits of urban life. In addition, we believe that Emerging Urban Areas are more likely to benefit from government investment in local infrastructure and public facilities, which may help increase property values in these areas.

Through our "Times Property Standardized Operational and Management System" (時代地產標準化運營管理體系), we are able to monitor land acquisition opportunities and to conduct data analysis and evaluations.

We have standardized operating procedures that enable us to develop strong execution capabilities and utilize resources efficiently

We have standardized operating procedures, including our "Times Property Standardized Operational and Management System" (時代地產標準化運營管理體系), which cover our development cycle from site selection and market evaluation, land acquisition, project planning and design, project construction and quality control to sales and marketing, after-sales services and property management. With these standardized operating procedures, we are able to (i) efficiently manage our projects; (ii) efficiently oversee the progress of development; (iii) ensure the standard of quality is applied consistently in each of our development projects; and (iv) lower the cost of construction. This in turn generally allows us to effectively manage the construction of our property by starting the pre-sale of properties at the earliest possible time and by selling most of our projects during the pre-sale period. For instance, we commenced construction of phase 1 of Times Bund in July 2011 and pre-sold approximately 95% of the apartment units by December 2012. We commenced construction of phase 1 of Ocean Times in April 2010 and pre-sold approximately 90% of the apartment units by December 2010.

We have a specialized and experienced sales and marketing team with strong marketing capabilities

We have a specialized and experienced sales and marketing team which has, over the years, developed an in-depth knowledge of customer preferences and market trends in our target markets. Our senior executives and regional managers of the sales and marketing departments of our regional companies have an average of over seven years of experience in the sales and marketing industry. Our sales and marketing team is involved in marketing and brand management.

To enhance the recognition of our brand name and properties, our sales and marketing team actively promotes our distinctive property designs and "life stylist" (生活藝術家) corporate image through customer loyalty clubs, newspaper and television advertisements, billboards and multimedia applications, as well as other advertising campaigns such as community sports days, exhibitions and charity events.

We have a stable and committed management team with strong credentials and extensive experience in the PRC real estate industry

The quality and experience of our management team have been, and will continue to be, important factors in our success. We have a highly committed management team with strong credentials and extensive experience in the PRC real estate industry. Most of our executive Directors and other senior management team have over ten years of experience in the PRC real estate industry and have extensive strategic planning and management experience, which helps us to make timely and appropriate judgments relating to business development, market trends and product positioning. Mr. Shum, Mr. Guan Jianhui and Mr. Bai Xihong have led the growth of our business since its inception in 1999 and have formed a stable core team that has worked well together over the years.

Our executive Directors and senior management have strong credentials and hold bachelor's degrees or higher. Almost all of our executive Directors and senior management obtained an Executive Master of Business Administration degree ("**EMBA**") from a reputable university such as Peking University (北京大學), Fudan University (復旦大學) or Sun Yat-Sen University (中山大學).

We believe our management team's stability, extensive property development experience, in-depth industry knowledge and understanding of the real estate market in Guangdong Province will help us further expand into our target markets successfully.

BUSINESS STRATEGIES

We intend to implement the following principal strategies to grow our businesses and create value for our Shareholders:

Strengthen our leadership position in cities in Guangdong Province and expand our presence in Hunan Province and expand into other cities in Guangdong Province with high growth potential

With our experience, local knowledge and market reputation, we intend to strengthen our leadership position in cities in Guangdong Province and expand our presence in Hunan Province by continuing to apply our standardized operating procedures to our existing and future residential project developments. In the next three years, we intend to focus on expanding into other cities in Guangdong Province with high growth potential. We believe Guangdong Province's large population and growing urbanization, together with its proximity to Hong Kong, will help Guangdong remain a growing and attractive property market in China. Changsha, where we also currently operate, is the provincial capital of Hunan Province. Changsha's nominal GDP reached RMB634.0 billion in 2012. Nominal GDP growth in Changsha has remained strong, growing at a CAGR of 20.6% from 2008 to 2012.

Continue to enhance our well-recognized "Times Property" (時代地產) brand, innovate and improve our project designs, and increase the value of our quality developments

We believe that our brand name has been paramount to our success. We intend to continue to enhance our well-recognized "Times Property" (時代地產) brand and promote our brand image as a "life stylist" (生活藝術家). To do so, we will continue to (i) enhance the quality of our property developments, (ii) develop new project themes and designs, and innovate and improve the ancillary facilities within each new project development, and (iii) improve our property management services.

In order to enhance the quality of our property developments, we intend to refine our existing project themes and replicate them in future project developments. For instance, we completed Times King City (Foshan) in March 2009, the first "King City" development in the "Blossom Series" developed with the "Noble and Elegant" theme. We then replicated it for other project developments, namely, Times King City (Zengcheng) in 2010 and Times King City (Zhongshan), and Times King City (Changsha) in 2011, and Times King City (Qingyuan) in 2013, certain phases of which are still under construction.

In addition, we intend to develop new project themes and designs to meet our customers' changing preferences. Further to our internal research on product development, we plan to continue to collaborate with reputable architecture and design firms to ensure that the designs of our products are modern and artistic. We will continue to place a strong emphasis on quality control because we believe our brand name depends highly on the quality of our properties sold.

To further increase the value of our residential properties, we plan to continue to innovate and improve the ancillary facilities within each new project development. We actively conduct market research to explore if there is significant customer demand for certain ancillary facilities that have not been previously included in our project developments, and if there is, we will consider incorporating such facilities. We will also continue to improve our property management services so that (i) the services provided are in line with our customers' expectations and (ii) our property developments will continue to be well maintained. We believe these factors will help to increase the value of our properties.

Building on our strength in residential project development, we plan to explore opportunities to diversify our product portfolio, such as by developing low density office and residential mixed-use complex projects.

Increase our land reserves in areas with high growth potential at a competitive cost

To sustain healthy and continued growth, we will continue to increase our land reserves in areas with high growth potential, such as Emerging Urban Areas, at a competitive cost. We will conduct extensive market research on the anticipated needs of our target customers. We will consider a variety of factors, such as future land availability, land cost, urban planning and development, favorable governmental policies, surrounding infrastructure and potential growth and investment value of an area, before we acquire a parcel of land.

Leveraging our experience and knowledge in PRC real estate development, we will continue to strategically acquire land primarily through government-organized auctions and the listing-for-sale process, and by acquiring equity interests in project companies that hold land use rights and by participating in the "Urban Redevelopment" (三舊改造) policies. To increase our land reserves at a competitive cost, we will continue to focus on obtaining land in Emerging Urban Areas, where land costs are lower than in city centers.

Capitalize on our standardized operating procedures to achieve healthy growth and operational expansion

Through our standardized operating procedures, including our "Times Property Standardized Operational and Management System" (時代地產標準化運營管理體系), we have been able to effectively manage the construction of our properties. In order to further improve our project management to sustain healthy growth and operational expansion, we plan to continue optimizing and refining our system. We plan to standardize and replicate certain project themes, such as "Times Sweet House" (時代糖果), "Times King City" (時代傾城) and "Ocean Times" (時代南灣), in future property developments in cities into which we expand. With our standardized operating procedures, we believe we will be able to increase the efficiency of the project planning, design and construction process, and to maintain and promote a consistent image and quality for our property developments.

Further, we believe that we will be able to achieve economies of scale through bulk purchasing our standardizing and replicating our project themes.

Attract, retain and develop a talented workforce through continual training and attractive remuneration packages

We are committed to building a highly qualified team of personnel with solid experience and strong execution capabilities. We aim to attract, retain and develop a talented workforce through continual training and attractive remuneration packages. We have established a comprehensive set of training materials and courses tailored to employees at different levels to meet different job requirements. These training materials and courses cover different aspects that we consider important to our corporate and business advancement. We will refine and update these training materials and courses to keep our employees abreast of relevant information.

We believe continual education of our staff is integral to our success. We encourage our senior executives to undertake further academic studies to develop their professional and management skills. Going forward, we will continue to fund further education, such as EMBA courses, for suitable employees.

Through our existing remuneration policies, we offer our employees performance-based incentives, on top of a competitive salary, based on their qualifications, experience and performance. In addition, we have conditionally adopted a Share Option Scheme to further motivate our employees and better align their interests with those of our Group. See the section entitled "Statutory and General Information — D. Share Option Scheme" in Appendix V to this prospectus for further information.

OUR BUSINESS

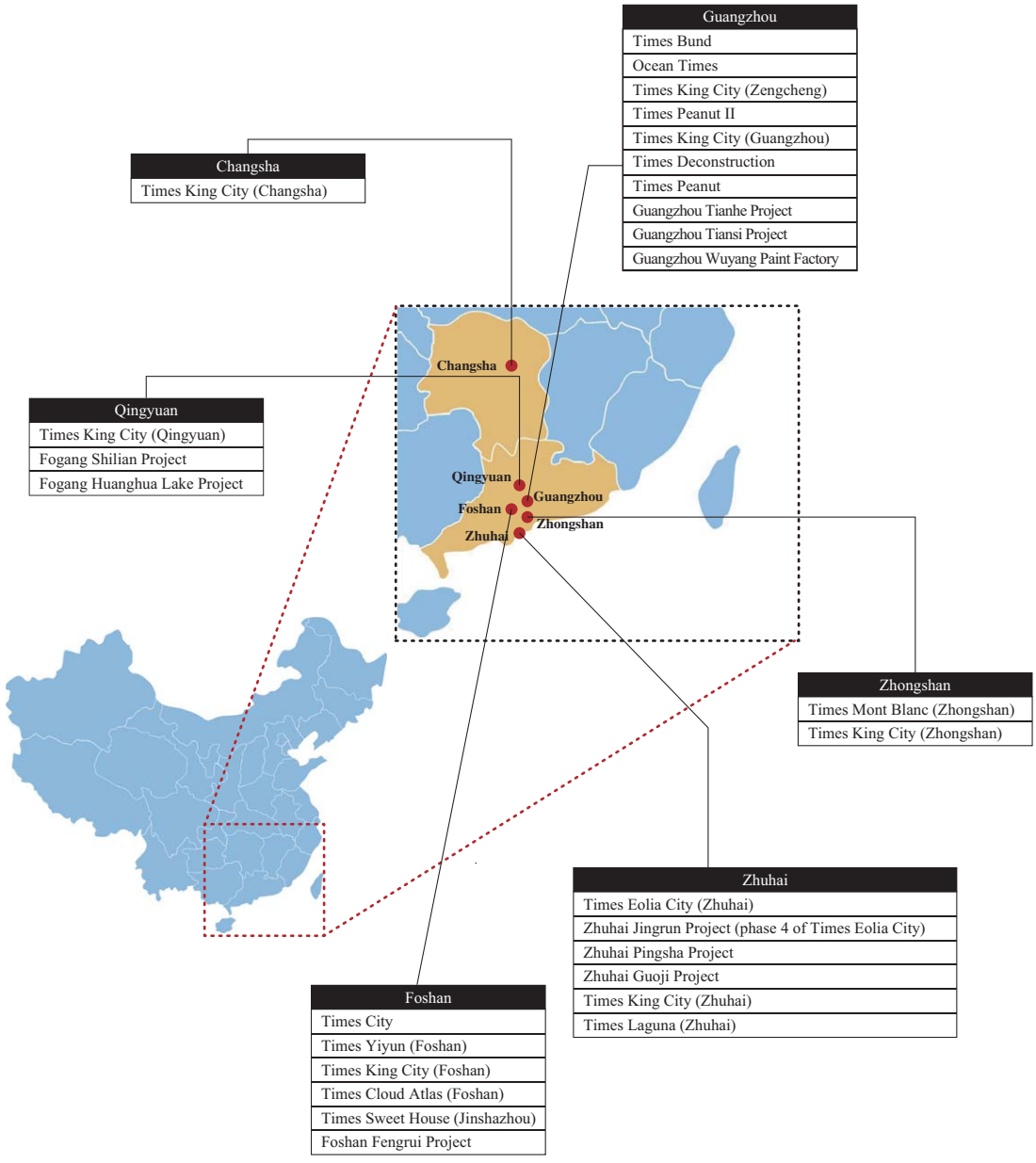
Property Development

As of September 30, 2013, we had a total of 28 residential property projects at various stages of development, 27 of which were located in Guangdong Province, including ten in Guangzhou, six in Foshan, six in Zhuhai, three in Qingyuan and two in Zhongshan, and one in Changsha, Hunan Province. These 28 projects had an aggregate site area of approximately 4,328,327 sq.m. and an aggregate GFA of approximately 11,269,018 sq.m. As of September 30, 2013, approximately 3,016,908 sq.m. of the GFA was completed, approximately 3,697,977 sq.m. of the GFA was under development and approximately 4,554,133 sq.m. of the GFA was held for future development. We develop and sell a variety of residential properties, primarily consisting of the following types:

- high-rise apartment buildings — which are typically buildings with more than 18 stories;
- mid-rise apartments — which are typically buildings with between ten and 18 stories;
- low-rise apartments — which are typically buildings with fewer than ten stories; and
- townhouses — which typically include connected townhouses, courtyard townhouses and split-level townhouses, some with private pools.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our revenue from the sale of properties amounted to approximately RMB1,466.3 million, RMB2,369.6 million, RMB3,090.8 million and RMB2,251.2 million, accounting for approximately 94.8%, 96.1%, 96.7% and 95.3%, respectively, of our total revenue.

The following map shows the geographical locations of and key information for our developments as of September 30, 2013:



We categorize our residential properties into three series to cater to the needs and preferences of our customers as they progress through different stages of their professional careers and life, and to expand our customer base. While our customers at different stages of life may choose to purchase the series of development that best suits their needs, we expect that many of our existing customers will want to upgrade their current properties for properties with a larger GFA when their incomes rise and families grow. The table below sets forth the details of our three series of residential developments and their corresponding themes:

	"Growth Series" (成長型)	**"Blossom Series" (成熟型)**	**"Prosperity Series" (成功型)**
Unit GFA (sq.m.).	78-105	83-130	140-240
Target customers	First-time buyers/Couples/ Newlyweds	Young families/Middle-income households	Extended families/High-income households
Themes.	"Fashionable and Dynamic" (時尚動感)	"Noble and Elegant" (高尚優雅); "Subtropical Style" (亞熱帶風情)	"Luxurious and Extraordinary" (華美非凡)

Classifications of Our Property Projects

We generally classify our property projects into three categories:

- completed properties — comprising property projects we have completed, for which the certificates of completion have been issued by the relevant government authorities;

- properties under development — comprising property projects with land use rights certificates issued by the relevant government authorities and the construction of which has commenced and/or been completed, but for which the relevant completion certificates have not been obtained; and

- properties held for future development — comprising property projects with respect to which (i) we have signed land grant contracts with the relevant PRC authorities but for which we have not yet been issued the land use rights certificates, or (ii) we have signed land grant contracts with the relevant PRC authorities and have obtained the land use rights certificates, but have not obtained the requisite construction permits or commenced construction.

As some of our projects comprise multi-phase developments, one project may include different phases that are at different stages of completion, are under development or are held for future development. Our classification of properties reflects the basis on which we operate our business and may differ from classifications employed by other developers. Each property project may be subject to multiple land use rights certificates, construction land planning permits, construction work planning permits, construction work commencement permits,

pre-sale permits and other permits and certificates that are issued at different stages throughout their development. Our classification of properties is not directly comparable with the classification of properties in the Property Valuation Report contained in Appendix III to this prospectus and the Accountants' Report contained in Appendix I to this prospectus.

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

Our Classification	Property Valuation Report	Accountants' Report
Completed properties • property projects we have completed; and • we have obtained the certificates of completion issued by the relevant government authorities	• Group I — Property held by us for investment in the PRC (Property No. 1) • Group II — Properties held by us for sale in the PRC (Property No. 2 to No. 12)	• Completed properties held for sale • Investment properties
Properties under development • we have obtained the land use rights certificates issued by the relevant government authorities; and • construction of the properties/projects has commenced and/or been completed but relevant completion certificates have not been obtained	• Group III — Properties held by us under development in the PRC (Property No. 13 to No. 25)	• Properties under development
Properties held for future development • we have signed the relevant land grant contracts with the relevant PRC authorities, but have not obtained the land use rights certificates; or • we have signed the relevant land grant contracts with the relevant PRC authorities and have obtained the land use rights certificates, but have not obtained the requisite construction permit; and • in each case, construction has not yet commenced	• Group IV — Properties held by us for future development in the PRC (Property No. 26 to No. 37)	• Prepayments, deposits and other receivables • Prepaid land lease payments

Summary Information Regarding Our Property Projects

We have obtained all the relevant land use rights certificates for our completed properties and properties under development. As of the Latest Practicable Date, we had not obtained land use rights certificates for three parcels of land in relation to Times King City (Zhuhai), our Foshan Fengrui Project and Zhongshan Shiqi Project, the total site area of these three projects is approximately 279,179 sq.m. and is being held for future development. Our Property Valuer has not assigned any commercial value to Times King City (Zhuhai), our Foshan Fengrui Project and Zhongshan Shiqi Project which are properties held for future development in the Property Valuation Report. As of September 30, 2013, the land premiums for all of our property projects had been paid in full, except for Times King City (Zhuhai), our Foshan Fengrui Project and Zhongshan Shiqi Project, in relation to which we had a total outstanding land premium of approximately RMB892.3 million. We intend to pay approximately RMB586.4 million of this amount in relation to Times King City (Zhuhai) in December 2013, approximately RMB142.3 million in relation to our Foshan Fengrui Project in February 2014 and approximately RMB163.6 million in relation to our Zhongshan Shiqi Project in installments between December 2013 to February 2014, in accordance with the terms of the relevant land grant contracts. Our Directors have confirmed that our Group has sufficient working capital to pay such outstanding land premium amount.

With respect to the projects for which we have entered into land grant contracts but have not obtained the relevant land use rights certificate, our PRC legal advisers, Commerce & Finance, have advised us that we are entitled to obtain the relevant land use rights certificates upon having paid the land premiums pursuant to the relevant land grant contracts and the regulation of the relevant government authorities.

The following tables set out a summary of our property projects. Project names used in this prospectus are names that we have used, or intend to use, to market our properties. All of the project names require approval from the relevant authorities, and the relevant authorities may not accept the names we have used or those that we intend to use as the registered names of these projects. As a result, the actual names registered with the relevant authorities may differ from the names used in this prospectus and may be subject to change. Furthermore, for the avoidance of doubt, references to development costs of any property project in this prospectus, whether actual or expected, include the paid or payable (as applicable) portion of land premium for the relevant land use rights under such project.

Property portfolio summary

The following table sets forth the GFA breakdown of our property portfolio under various stages of development as of September 30, 2013:

Planned Use[(1)]	Completed Properties				Properties Under Development	Properties Held For Future Development
	(A) Total GFA sold and pre-sold[(2)]	(B) GFA available for sale, lease or use[(3)]	(C) Other GFA[(4)]	Total (A+B+C)	GFA	GFA
	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)
Residential	2,359,694	27,120	–	2,386,814	2,877,615	4,263,916
Commercial	67,373	41,187	–	108,561	186,538	80,299
Car park	68,646	56,310	–	124,956	225,473	132,613
Ancillary[(5)]	376,577	–	20,000	396,577	408,351	77,305
Total GFA	**2,872,290**	**124,618**	**20,000**	**3,016,908**	**3,697,977**	**4,554,133**
Total attributable GFA[(6)]	**2,872,290**	**124,618**	**20,000**	**3,016,908**	**3,658,581**	**4,516,413**

Notes:

(1) The table above includes saleable GFA and non-saleable GFA. GFA for residential, commercial and car park use consists mostly of saleable GFA. GFA for ancillary use consists mostly of non-saleable GFA.

(2) "Total GFA sold and pre-sold" includes a portion of GFA for ancillary use, which is delivered to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary use.

(3) "GFA available for sale, lease or use" does not include the portion of GFA for ancillary use, which is not available for sale or lease, of each of the completed projects or phases of projects.

(4) "Other GFA" comprises the portion of GFA for ancillary use, which is not available for sale or lease and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the completed projects or phases of projects.

(5) "Ancillary" comprises above-ground and underground ancillary facilities, such as clubhouses, which are for purposes other than residential use, retail use or car park use. We did not generate any revenue from this GFA during the Track Record Period.

(6) "Total attributable GFA" comprises the portion of the total GFA that is attributable to us, based on our effective interest in the relevant project. Our interests in the relevant projects are set out in the Property Valuation Report in Appendix III to this prospectus.

Completed projects. As of September 30, 2013, we had 19 completed project phases with an aggregate completed GFA of approximately 3.0 million sq.m., including eight project phases in Foshan, six project phases in Guangzhou, four project phases in Zhuhai and one project phase in Zhongshan.

Projects under development. As of September 30, 2013, we had 24 project phases under development with a total GFA of approximately 3.7 million sq.m., including nine project phases in Guangzhou, five project phases in Zhuhai, four project phases in Zhongshan, three project phases in Qingyuan, two project phases in Foshan and one project phase in Changsha.

Project held for future development. As of September 30, 2013, we had 21 project phases held for future development with a total GFA of approximately 4.6 million sq.m., including six project phases in Qingyuan, five project phases in Foshan, five project phases in Changsha, four project phases in Guangzhou and one project phase in Zhuhai.

Completed projects and project phases

The following table sets forth summary information on our completed projects and project phases as of September 30, 2013:

Project	Project type	Site area	Pre-sale commencement date or date of pre-sale permit	Completion date	Completed GFA[1]	Total GFA sold and pre-sold[2]	GFA available for sale, lease or use[3][4]	Other GFA[5]	Development cost incurred[6]	Revenue recognized	Ownership interest[7]	Attributable market value[8]	Reference in our Property Valuation Report
		(sq.m.)			(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Guangzhou													
Phase 1 of Ocean Times (時代南灣一期)	Residential	27,538	September 2010	October 2011	74,183	74,010	173	–	1,205.4	1,911.0	100	176.0	4
Phase 2 of Ocean Times (時代南灣二期)	Residential	62,350	July 2011	November 2012	128,679	120,594	6,929	1,156			100		4
Phase 1 of Times King City (Zengcheng) (時代傾城(增城)一期)	Residential and commercial	27,831	September 2010	November 2011	92,347	80,574	8,776	2,997	1,141.7	1,237.7	100	236.0	5
Phase 2 of Times King City (Zengcheng) (時代傾城(增城)二期)	Residential and commercial	61,487	July 2011	November 2012	158,335	149,734	7,627	974			100		5
Times Deconstruction (時代玫瑰園)	Residential and commercial	145,487	September 2004	May 2007	430,545	427,501	2,705	339	1,557.4	2,091.9	100	32.5	3
Times Peanut (時代花生雅苑)	Residential and commercial	41,238	November 2006	December 2008	83,732	83,531	201	–	625.5	916.1	100	4.3	2

Project	Project type	Site area	Pre-sale commencement date or date of pre-sale permit	Completion date	Completed GFA[1]	Total GFA sold and pre-sold[2]	GFA available for sale, lease or use[3][4]	Other GFA[5]	Development cost incurred[6]	Revenue recognized	Ownership interest[7]	Attributable market value[8]	Reference in our Property Valuation Report
		(sq.m.)			(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Foshan													
Phase 1 of Times City (時代城一期)	Residential and commercial	71,144	December 2009	November 2010	142,385	137,171	5,124	90	1,553.5	1,917.0	100	215.0	9
Phase 2 of Times City (時代城二期)	Residential and commercial	65,746	October 2010	October 2012	166,098	154,230	11,478	390			100		9
Part 1 of phase 3 of Times City (時代城三期第一部份)	Residential	28,388	May 2011	May 2013	72,936	72,936	–	–			100		9
Times Yiyun (Foshan) (依雲小鎮(佛山))	Residential	103,903	June 2008	May 2009	90,991	76,755	12,801	1,435	463.7	420.9	100	220.0	8
Times King City (Foshan) (時代傾城(佛山))	Residential and commercial	107,236	September 2007	March 2009	320,100	296,192	18,908	5,000	1,218.9	1,373.3	100	290.0	7
Phase 1 of Times Sweet House (Jinshazhou) (時代 • 糖果社區(金沙洲)一期)	Residential and commercial	86,398	March 2008	February 2009	221,700	221,038	527	135	2,876.0	3,364.5	100	707.0	6
Phase 2 of Times Sweet House (Jinshazhou) (時代 • 糖果社區(金沙洲)二期)	Residential and commercial	49,936	January 2010	October 2010	171,211	170,856	325	30			100		6
Phase 3 of Times Sweet House (Jinshazhou) (時代 • 糖果社區(金沙洲)三期)	Residential and commercial	58,009	August 2012	May 2013	188,156	174,045	12,334	1,777			100		6

Project	Project type	Site area	Pre-sale commencement date or date of pre-sale permit	Completion date	Completed GFA[1]	Total GFA sold and pre-sold[2]	GFA available for sale, lease or use[3][4]	Other GFA[5]	Development cost incurred[6]	Revenue recognized	Ownership interest[7]	Attributable market value[8]	Reference in our Property Valuation Report
		(sq.m.)			(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Zhongshan													
Times Mont Blanc (Zhongshan) (時代白朗峰(中山))	Residential and commercial	17,118	February 2010	November 2010	115,352	113,912	1,299	141	835.8	1,041.5	100	61.0	10
Zhuhai													
Phase 1 of Times Eolia City (Zhuhai) (時代 • 山湖海(珠海)一期)	Residential and commercial	88,618	August 2010	October 2011	124,042	118,176	5,225	641	1,783.6	1,767.3	100	1,532.0	11
Phase 2 of Times Eolia City (Zhuhai) (時代 • 山湖海(珠海)二期)	Residential and commercial	51,418	April 2011	December 2012	160,842	139,028	18,788	3,026			100		11
Phase 3 of Times Eolia City (Zhuhai) (時代 • 山湖海(珠海)三期)	Residential and commercial	37,243	December 2011	March 2013	108,281	97,635	8,858	1,788			100		11
Times Laguna (Zhuhai) (時代廊橋(珠海))	Residential	61,385	April 2008	May 2009	166,993	164,372	2,540	81	688.9	946.7	100	19.6	12
Total		**1,192,473**			**3,016,908**	**2,872,290**	**124,618**	**20,000**	**13,950.4**	**16,987.9**		**3,493.4**	
Total attributable GFA[9]					**3,016,908**	**2,872,290**	**124,618**	**20,000**					

Notes:

(1) "Completed GFA" is based on figures stated in the surveying reports or completion certificates by relevant government departments. It includes the attributable value of amenities.

(2) "Total GFA sold and pre-sold" includes portion of GFA for ancillary use, such as clubhouses, which are delivered to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary use.

(3) Certain completed projects have no GFA available for sale, lease or use by our Group as all saleable and rentable GFA have been sold, pre-sold or rented out.

(4) "GFA available for sale, lease or use" does not include the portion of GFA for ancillary use, which is not available for sale or lease and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the completed projects or phases of projects.

(5) "Other GFA" comprises the portion of GFA for ancillary use, which is not available for sale or lease and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the completed projects or phases of projects.

(6) "Development costs" include land costs, construction costs and capitalized finance costs.

(7) "Ownership interest" is based on our effective ownership interest in the respective project companies.

(8) For details as to the valuation of our projects, please refer to pages III-2 and III-3 of the Property Valuation Report in Appendix III to this prospectus. For risks associated with assumptions made in the valuation of properties, see the section entitled "Risk Factors — Risks Relating to Our Businesses — The appraised value of our properties may be different from their actual realizable value and are subject to change" in this prospectus.

(9) "Total attributable GFA" comprises the portion of the total GFA that is attributable to us, based on our effective interests in the relevant project. Our interests in the relevant projects are set out in the Property Valuation Report in Appendix III to this prospectus.

Properties under development and properties held for future development

The following table sets forth summary information on our properties under development and properties held for future development as of September 30, 2013:[16]

						Under development					Held for future development[1]						
Project[1]	Project type	Site area	Estimated construction schedule[2]	Pre-sale commencement date or date of pre-sale permit[3]	Expected delivery date	Total GFA[4]	Saleable/rentable GFA[5]	GFA pre-sold[6]	GFA available for sale[7]	Other GFA[8]	Total GFA[5]	Land use rights not yet obtained[5]	Development costs incurred[9]	Estimated future development costs[9]	Group's interest in the project[10]	Attributable market value[11]	Reference to our Property Valuation Report
		(sq.m.)				(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Guangzhou																	
Phase 1 of Times Bund (時代外灘一期)	Residential and commercial	39,000	July 2011 - October 2013	March 2012	November 2013	126,771	113,539	93,940	29,404	3,427	–	–	3,470.0	1,010.4	99	2,571.0	14
Phase 2 of Times Bund (時代外灘二期)	Residential	40,306	June 2011 - April 2014	October 2013	November 2014	106,921	105,214	21,762	83,800	1,360	–	–			99		14
Phase 3 of Times Bund (時代外灘三期)	Residential	12,817	March 2014 - April 2015	N/A	November 2015	–	–	–	–	–	31,273	–			99	202.0	26
Phase 3 of Ocean Times (時代南灣三期)	Residential and commercial	58,585	April 2013 - April 2014	February 2013	June 2014	105,257	105,257	80,447	24,810	–	–	–	1,537.1	1,728.9	100	2,016.0	16
Phase 4 of Ocean Times (時代南灣四期)	Residential	64,343	May 2013 - November 2015	N/A	November 2015	119,842	95,850	–	95,850	23,992	–	–			100		16
Phase 5 of Ocean Times (時代南灣五期)	Residential	38,660	May 2013 - November 2015	N/A	November 2015	122,910	122,910	–	122,910	–	–	–			100		16
Phase 6 of Ocean Times (時代南灣六期)	Residential	45,080	April 2013 - December 2014	N/A	December 2014	12,158	8,475	–	8,475	3,683	–	–			100		16
Phase 7 of Ocean Times (時代南灣七期)	Commercial	57,600	April 2013 - December 2013	N/A	December 2013	22,556	14,285	–	14,285	8,271	–	–			100		16
Times King City (Guangzhou) (時代領域(廣州))	Residential and commercial	60,238	June 2013 - September 2015	October 2013	November 2015	283,352	230,225	–	230,225	53,127	–	–	1,022.8	857.5	100	1,838.0	15
Times Peanut II (時代・花生II)	Residential and commercial	30,965	November 2012 - October 2014	August 2013	December 2014	123,531	96,753	782	96,140	26,608	–	–	1,074.3	339.2	70	933.1	13
Guangzhou Tianhe Project (廣州天合項目)	Industrial[12]	34,325	N/A	N/A	N/A	–	–	–	–	–	–	–	203.8	N/A[14]	100	35.0	27
Guangzhou Tiansi Project (廣州天斯項目)	Industrial[13]	45,579	N/A	N/A	N/A	–	–	–	–	–	–	–	311.2	N/A[14]	70	–	28
Guangzhou Wuyang Paint Factory (廣州五羊油漆廠)	Residential and commercial	17,480	November 2013 – April 2015	N/A	September 2015	–	–	–	–	–	74,813	74,813[17]	446.3	365.9	50	223.0	29

Project[1]	Project type	Site area	Estimated construction schedule[2]	Pre-sale commencement date or date of pre-sale permit[3]	Expected delivery date	Under development					Held for future development[1]		Development costs incurred[9]	Estimated future development costs[9]	Group's interest in the project[10]	Attributable market value[11]	Reference to our Property Valuation Report
						Total GFA[4]	Saleable/rentable GFA[5]	GFA pre-sold[6]	GFA available for sale[7]	Other GFA[8]	Total GFA[5]	Land use rights not yet obtained[5]					
		(sq.m.)				(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Foshan																	
Part 2 of phase 3 of Times City (時代城三期第二部份)	Residential and commercial	129,029	May 2011 - March 2015	November 2011	June 2015	331,509	322,534	101,188	183,675	46,646	–	–	1,335.7	2,006.4	100	1,102.0	18
Phase 4 of Times City (時代城四期)	Residential and commercial	83,108	November 2013 - June 2015	N/A	June 2016	–	–	–	–	–	188,800	–			100	411.0	30
Phase 5 of Times City (時代城五期)	Residential and commercial	43,779	September 2014 - September 2016	N/A	November 2016	–	–	–	–	–	64,889	–			100		30
Phase 6 of Times City (時代城六期)	Residential and commercial	55,700	March 2015 - October 2017	N/A	November 2017	–	–	–	–	–	104,964	–			100		30
Phase 7 of Times City (時代城七期)	Residential and commercial	28,882	September 2015 - September 2017	N/A	November 2017	–	–	–	–	–	63,102	–			100		30
Times Cloud Atlas (Foshan) (時代雲圖(佛山))	Residential and commercial	37,996	March 2013 - April 2015	N/A	November 2015	219,917	179,942	–	179,942	39,975	–	–	385.0	729.0	100	1,001.0	17
Foshan Fengrui Project (佛山豐睿項目)	Residential and commercial	34,308	March 2014 – September 2015	N/A	November 2015	–	–	–	–	–	115,236	115,236	142.3	473.8	100	–	31
Zhongshan																	
Phase 1 of Times King City (Zhongshan) (時代領城(中山)一期)	Residential and commercial	41,119	June 2011 - November 2013	December 2011	December 2013	206,404	178,155	179,490	23,230	3,683	–	–	1,429.1	771.8	100	1,885.0	19
Phase 2 of Times King City (Zhongshan) (時代領城(中山)二期)	Residential	13,997	April 2012 - April 2014	September 2012	November 2014	79,388	73,084	66,881	11,513	993	–	–			100		19
Phase 3 of Times King City (Zhongshan) (時代領城(中山)三期)	Residential and commercial	30,295	September 2012 - July 2014	August 2013	June 2015	171,100	161,444	26,102	136,815	8,183	–	–			100		19
Phase 4 of Times King City (Zhongshan) (時代領城(中山)四期)	Residential and commercial	16,410	July 2013 - September 2015	N/A	November 2015	78,139	78,139	–	78,139	–	–	–			100		19
Zhuhai																	
Zhuhai Jingrun Project (phase 4 of Times Eolia City) (珠海景潤項目(時代•山湖海四期))	Residential and commercial	51,003	August 2011 - September 2014	January 2013	November 2014	154,224	150,420	122,373	31,066	785	–	–	674.9	151.4	100	765.0	20

Project[1]	Project type	Site area	Estimated construction schedule[2]	Pre-sale commencement date or date of pre-sale permit[3]	Expected delivery date	Under development					Held for future development[1]		Development costs incurred[9]	Estimated future development costs[9]	Group's interest in the project[10]	Attributable market value[11]	Reference to our Property Valuation Report
						Total GFA[4]	Saleable/rentable GFA[5]	GFA pre-sold[6]	GFA available for sale[7]	Other GFA[8]	Total GFA[5]	Land use rights not yet obtained[5]					
		(sq.m.)				(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Phase 1 of Zhuhai Pingsha Project (珠海平沙項目一期)	Residential and commercial	33,484	March 2013 - April 2015	August 2013	November 2015	131,505	95,400	–	95,400	36,105	–	–	417.6	699.7	100	197.0	21
Phase 2 of Zhuhai Pingsha Project (珠海平沙項目二期)	Residential and Commercial	41,147	August 2013 – September 2015	N/A	November 2015	114,436	99,930	–	99,930	14,506	–	–			100		21
Phase 3 of Zhuhai Pingsha Project (珠海平沙項目三期)	Residential and Commercial	6,762	July 2013 – September 2015	N/A	November 2015	16,432	16,432	–	16,432	–	–	–			100		21
Zhuhai Guoji Project (珠海國基項目)	Residential and commercial	52,950	May 2013 - September 2015	N/A	November 2015	171,041	145,874	–	145,874	25,167	–	–	448.9	598.4	100	138.0	22
Times King City (Zhuhai) (時代領域(珠海))	Residential and commercial	198,204	January 2014 - March 2016	N/A	November 2017	–	–	–	–	–	396,400	396,400	–	2,677.5	100	–	32
Qingyuan																	
Phase 1 of Times King City (Qingyuan) (時代領域(清遠)一期)	Residential and commercial	55,766	April 2013 - April 2015	April 2013	November 2015	226,980	190,612	34,878	155,734	36,369	–	–	1,203.0	2,354.0	100	697.0	23
Phase 2 of Times King City (Qingyuan) (時代領域(清遠)二期)	Residential and commercial	29,009	November 2013 - July 2015	N/A	April 2016	118,073	118,073	–	118,073	–	–	–			100		23
Phase 3 of Times King City (Qingyuan) (時代領域(清遠)三期)	Residential	24,260	June 2014 - March 2016	N/A	November 2016	–	–	–	–	–	98,745	–			100	539.0	33
Phase 4 of Times King City (Qingyuan) (時代領域(清遠)四期)	Residential	36,853	March 2015 - December 2016	N/A	December 2017	–	–	–	–	–	150,000	–			100		33
Phase 5 of Times King City (Qingyuan) (時代領域(清遠)五期)	Residential	36,853	June 2016 - December 2017	N/A	December 2018	–	–	–	–	–	150,000	–			100		33
Phase 6 of Times King City (Qingyuan) (時代領域(清遠)六期)	Residential	21,717	March 2017 - December 2018	N/A	December 2019	–	–	–	–	–	88,392	–			100		33
Phase 1 of Fogang Shilian Project (佛岡石聯項目一期)	Residential and commercial	183,696	August 2007 - December 2015	N/A	October 2016	367,391	367,391	–	367,391	–	–	–	401.3	1,510.2	100	753.0	24
Phase 2 of Fogang Shilian Project (佛岡石聯項目二期)	Residential	367,391	January 2015 - December 2018	N/A	December 2019	–	–	–	–	–	734,782	–			100	719.0	34
Fogang Huanghua Lake Project (佛岡黃花湖項目)	Residential	477,020	January 2014 - December 2018	N/A	December 2019	–	–	–	–	–	953,800	–	262.1	1,321.8	100	987.0	35

						Under development					Held for future development[1]						
Project[1]	Project type	Site area	Estimated construction schedule[2]	Pre-sale commencement date or date of pre-sale permit[3]	Expected delivery date	Total GFA[4]	Saleable/rentable GFA[5]	GFA pre-sold[6]	GFA available for sale[7]	Other GFA[8]	Total GFA[5]	Land use rights not yet obtained[5]	Development costs incurred[9]	Estimated future development costs[9]	Group's interest in the project[10]	Attributable market value[11]	Reference to our Property Valuation Report
		(sq.m.)				(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(sq.m.)	(RMB million)	(RMB million)	(%)	(RMB million)	(property no.)
Changsha																	
Phase 1 of Times King City (Changsha) (時代領城(長沙)一期)	Residential and commercial	76,078	June 2011 - March 2014	December 2011	November 2014	288,140	277,852	213,042	64,810	10,288	–	–			100	840.0	25
Phase 2 of Times King City (Changsha) (時代領城(長沙)二期)	Residential and commercial	92,979	December 2013 - August 2016	N/A	May 2017	–	–	–	–	–	424,512	–			100		36
Phase 3 of Times King City (Changsha) (時代領城(長沙)三期)	Residential	100,563	June 2015 - April 2017	N/A	November 2017	–	–	–	–	–	296,822	–	2,519.3	5,710.6	100		36
Phase 4 of Times King City (Changsha) (時代領城(長沙)四期)	Residential	76,240	June 2016 - April 2018	N/A	November 2018	–	–	–	–	–	312,069	–			100	2,115.0	36
Phase 5 of Times King City (Changsha) (時代領城(長沙)五期)	Residential	59,820	June 2017 - April 2019	N/A	November 2019	–	–	–	–	–	132,096	–			100		36
Phase 6 of Times King City (Changsha) (時代領城(長沙)六期)	Residential and commercial	54,458	June 2018 - April 2020	N/A	November 2020	–	–	–	–	–	173,438	–			100		36
Total		**3,135,854**				**3,697,977**	**3,347,790**	**940,884**	**2,413,924**	**343,168**	**4,554,133**	**586,449[17]**	**17,284.7**	**23,306.5**		**19,967.1**	
Total attributable GFA[10][15]						**3,658,581**	**3,316,578**	**939,492**	**2,383,950**	**335,138**	**4,516,413**	**549,043[17]**					

Notes:

(1) The table above includes properties for which (i) we have obtained the relevant land use rights certificate(s), but have not obtained the requisite construction permits or (ii) we have signed a land grant contract with the relevant government authority, but have not obtained the land use rights certificate(s).

(2) The end date of the "Estimated construction schedule" indicates the estimated completion date of the property project.

(3) The date is not applicable to some property developments as they have yet to commence construction.

(4) "Total GFA" under development is based on figures stated in the planning permit for construction works.

(5) "Saleable/rentable GFA", "Total GFA" held for future development and "Land use rights not yet obtained" are derived from our internal records and estimates.

(6) "GFA pre-sold" is derived from our internal records and includes a portion of GFA for ancillary use, such as clubhouses, which are delivered to the purchasers of properties in the relevant property developments. We did not generate any revenue from the GFA for ancillary use. A property is pre-sold when an agreement for its sale has been executed.

(7) "GFA available for sale" does not include the portion of GFA for ancillary use, which is not available for sale and has yet to be delivered to purchasers of properties in the relevant property developments.

(8) "Other GFA" comprises the portion of GFA for ancillary use, which is not available for sale and has yet to be delivered to purchasers of properties in the relevant property developments, of each of the phases of projects.

(9) "Development costs" include land costs, construction costs and capitalized finance costs.

(10) "Total attributable GFA," "Total GFA" and "Attributable market value" include the attributable value of non-saleable amenities.

(11) For details as to the valuation of our projects, please refer to pages III-2 and III-3 of the Property Valuation Report in Appendix III to this prospectus. For risks associated with assumptions made in the valuation of properties, see the section entitled "Risk Factors — Risks Relating to Our Businesses — The appraised value of our properties may be different from their actual realizable value and are subject to change" in this prospectus.

(12) We are in the process of converting the land use for Guangzhou Tianhe Project from industrial use to residential and commercial use.

(13) We are in the process of converting the land use for Guangzhou Tiansi Project from industrial use to residential and commercial use.

(14) We have yet to budget development costs for both Guangzhou Tianhe Project and Guangzhou Tiansi Project since the total GFA information are not available for our project development planning.

(15) The "Total attributable GFA" comprises the portion of the total GFA that is attributable to us based on our effective ownership interest in the relevant project. Our interests in the relevant projects are set out in the Property Valuation Report in Appendix III to this prospectus.

(16) The figures for total GFA and saleable/rentable GFA that appear in this prospectus are based on figures provided in the relevant governmental documents, such as the property ownership certificate, the construction work planning permit, the pre-sale permit, the construction land planning permit or the land use rights certificate. The categories of information contained in this prospectus are based on our internal records. The following are estimates only: (a) figures for GFA under development, total GFA for future development, and GFA pre-sold; and (b) information regarding development costs incurred (including land costs, construction costs and capitalized finance costs), estimated construction period schedule and estimated future development costs. The figures for site area, total GFA under development and held for future development, saleable/rentable GFA, GFA pre-sold, GFA available for sale, other GFA, land use rights not yet obtained, development costs incurred, estimated future development costs and attributable market value of our property development projects are stated as of September 30, 2013 and exclude the respective figures for the Guangzhou Tianhe Project and Guangzhou Tiansi Project as we are in the process of converting the land use for the Guangzhou Tianhe Project and Guangzhou Tiansi Project from industrial use to residential and commercial use.

(17) On November 7, 2013, we have obtained the land use rights certificate for the GFA of approximately 74,813 sq.m. in relation to Guangzhou Wuyang Paint Factory.

Contracted sales

The following table sets forth a summary of our total contracted sales for the periods indicated:

	Year ended December 31,									Nine months ended September 30,		
	2010			2011			2012			2013		
Project	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP
	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)
Times Sweet House (Jinshazhou)												
Phase 1	22,998,354.0	2,794	8,230.1	8,681,196.0	1,500	5,787.5	3,339,997.0	323	10,343.4	13,165,266.0	2,347	5,610.0
Phase 2	1,216,849,179.0	134,082	9,075.4	185,959,038.0	16,232	11,456.2	8,669,937.0	863	10,045.0	7,217,357.0	1,650	4,375.0
Phase 3	–	–	–	330,121,303.0	36,561	9,029.3	956,601,205.0	108,963	8,779.2	92,609,889.0	5,185	17,860.5
Times Bund												
Phases 1	–	–	–	147,040,865.0	10,352	14,204.3	1,485,889,260.0	81,226	18,293.2	86,426,882.0	4,626	18,681.3
Phases 2	–	–	–	–	–	–	–	–	–	601,248,471.0	21,414	28,077.2
Ocean Times												
Phase 1	615,550,636.0	66,340	9,278.7	68,583,394.0	7,308	9,384.9	3,315,000.0	362	9,155.2	–	–	–
Phase 2	–	–	–	747,155,548.0	56,211	13,292.1	511,617,324.0	46,204	11,073.0	13,704,003.0	930	14,727.9
Phase 3	–	–	–	–	–	–	–	–	–	1,079,972,519.0	80,447	13,424.6
Times King City (Zengcheng)												
Phase 1	339,611,149.0	57,540	5,902.2	3,688,217.0	461	8,006.7	13,494,772.0	683.0	19,759.3	35,163,702.0	1,379	25,503.7
Phase 2	–	–	–	340,922,119.0	47,282	7,210.5	544,413,368.0	81,815	6,654.2	46,280,775.0	3,688	12,549.0
Times Peanut	10,825,589.0	695	15,572.1	3,656,000.0	240	15,233.3	4,504,600.0	276	16,321.0	1,080,000.0	60	18,000.0
Times City												
Phase 1	679,567,758.0	133,068	5,106.9	4,472,668.0	750	5,964.4	1,151,890.0	180	6,385.2	15,848,351.0	789	20,082.1
Phase 2	292,894,720.0	48,687	6,015.8	469,197,238.0	75,749	6,194.1	83,443,566.0	14,392	5,798.0	117,802,010.0	13,820	8,523.9
Phase 3	–	–	–	–	–	–	240,177,217.0	40,291	5,961.1	604,112,342.0	98,567	6,128.9

	Year ended December 31,									Nine months ended September 30,		
	2010			2011			2012			2013		
Project	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP	Contracted sales	Contracted GFA	Contracted ASP
	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)	(RMB)	(sq.m.)	(RMB per sq.m)
Times Yiyun (Foshan)	334,418,820.0	39,426	8,482.2	69,663,454.0	7,922	8,794.1	463,000.0	60	7,716.7	4,840,466.0	465	10,406.9
Times King City (Foshan)	108,693,249.0	11,399	9,535.1	20,224,144.0	2,433	8,311.4	2,432,681.0	260	9,360.8	53,634,451.0	9,368	5,725.0
Times Mont Blanc (Zhongshan)	304,273,849.0	25,063	12,140.4	407,448,244.0	40,679	10,016.1	157,602,255.0	15,897	9,913.7	181,880,831.0	21,008	8,657.7
Times King City (Zhongshan)												
Phase 1	–	–	–	111,465,313.0	21,696	5,137.7	527,174,680.0	100,337	5,254.1	169,764,389.0	32,983	5,147.0
Phase 2	–	–	–	–	–	–	114,409,923.0	18,300	6,252.0	282,799,986.0	43,271	6,535.5
Phase 3	–	–	–	–	–	–	–	–	–	235,619,663.0	24,629	9,566.9
Times Eolia City (Zhuhai)												
Phase 1	479,686,261.0	67,647	7,091.0	247,806,439.0	31,699	7,817.4	28,109,812.0	3,884	7,236.4	14,908,793.0	2,060	7,236.0
Phase 2	–	–	–	736,795,163.0	81,098	9,085.2	251,033,534.0	25,885	9,698.1	99,203,979.0	12,499	7,936.9
Phase 3	–	–	–	5,967,674.0	785	7,597.8	729,076,995.0	75,206	9,694.4	50,414,545.0	5,369	9,389.9
Times Laguna (Zhuhai)	58,141,294.0	8,558.7	6,793.3	160,000.0	24	6,666.7	11,154,579.0	1,524	7,319.6	4,487,000.0	504	8,902.8
Zhuhai Jingrun Project (phase 4 of Times Eolia City)	–	–	–	–	–	–	85,479,629.0	9,800	8,722.0	1,072,790,293	109,554	9,792.4
Times King City (Changsha)	–	–	–	8,596,580.0	1,674	5,134.9	632,034,416.0	114,229	5,533.1	569,337,990.0	97,139	5,861.1
Times King City (Qingyuan)												
Phase 1	–	–	–	–	–	–	–	–	–	199,788,005.0	34,878	5,728.3
Times Peanut II	–	–	–	–	–	–	–	–	–	16,366,806.0	613	26,710.0
Total	**4,463,510,858.0**	**595,301**		**3,917,604,597.0**	**440,656**		**6,395,589,640.0**	**740,960**		**5,670,468,764.0**	**629,244**	

As advised by our PRC legal advisers, Commerce & Finance, we had obtained all certificates and approvals necessary under the applicable PRC laws and regulations for commencing pre-sale of those properties we are pre-selling as of September 30, 2013.

DESCRIPTION OF OUR PROJECTS

GUANGDONG PROVINCE

Guangzhou

(1) Times Bund (時代外灘)

Project Overview

Times Bund is located in Panyu District (番禺區), Guangzhou, Guangdong Province. Times Bund is a residential development that comprises high-rise apartment buildings and ancillary facilities such as a multi-function clubhouse with a GFA of approximately 3,823 sq.m., an elementary school and a kindergarten. It is one of our "Prosperity Series" properties developed with the "Luxurious and Extraordinary" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	39,000 sq.m.
Total GFA	126,771 sq.m.
Saleable/rentable GFA	113,539 sq.m.
GFA pre-sold	93,940 sq.m.
GFA available for sale	29,404 sq.m.
Other GFA	3,427 sq.m.
Construction period	
– commencement	July 2011
– completion	October 2013
Pre-sale commencement date or date of pre-sale permit	March 2012
Expected delivery date	November 2013
Attributable interest to our Group	99%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential
Site area	40,306 sq.m.
Total GFA	106,921 sq.m.
Saleable/rentable GFA	105,214 sq.m.
GFA pre-sold	21,762 sq.m.
GFA available for sale	83,800 sq.m.
Other GFA	1,360 sq.m.
Construction period	
– commencement	June 2011
– estimated completion	April 2014
Pre-sale commencement date or date of pre-sale permit	October 2013
Expected delivery date	November 2014
Attributable interest to our Group	99%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential
Site area	12,817 sq.m.
Total GFA	31,273 sq.m.
Construction period	
– estimated commencement	March 2014
– estimated completion	April 2015
Expected delivery date	November 2015
Attributable interest to our Group	99%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times Bund are approximately RMB4,480.4 million. As of September 30, 2013, the total development costs incurred for Times Bund were approximately RMB3,470.0 million.

This project was developed by Guangzhou Nanying. The land use right of this project was obtained by Guangzhou Nanying's former shareholder, Panyu Real Estate Joint Development Corporation, in 1992. Panyu Real Estate Joint Development Corporation transferred the land use right to Guangzhou Nanying as registered capital contribution in 1992. We acquired Guangzhou Nanying in 2009. The land premium of RMB2.2 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Bund as of the Latest Practicable Date.

We were awarded the "2013 China Real Estate Development Enterprise Classic Project Top 10" (2013中國房地產開發企業典型項目10強) by China Real Estate Research Association (中國房地產研究會), China Real Estate Industry Association (中國房地產業協會) and China Real Estate Appraisal Center (中國房地產測評中心), the "2012 Guangzhou Real Estate Network Festival Most Artistic Mansion Award" (2012廣州地產網絡盛典最佳藝術豪宅大獎) by Sohu Focus (搜狐焦點), the "Most Anticipated Property Award — Times Bund" (最受期待樓盤獎－時代外灘) by Yangcheng Evening News (羊城晚報), the "2011 China (South China) Best High-end Residence — Times Bund" award (2011中國(華南)最佳高端住宅－時代外灘) by Sina House, Baidu House (新浪樂居百度樂居) and the "2011 Real Estate Brand List of "Influence Guangzhou" — Most Artistic Community — Times Bund" award (影響廣州2011地產品牌榜：2011影響廣州 • 最佳藝術社區－時代外灘) by Guangzhou Xinkuai Newspaper (廣州新快報社) in December 2011.

For further information, please refer to Property No. 14 and No. 26 of the Property Valuation Report in Appendix III to this prospectus.

(2) Ocean Times (時代南灣)

Project Overview

Ocean Times is located in Nansha District (南沙區), Guangzhou, Guangdong Province. Ocean Times is a residential development that comprises high-rise apartment buildings, townhouses and ancillary facilities such as community service centers and kindergartens. It is one of our "Prosperity Series" properties developed with the "Luxurious and Extraordinary" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential
Site area	27,538 sq.m.
Completed GFA	74,183 sq.m.
Total GFA sold and pre-sold	74,010 sq.m.
GFA available for sale, lease or use	173 sq.m.
Other GFA	Nil
Construction period	
– commencement	April 2010
– completion	October 2011
Pre-sale commencement date or date of pre-sale permit	September 2010
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential
Site area	62,350 sq.m.
Completed GFA	128,679 sq.m.
Total GFA sold and pre-sold	120,594 sq.m.
GFA available for sale, lease or use	6,929 sq.m.
Other GFA	1,156 sq.m.
Construction period	
– commencement	November 2010
– completion	November 2012
Pre-sale commencement date or date of pre-sale permit	July 2011
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential and commercial
Site area	58,585 sq.m.
Total GFA	105,257 sq.m.
Saleable/rentable GFA	105,257 sq.m.
GFA pre-sold	80,447 sq.m.
GFA available for sale	24,810 sq.m.
Other GFA	Nil
Construction period	
– commencement	April 2013
– estimated completion	April 2014
Pre-sale commencement date or date of pre-sale permit	February 2013
Expected delivery date	June 2014
Attributable interest to our Group	100%

Phase 4

Based on our internal records as of September 30, 2013, details of phase 4 were as follows:

Project type	Residential
Site area	64,343 sq.m.
Total GFA	119,842 sq.m.
Saleable/rentable GFA	95,850 sq.m.
GFA available for sale	95,850 sq.m.
Other GFA	23,992 sq.m.
Construction period	
– commencement	May 2013
– estimated completion	November 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

Phase 5

Based on our internal records as of September 30, 2013, details of phase 5 were as follows:

Project type	Residential
Site area	38,660 sq.m.
Total GFA	122,910 sq.m.
Saleable/rentable GFA	122,910 sq.m.
GFA available for sale	122,910 sq.m.
Other GFA	Nil
Construction period	
– commencement	May 2013
– estimated completion	November 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

Phase 6

Based on our internal records as of September 30, 2013, details of phase 6 were as follows:

Project type	Residential
Site area	45,080 sq.m.
Total GFA	12,158 sq.m.
Saleable/rentable GFA	8,475 sq.m.
GFA available for sale	8,475 sq.m.
Other GFA	3,683 sq.m.
Construction period	
– commencement	April 2013
– estimated completion	December 2014
Expected delivery date	December 2014
Attributable interest to our Group	100%

Phase 7

Based on our internal records as of September 30, 2013, details of phase 7 were as follows:

Project type	Commercial
Site area	57,600 sq.m.
Total GFA	22,556 sq.m.
Saleable/rentable GFA	14,285 sq.m.
GFA available for sale	14,285 sq.m.
Other GFA	8,271 sq.m.
Construction period	
– commencement	April 2013
– estimated completion	December 2013
Expected delivery date	December 2013
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for phases 1 to 2 were approximately RMB1,205.4 million. We recognized total revenue of approximately RMB1,911.0 million from the sale of phases 1 and 2 as of September 30, 2013. The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of phases 3 to 7 are approximately RMB3,266.0 million. As of September 30, 2013, the total development costs incurred for phases 3 to 7 were approximately RMB1,537.1 million.

This project was developed by Guangzhou Hongtai. We entered into the relevant land grant contracts (or the relevant supplemental contracts) in December 2007, November 2009, February 2010 and June 2011. The land premium of approximately RMB818.7 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Ocean Times as of the Latest Practicable Date.

We were awarded the "2012 Most Representative Real Estate — Ocean Times" (2012年度最具代表性樓盤 — 時代南灣) by Sina House (新浪樂居) in December 2012, the "Best Investment Properties — Ocean Times" (最佳投資置業獎－時代南灣) by Yangcheng Evening News (羊城晚報) in February 2012, the "Most Investment Value Real Estate — Ocean Times (Guangzhou)" award (最具投資價值樓盤－時代南灣(廣州)) by Sohu Focus (搜狐焦點) in January 2012, and the "2012 Guangzhou Real Estate Network Festival Best Seaview Real Estate — Ocean Times" (2012廣州地產網絡盛典最佳海景樓盤 — 時代南灣) by Sohu Focus (搜狐焦點) and the "2010 Influence China of Model Community" award (2010影響中國的典範社區) by Guangzhou Daily (廣州日報).

For further information, please refer to Property No. 4 and No. 16 of the Property Valuation Report in Appendix III to this prospectus.

(3) Times King City (Zengcheng) (時代傾城(增城))

Project Overview

Times King City (Zengcheng) is located in Zengcheng City (增城市), Guangzhou, Guangdong Province. Times King City (Zengcheng) is a residential development that comprises mid-rise and high-rise apartment buildings, commercial properties which are primarily used as retail shops and ancillary facilities such as a swimming pool, a clubhouse and an outdoor exercise promenade with a GFA of over 20,000 sq.m. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	27,831 sq.m.
Completed GFA	92,347 sq.m.
Total GFA sold and pre-sold	80,574 sq.m.
GFA available for sale, lease or use	8,776 sq.m.
Other GFA	2,997 sq.m.
Construction period	
– commencement	January 2010
– completion	November 2011
Pre-sale commencement date or date of pre-sale permit	September 2010
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	61,487 sq.m.
Completed GFA	158,335 sq.m.
Total GFA sold and pre-sold	149,734 sq.m.
GFA available for sale, lease or use	7,627 sq.m.
Other GFA	974 sq.m.
Construction period	
– commencement	December 2010
– completion	November 2012
Pre-sale commencement date or date of pre-sale permit	July 2011
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for phases 1 to 2 were approximately RMB1,141.7 million. We recognized total revenue of approximately RMB1,237.7 million from the sale of phases 1 and 2 as of September 30, 2013.

This project was developed by Guangzhou Fujie. The land use right of this project was obtained by Guangzhou Fujie's former shareholder, Foshan Sanshui Fugang Real Estate Development Co., Ltd., in September 2009. We entered into the relevant supplemental land grant contract in November 2009 and obtained the land use right of this project. The land premium of approximately RMB120.0 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times King City (Zengcheng) as of the Latest Practicable Date.

For further information, please refer to Property No. 5 of the Property Valuation Report in Appendix III to this prospectus.

(4) Times Peanut II (時代 • 花生II)

Project Overview

Times Peanut II is located in Baiyun District (白雲區), Guangzhou, Guangdong Province. Times Peanut II, a project developed under the "Urban Redevelopment" policy, is a residential development that comprises high-rise apartment buildings, mid-rise apartments, commercial properties which are primarily used as retail shops and extensive ancillary facilities such as a kindergarten and a swimming pool. It is one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Based on our internal records as of September 30, 2013, details of Times Peanut II were as follows:

Project type	Residential and commercial
Site area	30,965 sq.m.
Total GFA	123,531 sq.m.
Saleable/rentable GFA	96,753 sq.m.
GFA pre-sold	782 sq.m.
GFA available for sale	96,140 sq.m.
Other GFA	26,608 sq.m.
Construction period	
– commencement	November 2012
– estimated completion	October 2014
Pre-sale commencement date or date of pre-sale permit	August 2013
Expected delivery date	December 2014
Attributable interest to our Group	70%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times Peanut II are approximately RMB1,413.5 million. As of September 30, 2013, the total development costs incurred for Times Peanut II were approximately RMB1,074.3 million.

This project is developed by Guangzhou Tianlang. We entered into the relevant land grant contract in April 2012 and the land premium of approximately RMB613.1 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Peanut II as of the Latest Practicable Date.

For further information, please refer to Property No. 13 of the Property Valuation Report in Appendix III to this prospectus.

(5) Times King City (Guangzhou) (時代傾城(廣州))

Project Overview

Times King City (Guangzhou) is located in Panyu District (番禺區), Guangzhou, Guangdong Province. Times King City (Guangzhou) will be a residential development and is expected to comprise high-rise apartment buildings, commercial properties which are primarily used as retail shops and ancillary facilities such as kindergarten and senior community center. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Times King City (Guangzhou) were as follows:

Project type	Residential and commercial
Site area	60,238 sq.m.
Total GFA	283,352 sq.m.
Saleable/rentable GFA	230,225 sq.m.
GFA pre-sold	Nil
GFA available for sale	230,225 sq.m.
Other GFA	53,127 sq.m.
Construction period	
– commencement	June 2013
– estimated completion	September 2015
Pre-sale commencement date or date of pre-sale permit	October 2013
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times King City (Guangzhou) are approximately RMB1,880.3 million. As of September 30, 2013, the total development costs incurred for Times King City (Guangzhou) were approximately RMB1,022.8 million.

This project is developed by Guangdong Guangchang. We entered into the relevant land grant contract in August 2012 and the land premium of approximately RMB166.0 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times King City (Guangzhou) as of the Latest Practicable Date.

For further information, please refer to Property No. 15 of the Property Valuation Report in Appendix III to this prospectus.

(6) Times Deconstruction (時代玫瑰園)

Project Overview

Times Deconstruction is located in Baiyun District (白雲區), Guangzhou, Guangdong Province. Times Deconstruction is an integrated residential community that comprises mid-rise apartment buildings and commercial properties with extensive ancillary facilities, such as a kindergarten, an elementary school, a clubhouse and a swimming pool. It also includes a sub-branch gallery of the Guangdong Art Gallery (時代美術館). The Guangdong Art Gallery was designed by a world-renowned architect. It is one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Based on our internal records as of September 30, 2013, details of Times Deconstruction were as follows:

Project type	Residential and commercial
Site area	145,487 sq.m.
Completed GFA	430,545 sq.m.
Total GFA sold and pre-sold	427,501 sq.m.
GFA available for sale, lease or use	2,705 sq.m.
Other GFA	339 sq.m.
Construction period	
– commencement	June 2003
– completion	May 2007
Pre-sale commencement date or date of pre-sale permit	September 2004
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Deconstruction were approximately RMB1,557.4 million. We recognized total revenue of approximately RMB2,091.9 million from the sale of Times Deconstruction as of September 30, 2013.

This project was developed by Times Group. We entered into the relevant land grant contracts (or the relevant supplemental contracts) in January 2003, February 2004, November 2004, March 2005, December 2005, July 2006 and September 2007 and an aggregate land premium of approximately RMB82.0 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Deconstruction as of the Latest Practicable Date.

Times Deconstruction was recognized as one of the "2004 Top 100 Most Influential Real Estate Properties in China" (2004中國房地產最具影響力樓盤100強) by a panel consisting of the People's Daily Overseas Edition (人民日報海外版) and the China Entrepreneurial Culture Enhancement Association (中國企業文化促進會) in 2004.

For further information, please refer to Property No. 3 of the Property Valuation Report in Appendix III to this prospectus.

(7) Times Peanut (時代花生雅苑)

Project Overview

Times Peanut is located in Tianhe District (天河區), Guangzhou, Guangdong Province. Times Peanut is a residential development that comprises mid-rise apartment buildings and commercial properties. It is one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Based on our internal records as of September 30, 2013, details of Times Peanut were as follows:

Project type	Residential and commercial
Site area	41,238 sq.m.
Completed GFA	83,732 sq.m.
Total GFA sold and pre-sold	83,531 sq.m.
GFA available for sale, lease or use	201 sq.m.
Other GFA	Nil
Construction period	
– commencement	May 2006
– completion	December 2008
Pre-sale commencement date or date of pre-sale permit	November 2006
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Peanut were approximately RMB625.5 million. We recognized total revenue of approximately RMB916.1 million from the sale of Times Peanut as of September 30, 2013.

This project was developed by Guangzhou Shengyu. We entered into the relevant land grant contracts (or the relevant supplemental contracts) in October 2005, April 2006, September 2006 and May 2008 and an aggregate land premium of approximately RMB213.9 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Peanut as of the Latest Practicable Date.

Times Peanut received "2007 China Real Estate Golden Building Award" (2007中國主流地產金築獎) award by a panel of China Mainstream Real Estate Brands Committee (中國主流地產品牌年鑒委員會), China Mainstream Real Estate Annual Summit 2007 (中國主流地產經濟年度峰會) and Professional Media Alliance (專業媒體聯盟).

For further information, please refer to Property No. 2 of the Property Valuation Report in Appendix III to this prospectus.

(8) Guangzhou Tianhe Project (廣州天合項目)

Project Overview

Guangzhou Tianhe Project is located in Baiyun District (白雲區), Guangzhou, Guangdong Province.

Based on our internal records as of September, 2013, details of Guangzhou Tianhe Project were as follows:

Project type	Industrial
Site area	34,325 sq.m.
Attributable interest to our Group	100%

As of September 30, the total development costs incurred for Guangzhou Tianhe Project were approximately RMB203.8 million.

This project will be developed by Guangzhou Tianhe. We are in the process of converting the land use for Guangzhou Tianhe Project from industrial use to residential and commercial use.

For further information, please refer to Property No. 27 of the Property Valuation Report in Appendix III to this prospectus.

(9) Guangzhou Tiansi Project (廣州天斯項目)

Project Overview

Guangzhou Tiansi Project is located in Haizhu District (海珠區), Guangzhou, Guangdong Province. Guangzhou Tiansi Project will be developed under the "Urban Redevelopment" policy.

Based on our internal records as of September 30, 2013, details of Guangzhou Tiansi Project were as follows:

Project type	Industrial
Site area	45,579 sq.m.
Attributable interest to our Group	70%

As of September 30, the total development costs incurred for Guangzhou Tiansi Project were approximately RMB311.2 million.

This project will be developed by Guangzhou Tiansi. We are in the process of converting the land use for Guangzhou Tiansi Project from industrial use to residential and commercial use.

For further information, please refer to Property No. 28 of the Property Valuation Report in Appendix III to this prospectus.

(10) Guangzhou Wuyang Paint Factory (廣州五羊油漆廠)

Project Overview

Guangzhou Wuyang Paint Factory is located in Baiyun District (白雲區), Guangzhou, Guangdong Province. It will be a residential development and is expected to comprise high-rise apartment buildings and commercial properties. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Guangzhou Wuyang Paint Factory were as follows:

Project type	Residential and commercial
Site area	17,480 sq.m.
Total GFA	74,813 sq.m.
Land use rights not yet obtained	74,813 sq.m.(1)
Construction period	
– estimated commencement	November 2013
– estimated completion	April 2015
Expected delivery date	September 2015
Attributable interest to our Group	50%

Note:

(1) On November 7, 2013, we have obtained the land use rights certificate for the GFA of approximately 74,813 sq.m. in relation to Guangzhou Wuyang Paint Factory.

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Guangzhou Wuyang Paint Factory are approximately RMB812.2 million. As of September 30, 2013, the total development costs incurred for Guangzhou Wuyang Paint Factory were approximately RMB446.3 million.

This project will be developed by Guangzhou Lvdi Baiyun. We entered into the relevant land grant contracts in June and July 2013. The land premium of approximately RMB445.7 million have been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Guangzhou Wuyang Paint Factory as of the Latest Practicable Date.

For further information, please refer to Property No. 29 of the Property Valuation Report in Appendix III to this prospectus.

Foshan

(1) Times City (時代城)

Project Overview

Times City is located in Sanshui District (三水區), Foshan, Guangdong Province, and is one of the largest property development projects in Foshan in terms of GFA. Times City is a residential development that comprises mid-rise apartment buildings and townhouses, commercial properties which are primarily used as retail shops and extensive ancillary facilities such as a kindergarten, clubhouse, swimming pool, tennis court, soccer field, supermarket and a park. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	71,144 sq.m.
Completed GFA	142,385 sq.m.
Total GFA sold and pre-sold	137,171 sq.m.
GFA available for sale, lease or use	5,124 sq.m.
Other GFA	90 sq.m.
Construction period	
– commencement	June 2008
– completion	November 2010
Pre-sale commencement date or date of pre-sale permit	December 2009
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	65,746 sq.m.
Completed GFA	166,098 sq.m.
Total GFA sold and pre-sold	154,230 sq.m.
GFA available for sale, lease or use	11,478 sq.m.
Other GFA	390 sq.m.
Construction period	
– commencement	July 2010
– completion	October 2012
Pre-sale commencement date or date of pre-sale permit	October 2010
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential (part 1), Residential and commercial (part 2)
Site area	28,388 sq.m. (part 1), 129,029 sq.m. (part 2)
Total GFA	404,445 sq.m.
Completed GFA	72,936 sq.m.
Saleable/rentable GFA	322,534 sq.m.
Total GFA sold and pre-sold	174,124 sq.m.
GFA available for sale	183,675 sq.m.
Other GFA	46,646 sq.m.
Construction period	
– commencement	May 2011 (part 1), May 2011 (part 2)
– completion	May 2013 (part 1)
– estimated completion	March 2015 (part 2)
Pre-sale commencement date or date of pre-sale permit	May 2011 (part 1), November 2011 (part 2)
Delivery date	July 2013 (part 1)
Expected delivery date	June 2015 (part 2)
Attributable interest to our Group	100%

Phase 4

Based on our internal records as of September 30, 2013, details of phase 4 were as follows:

Project type	Residential and commercial
Site area	83,108 sq.m.
Total GFA	188,800 sq.m.
Construction period	
– estimated commencement	November 2013
– estimated completion	June 2015
Expected delivery date	June 2016
Attributable interest to our Group	100%

Phase 5

Based on our internal records as of September 30, 2013, details of phase 5 were as follows:

Project type	Residential and commercial
Site area	43,779 sq.m.
Total GFA	64,889 sq.m.
Construction period	
– estimated commencement	September 2014
– estimated completion	September 2016
Expected delivery date	November 2016
Attributable interest to our Group	100%

Phase 6

Based on our internal records as of September 30, 2013, details of phase 6 were as follows:

Project type	Residential and commercial
Site area	55,700 sq.m.
Total GFA	104,964 sq.m.
Construction period	
– estimated commencement	March 2015
– estimated completion	October 2017
Expected delivery date	November 2017
Attributable interest to our Group	100%

Phase 7

Based on our internal records as of September 30, 2013, details of phase 7 were as follows:

Project type	Residential and commercial
Site area	28,882 sq.m.
Total GFA	63,102 sq.m.
Construction period	
– estimated commencement	September 2015
– estimated completion	September 2017
Expected delivery date	November 2017
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for phases 1 to 2 and part 1 of phase 3 were approximately RMB1,553.5 million. We recognized total revenue of approximately RMB1,917.0 million from the sale of phases 1 to 2 and part 1 of phase 3 as of September 30, 2013. The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of part 2 of phase 3 and phases 4 to 7 are approximately RMB3,342.1 million. As of September 30, 2013, the total development costs incurred for part 2 of phase 3 and phases 4 to 7 were approximately RMB1,335.7 million.

This project was developed by Foshan Yuhua. We entered into the relevant land grant contracts (or the relevant supplemental contracts) in July 2006, April 2007 and May 2007 and the land premium of approximately RMB254.8 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Times City as of the Latest Practicable Date.

We received the "China New Vision of Real Estate "City Landmark"" (中國地產新視角"城市地標性建築獎") from Sohu Focus (搜狐焦點) in January 2011 and the "2010 Hot Real Estate for Sale in Foshan" award (2010年度佛山熱銷樓盤) from "Pearl River Delta's Real Estate Network" (珠三角房產網絡盛典組委會) in 2010.

For further information, please refer to Property No. 9, No. 18 and No. 30 of the Property Valuation Report in Appendix III to this prospectus.

(2) Times Yiyun (Foshan) (依雲小鎮(佛山))

Project Overview

Times Yiyun (Foshan) is located inside the Economic Development Area in Nanhai District (南海區經濟開發區), Foshan, Guangdong Province. Times Yiyun (Foshan) is a residential development that comprises low-rise apartment buildings, townhouses and extensive ancillary facilities such as a clubhouse, swimming pools and a park. It is one of our "Prosperity Series" properties developed with the "Luxurious and Extraordinary" theme.

Based on our internal records as of September 30, 2013, details of Times Yiyun (Foshan) were as follows:

Project type	Residential
Site area	103,903 sq.m.
Completed GFA	90,991 sq.m.
Total GFA sold and pre-sold	76,755 sq.m.
GFA available for sale, lease or use	12,801 sq.m.
Other GFA	1,435 sq.m.
Construction period	
– commencement	January 2008
– completion	May 2009
Pre-sale commencement date or date of pre-sale permit	June 2008
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Yiyun (Foshan) were approximately RMB463.7 million. We recognized total revenue of approximately RMB420.9 million from the sale of Times Yiyun (Foshan) as of September 30, 2013.

This project was developed by Foshan Nanhai Shengyu. We entered into the relevant land grant contract in July 2007 and the land premium of RMB125.5 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Yiyun (Foshan) as of the Latest Practicable Date.

We received the "2009 China Real Estate Golden Building Award — Best Architectural (Garden) Boutique Community" (2009中國主流地產金築獎－中國年度最佳建築(園林)精品社區) from the 2009 China Real Estate Economic Mainstream Forum Organizing Committee (2009中國地產經濟主流高峰論壇組委會).

For further information, please refer to Property No. 8 of the Property Valuation Report in Appendix III to this prospectus.

(3) Times King City (Foshan) (時代傾城(佛山))

Project Overview

Times King City (Foshan) is located in Nanhai District (南海區), Foshan, Guangdong Province. Times King City (Foshan) is a residential development that comprises mid-rise apartment buildings, townhouses, commercial properties which are primarily used as retail shops and ancillary facilities such as club house. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Times King City (Foshan) were as follows:

Project type	Residential and commercial
Site area	107,236 sq.m.
Completed GFA	320,100 sq.m.
Total GFA sold and pre-sold	296,192 sq.m.
GFA available for sale, lease or use	18,908 sq.m.
Other GFA	5,000 sq.m.
Construction period	
– commencement	December 2006
– completion	March 2009
Pre-sale commencement date or date of pre-sale permit	September 2007
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times King City (Foshan) were approximately RMB1,218.9 million. We recognized total revenue of approximately RMB1,373.3 million from the sale of Times King City (Foshan) as of September 30, 2013.

This project was developed by Guangdong Shengyu. We entered into the relevant land grant contract in April 2006 and Foshan Nanhai Luohu Real Estate Company ("**Nanhai Luohu**"), an Independent Third Party, entered into the relevant land grant contracts in August 2006. We entered into the relevant sale and purchase agreements with Nanhai Luohu to obtain the land use rights in August 2006. The aggregate land premium of RMB232.0 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times King City (Foshan) as of the Latest Practicable Date.

We received the "2009 China Real Estate Golden Building Award — Top 10 Super Villa" (2009中國主流地產金築獎－中國十大年度超級別墅) from the 2009 China Real Estate Economic Mainstream Forum Organizing Committee (2009中國地產經濟主流高峰論壇組委會).

For further information, please refer to Property No. 7 of the Property Valuation Report in Appendix III to this prospectus.

(4) Times Cloud Atlas (Foshan) (時代雲圖(佛山))

Project Overview

Times Cloud Atlas (Foshan) is located in Chancheng District (禪城區), Foshan, Guangdong Province. Times Cloud Atlas (Foshan) will be a residential development and is expected to comprise high-rise apartment buildings, mid-rise apartment buildings, commercial properties which will be primarily used as retail shops and ancillary facilities such as gym facility. It will be one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Based on our internal records as of September 30, 2013, details of Times Cloud Atlas (Foshan) were as follows:

Project type	Residential and commercial
Site area	37,996 sq.m.
Total GFA	219,917 sq.m.
Saleable/rentable GFA	179,942 sq.m.
GFA available for sale	179,942 sq.m.
Other GFA	39,975 sq.m.
Construction period	
– commencement	March 2013
– estimated completion	April 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times Cloud Atlas (Foshan) are approximately RMB1,114.0 million. As of September 30, 2013, the total development costs incurred for Times Cloud Atlas (Foshan) were approximately RMB385.0 million.

This project is developed by Foshan Yongheng. We entered into the relevant land grant contracts (or the relevant supplemental contract) in September 2012 and December 2012 and the land premium of approximately RMB180.3 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Cloud Atlas (Foshan) as of the Latest Practicable Date.

For further information, please refer to Property No. 17 of the Property Valuation Report in Appendix III to this prospectus.

(5) Times Sweet House (Jinshazhou) (時代 • 糖果社區(金沙洲))

Project Overview

Times Sweet House (Jinshazhou) is located in the suburban part of Nanhai District (南海區), Foshan, Guangdong Province. Times Sweet House (Jinshazhou) is a residential development that comprises high-rise apartment buildings and townhouses, commercial properties which are primarily used as retail shops, and ancillary facilities such as a kindergarten, a swimming pool and two parks with an aggregate GFA of approximately 33,350 sq.m. It is one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	86,398 sq.m.
Completed GFA	221,700 sq.m.
Total GFA sold and pre-sold	221,038 sq.m.
GFA available for sale, lease or use	527 sq.m.
Other GFA	135 sq.m.
Construction period	
– commencement	September 2007
– completion	February 2009
Pre-sale commencement date or date of pre-sale permit	March 2008
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	49,936 sq.m.
Completed GFA	171,211 sq.m.
Total GFA sold and pre-sold	170,856 sq.m.
GFA available for sale, lease or use	325 sq.m.
Other GFA	30 sq.m.
Construction period	
– commencement	November 2009
– completion	October 2010
Pre-sale commencement date or date of pre-sale permit	January 2010
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential and commercial
Site area	58,009 sq.m.
Completed GFA	188,156 sq.m.
Total GFA sold and pre-sold	174,045 sq.m.
GFA available for sale, lease or use	12,334 sq.m.
Other GFA	1,777 sq.m.
Construction period	
– commencement	December 2010
– completion	May 2013
Pre-sale commencement date or date of pre-sale permit	August 2012
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Sweet House (Jinshazhou) were approximately RMB2,876.0 million. We recognized total revenue of approximately RMB3,364.5 million from the sale of Times Sweet House (Jinshazhou) as of September 30, 2013.

This project was developed by Foshan Yudonglong. We entered into the relevant land grant contract for a portion of this project in August 2009 and the land use right for the other portion of this project was obtained from Foshan Nanhai Guicheng Investment Development Co., Ltd. (佛山市南海區桂城投資發展公司), an Independent Third Party, in December 2009. The land premium had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Sweet House (Jinshazhou) as of the Latest Practicable Date.

We received the "2012 China Award for Sustainable Urban Development — Most Environmentally Innovative Property Development" and award ("2012中國城市可持續發展推動力獎 — 年度最佳人居環境創新名盤") from Forum of the Future of Sustainable Urban Development (未來城市可持續發展論壇), the "2009 Real Estate Brand List of Influence Guangzhou — Most Popular Property Among White-collar Customers" award (2009年度影響廣州地產品牌榜"最受白領歡迎樓盤") from Xinkuai Newspaper (廣東新快報社) in December 2009 and "Top 10 Model Property — 60th Anniversary of the Founding of the PRC Yuepai Property Billboard" award ("建國60週年粵派地產風雲榜"十大典範樓盤) from Time Weekly (時代周報) in October 2009.

For further information, please refer to Property No. 6 of the Property Valuation Report in Appendix III to this prospectus.

(6) Foshan Fengrui Project (佛山豐睿項目)

Project Overview

Foshan Fengrui Project is located in Nanhai District (南海區), Foshan, Guangdong Province. It will be a residential development and is expected to comprise high-rise apartment buildings. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Foshan Fengrui Project were as follows:

Project type	Residential and commercial
Site area	34,308 sq.m.
Total GFA	115,236 sq.m.
Land use rights not yet obtained	115,236 sq.m.
Construction period	
– estimated commencement	March 2014
– estimated completion	September 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Foshan Fengrui Project are approximately RMB616.1 million. As of September 30, 2013, the total development costs incurred for Foshan Fengrui Project were approximately RMB142.3 million.

This project will be developed by Foshan Fengrui. We entered into the relevant land grant contract and the relevant supplemental contract both in August 2013. As of September 30, 2013, the Group paid a portion of the land premium of approximately RMB142.3 million, and the outstanding land premium was approximately RMB142.3 million. Our PRC legal advisers, Commerce & Finance, have confirmed that Foshan Fengrui is entitled to obtain the land use rights certificates for Foshan Fengrui Project after paying the land premium in full in accordance with the land grant contract and the requirements prescribed by relevant government authorities.

For further information, please refer to Property No. 31 of the Property Valuation Report in Appendix III to this prospectus.

Zhongshan

(1) Times Mont Blanc (Zhongshan) (時代白朗峰(中山))

Project Overview

Times Mont Blanc (Zhongshan) is located in West District (西區), Zhongshan, Guangdong Province. Times Mont Blanc (Zhongshan) is a residential development that comprises high-rise apartment buildings and commercial properties which are primarily used as retail shops. It is one of our "Prosperity Series" properties developed with the "Luxurious and Extraordinary" theme.

Based on our internal records as of September 30, 2013, details of Times Mont Blanc (Zhongshan) were as follows:

Project type	Residential and commercial
Site area	17,118 sq.m.
Completed GFA	115,352 sq.m.
Total GFA sold and pre-sold	113,912 sq.m.
GFA available for sale, lease or use	1,299 sq.m.
Other GFA	141 sq.m.
Construction period	
– commencement	September 2007
– completion	November 2010
Pre-sale commencement date or date of pre-sale permit	February 2010
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Mont Blanc (Zhongshan) were approximately RMB835.8 million. We recognized total revenue of approximately RMB1,041.5 million from the sale of Times Mont Blanc (Zhongshan) as of September 30, 2013.

This project was developed by Zhongshan Kaixuan. The land use right of this project was obtained by Zhongshan Kaixuan as registered capital contribution in 2007 from Zhongshan Kaixuan's former shareholders, Mr. Yu Shunhui (余順輝), Mr. Yang Zhijun (楊志君) and Mr. Yang Lijun (楊立君). The land premium of approximately RMB50.2 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Mont Blanc (Zhongshan) as of the Latest Practicable Date.

We received the "2011 Elite Science and Technology Award the Excellence Award of Overall Refined Decoration" (2011年度精瑞科學技術獎整體精裝修獎優秀獎) from the National Office for Science and Technology Awards (北京精瑞住宅科技基金會) in March 2009.

For further information, please refer to Property No. 10 of the Property Valuation Report in Appendix III to this prospectus.

(2) Times King City (Zhongshan) (時代傾城(中山))

Project Overview

Times King City (Zhongshan) is located in Shaxi Town (沙溪鎮), Zhongshan, Guangdong Province. Times King City (Zhongshan) is a residential development that comprises high-rise apartment buildings, commercial properties which are primarily used as retail shops and extensive ancillary facilities such as a clubhouse, swimming pool and gardens with artistic decorations. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	41,119 sq.m.
Total GFA	206,404 sq.m.
Saleable/rentable GFA	178,155 sq.m.
GFA pre-sold	179,490 sq.m.
GFA available for sale	23,230 sq.m.
Other GFA	3,683 sq.m.
Construction period	
– commencement	June 2011
– estimated completion	November 2013
Pre-sale commencement date or date of pre-sale permit	December 2011
Expected delivery date	December 2013
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential
Site area	13,997 sq.m.
Total GFA	79,388 sq.m.
Saleable/rentable GFA	73,084 sq.m.
GFA pre-sold	66,881 sq.m.
GFA available for sale	11,513 sq.m.
Other GFA	993 sq.m.
Construction period	
– commencement	April 2012
– estimated completion	April 2014
Pre-sale commencement date or date of pre-sale permit	September 2012
Expected delivery date	November 2014
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential and commercial
Site area	30,295 sq.m.
Total GFA	171,100 sq.m.
Saleable/rentable GFA	161,444 sq.m.
GFA pre-sold	26,102 sq.m.
GFA available for sale, lease or use	136,815 sq.m.
Other GFA	8,183 sq.m.
Construction period	
– commencement	September 2012
– estimated completion	July 2014
Pre-sale commencement date or date of pre-sale permit	August 2013
Expected delivery date	June 2015
Attributable interest to our Group	100%

Phase 4

Based on our internal records as of September 30, 2013, details of phase 4 were as follows:

Project type	Residential and commercial
Site area	16,410 sq.m.
Total GFA	78,139 sq.m.
Saleable/rentable GFA	78,139 sq.m.
GFA available for sale	78,139 sq.m.
Construction period	
– commencement	July 2013
– estimated completion	September 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times King City (Zhongshan) are approximately RMB2,200.9 million. As of September 30, 2013, the total development costs incurred for Times King City (Zhongshan) were approximately RMB1,429.1 million.

This project was developed by Zhongshan Wanlian. We entered into the relevant land grant contracts in August 2007 and the relevant sale and purchase agreement to obtain the land use rights in June 2010. The land premium of approximately RMB240.7 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Times King City (Zhongshan) as of the Latest Practicable Date.

For further information, please refer to Property No. 19 of the Property Valuation Report in Appendix III to this prospectus.

Zhuhai

(1) Times Eolia City (Zhuhai) (時代 • 山湖海(珠海))

Project Overview

Times Eolia City (Zhuhai) is located in Jinwan District (金灣區), Zhuhai, Guangdong Province. Times Eolia City (Zhuhai) is a residential development that comprises mid-rise and high-rise apartment buildings, commercial properties which are primarily used as retail shops and ancillary facilities such as a clubhouse, swimming pool and indoor badminton court. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	88,618 sq.m.
Completed GFA	124,042 sq.m.
Total GFA sold and pre-sold	118,176 sq.m.
GFA available for sale, lease or use	5,225 sq.m.
Other GFA	641 sq.m.
Construction period	
– commencement	December 2009
– completion	October 2011
Pre-sale commencement date or date of pre-sale permit	August 2010
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	51,418 sq.m.
Completed GFA	160,842 sq.m.
Total GFA sold and pre-sold	139,028 sq.m.
GFA available for sale, lease or use	18,788 sq.m.
Other GFA	3,026 sq.m.
Construction period	
– commencement	December 2009
– completion	December 2012
Pre-sale commencement date or date of pre-sale permit	April 2011
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential and commercial
Site area	37,243 sq.m.
Completed GFA	108,281 sq.m.
Total GFA sold and pre-sold	97,635 sq.m.
GFA available for sale, lease or use	8,858 sq.m.
Other GFA	1,788 sq.m.
Construction period	
– commencement	December 2009
– completion	March 2013
Pre-sale commencement date or date of pre-sale permit	December 2011
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Eolia City (Zhuhai) were approximately RMB1,783.6 million. We recognized total revenue of approximately RMB1,767.3 million from the sale of Times Eolia City (Zhuhai) as of September 30, 2013.

This project was developed by Zhuhai Fengzhuo. We entered into the relevant land grant contracts in March 2007 and November 2007. The land premium of approximately RMB274.4 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Eolia City (Zhuhai) as of the Latest Practicable Date.

We received the "2010 China Real Estate Golden Building Award" (2010中國和諧人居金築獎) from 2010 China Real Estate Economy Summit Committee (2010中國地產經濟主流高峰論壇組委會).

For further information, please refer to Property No. 11 of the Property Valuation Report in Appendix III to this prospectus.

(2) Zhuhai Jingrun Project (phase 4 of Times Eolia City) (珠海景潤項目(時代 • 山湖海四期))

Project Overview

Zhuhai Jingrun Project (phase 4 of Times Eolia City) is located in Jinwan District (金灣區), Zhuhai, Guangdong Province. Zhuhai Jingrun Project will be a residential development and is expected to comprise high-rise apartment buildings and commercial properties which will be primarily used as retail shops and ancillary facilities such as a clubhouse and kindergarten. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Zhuhai Jingrun Project (phase 4 of Times Eolia City) were as follows:

Project type	Residential and commercial
Site area	51,003 sq.m.
Total GFA	154,224 sq.m.
Saleable/rentable GFA	150,420 sq.m.
GFA pre-sold	122,373 sq.m.
GFA available for sale	31,066 sq.m.
Other GFA	785 sq.m.
Construction period	
– commencement	August 2011
– estimated completion	September 2014
Pre-sale commencement date or date of pre-sale permit	January 2013
Expected delivery date	November 2014
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Zhuhai Jingrun Project (phase 4 of Times Eolia City) are approximately RMB826.3 million. As of September 30, 2013, the total development costs incurred for Zhuhai Jingrun Project (phase 4 of Times Eolia City) were approximately RMB674.9 million.

This project is developed by Zhuhai Jingrun. The land use right of this project was obtained by Zhuhai Jingrun as registered capital contribution in March 2007 from Zhuhai Jingrun's former shareholder, Mr. Zhang Gongshan (張功善). The land premium of approximately RMB61.7 million had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Zhuhai Jingrun Project (phase 4 of Times Eolia City) as of the Latest Practicable Date.

For further information, please refer to Property No. 20 of the Property Valuation Report in Appendix III to this prospectus.

(3) Zhuhai Pingsha Project (珠海平沙項目)

Project Overview

Zhuhai Pingsha Project is located in Pingsha Town (平沙鎮), Zhuhai, Guangdong Province. Zhuhai Pingsha Project will be a residential development and is expected to comprise high-rise apartment buildings, commercial properties that will be primarily used as retail shops and ancillary facilities such as a kindergarten and swimming pool. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	33,484 sq.m.
Total GFA	131,505 sq.m.
Saleable/rentable GFA	95,400 sq.m.
GFA pre-sold	Nil
GFA available for sale	95,400 sq.m.
Other GFA	36,105 sq.m.
Construction period	
– commencement	March 2013
– estimated completion	April 2015
Pre-sale commencement date or date of pre-sale permit	August 2013
Expected delivery date	November 2015
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	41,147 sq.m.
Total GFA	114,436 sq.m.
Saleable/rentable GFA	99,930 sq.m.
GFA available for sale	99,930 sq.m.
Other GFA	14,506 sq.m.
Construction period	
– commencement	August 2013
– estimated completion	September 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential and commercial
Site area	6,762 sq.m.
Total GFA	16,432 sq.m.
Saleable/rentable GFA	16,432 sq.m.
GFA available for sale	16,432 sq.m.
Other GFA	Nil
Construction period	
– commencement	July 2013
– estimated completion	September 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Zhuhai Pingsha Project are approximately RMB1,117.3 million. As of September 30, 2013, the total development costs incurred for Zhuhai Pingsha Project were approximately RMB417.6 million.

This project was developed by Zhuhai Shenghui. We entered into the relevant land grant contracts in October 2012 and December 2012. The land premium of approximately RMB244.2 million have been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Zhuhai Pingsha Project as of the Latest Practicable Date.

For further information, please refer to Property No. 21 of the Property Valuation Report in Appendix III to this prospectus.

(4) Zhuhai Guoji Project (珠海國基項目)

Project Overview

Zhuhai Guoji Project is located in Dou Men District (斗門區), Zhuhai, Guangdong Province. Zhuhai Guoji Project will be a residential development and is expected to comprise high-rise apartment buildings, commercial properties which will be primarily used as retail shops and ancillary facilities such as a clubhouse. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Zhuhai Guoji Project were as follows:

Project type	Residential and commercial
Site area	52,950 sq.m.
Total GFA	171,041 sq.m.
Saleable/rentable GFA	145,874 sq.m.
GFA available for sale	145,874 sq.m.
Other GFA	25,167 sq.m.
Construction period	
– commencement	May 2013
– estimated completion	September 2015
Expected delivery date	November 2015
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Zhuhai Guoji Project are approximately RMB1,047.3 million. As of September 30, 2013, the total development costs incurred for Zhuhai Guoji Project were approximately RMB448.9 million.

This project was developed by Zhuhai Guoji. The land use rights of this project was obtained by Zhuhai Guoji's former shareholder and we acquired Zhuhai Guoji in January 2013. The land premium had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Zhuhai Guoji Project as of the Latest Practicable Date.

For further information, please refer to Property No. 22 of the Property Valuation Report in Appendix III to this prospectus.

(5) Times King City (Zhuhai) (時代傾城(珠海))

Project Overview

Times King City (Zhuhai) is located in Dou Men District (斗門區), Zhuhai, Guangdong Province. Times King City (Zhuhai) will be a residential development and is expected to comprise high-rise apartment buildings, commercial properties which will be primarily used as retail shops. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Times King City (Zhuhai) were as follows:

Project type	Residential and commercial
Site area	198,204 sq.m.
Total GFA	396,400 sq.m.
Land use rights not yet obtained	396,400 sq.m.
Construction period	
– estimated commencement	January 2014
– estimated completion	March 2016
Expected delivery date	November 2017
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times King City (Zhuhai) are approximately RMB2,677.5 million.

This project was developed by Zhuhai Jiayu. We entered into the relevant land grant contract in December 2012. As of September 30, 2013, the Group paid a portion of the land premium of approximately RMB250.0 million, and the outstanding land premium was approximately RMB586.4 million. Our PRC legal advisers, Commerce & Finance, have confirmed that Zhuhai Jiayu is entitled to obtain the land use rights certificates for Times King City (Zhuhai) after paying the land premium in full in accordance with the land grant contract and the requirements prescribed by relevant government authorities.

For further information, please refer to Property No. 32 of the Property Valuation Report in Appendix III to this prospectus.

(6) Times Laguna (Zhuhai) (時代廊橋(珠海))

Project Overview

Times Laguna (Zhuhai) is located in Qianshan (前山), Zhuhai, Guangdong Province. Times Laguna (Zhuhai) is a residential development that comprises high-rise apartment buildings, townhouses and extensive ancillary facilities such as a clubhouse, a kindergarten and a park. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Based on our internal records as of September 30, 2013, details of Times Laguna (Zhuhai) were as follows:

Project type	Residential
Site area	61,385 sq.m.
Completed GFA	166,993 sq.m.
Total GFA sold and pre-sold	164,372 sq.m.
GFA available for sale, lease or use	2,540 sq.m.
Other GFA	81 sq.m.
Construction period	
– commencement	January 2007
– completion	May 2009
Pre-sale commencement date or date of pre-sale permit	April 2008
Attributable interest to our Group	100%

As of September 30, 2013, the total development costs incurred for Times Laguna (Zhuhai) were approximately RMB688.9 million. We recognized total revenue of approximately RMB946.7 million from the sale of Times Laguna (Zhuhai) as of September 30, 2013.

This project was developed by Zhuhai Zhongzhu. The land use right of this project was obtained by Zhuhai Zhongzhu's former shareholders and we acquired Zhuhai Zhongzhu in 2006. The land premium had been paid in full. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of Times Laguna (Zhuhai) as of the Latest Practicable Date.

For further information, please refer to Property No. 12 of the Property Valuation Report in Appendix III to this prospectus.

Qingyuan

(1) Times King City (Qingyuan) (時代傾城(清遠))

Project Overview

Times King City (Qingyuan) is located in Qingcheng District (清城區), Qingyuan, Guangdong Province. Times King City (Qingyuan) will be an integrated development that will comprise high-rise residential apartment buildings, commercial properties which will be used as retail shops and offices, and extensive ancillary facilities such as clubhouses and a community services center. It will be one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	55,766 sq.m.
Total GFA	226,980 sq.m.
Saleable/rentable GFA	190,612 sq.m.
GFA pre-sold	34,878 sq.m.
GFA available for sale	155,734 sq.m.
Other GFA	36,369 sq.m.
Construction period	
– commencement	April 2013
– estimated completion	April 2015
Pre-sale commencement date or date of pre-sale permit	April 2013
Expected delivery date	November 2015
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	29,009 sq.m.
Total GFA	118,073 sq.m.
Saleable/rentable GFA	118,073 sq.m.
GFA available for sale	118,073 sq.m.
Construction period	
– estimated commencement	November 2013
– estimated completion	July 2015
Expected delivery date	April 2016
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential
Site area	24,260 sq.m.
Total GFA	98,745 sq.m.
Construction period	
– estimated commencement	June 2014
– estimated completion	March 2016
Expected delivery date	November 2016
Attributable interest to our Group	100%

Phase 4

Based on our internal records as of September 30, 2013, details of phase 4 were as follows:

Project type	Residential
Site area	36,853 sq.m.
Total GFA	150,000 sq.m.
Construction period	
– estimated commencement	March 2015
– estimated completion	December 2016
Expected delivery date	December 2017
Attributable interest to our Group	100%

Phase 5

Based on our internal records as of September 30, 2013, details of phase 5 were as follows:

Project type	Residential
Site area	36,853 sq.m.
Total GFA	150,000 sq.m.
Construction period	
– estimated commencement	June 2016
– estimated completion	December 2017
Expected delivery date	December 2018
Attributable interest to our Group	100%

Phase 6

Based on our internal records as of September 30, 2013, details of phase 6 were as follows:

Project type	Residential
Site area	21,717 sq.m.
Total GFA	88,392 sq.m.
Construction period	
– estimated commencement	March 2017
– estimated completion	December 2018
Expected delivery date	December 2019
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times King City (Qingyuan) are approximately RMB3,557.0 million. As of September 30, 2013, the total development costs incurred for Times King City (Qingyuan) were approximately RMB1,203.0 million.

This project was developed by Qingyuan Rongjing. We entered into the relevant land grant contracts in October 2011 and the land premium of RMB643.6 million had been paid in full in accordance with the relevant terms of the relevant land grant contracts. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Times King City (Qingyuan) as of the Latest Practicable Date.

For further information, please refer to Property No. 23 and No. 33 of the Property Valuation Report in Appendix III to this prospectus.

(2) Fogang Shilian Project (佛岡石聯項目)

Project Overview

Fogang Shilian Project is located in Shijiaozhen (石角鎮), Fogang, Qingyuan, Guangdong Province. Fogang Shilian Project will be a residential development and is expected to comprise high-rise apartment buildings. It will be one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	183,696 sq.m.
Total GFA	367,391 sq.m.
Saleable/rentable GFA	367,391 sq.m.
GFA available for sale	367,391 sq.m.
Construction period	
– commencement	August 2007
– estimated completion	December 2015
Expected delivery date	October 2016
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential
Site area	367,391 sq.m.
Total GFA	734,782 sq.m.
Construction period	
– estimated commencement	January 2015
– estimated completion	December 2018
Expected delivery date	December 2019
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Fogang Shilian Project are approximately RMB1,911.5 million. As of September 30, 2013, the total development costs incurred for Fogang Shilian Project were approximately RMB401.3 million.

This project will be developed by Fogang Real Estate. We entered into the relevant land grant contracts in June 2002 and July 2006 and the land premium of approximately RMB28.3 million had been paid in full in accordance with the terms of the relevant land grant contracts. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Fogang Shilian Project as of the Latest Practicable Date.

For further information, please refer to Property No. 24 and No. 34 of the Property Valuation Report in Appendix III to this prospectus.

(3) Fogang Huanghua Lake Project (佛岡黃花湖項目)

Project Overview

Fogang Huanghua Lake Project is located in Tangtang Town (湯塘鎮), Fogang, Qingyuan, Guangdong Province. Fogang Huanghua Lake Project will be a residential development and is expected to comprise high-rise apartment buildings. It will be one of our "Growth Series" properties developed with the "Fashionable and Dynamic" theme.

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential
Site area	477,020 sq.m.
Total GFA	953,800 sq.m.
Construction period	
– estimated commencement	January 2014
– estimated completion	December 2018
Expected delivery date	December 2019
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Fogang Huanghua Lake Project are approximately RMB1,583.9 million. As of September 30, 2013, the total development costs incurred for Fogang Huanghua Lake Project were approximately RMB262.1 million.

This project will be developed by Fogang Zhongyi. We obtained the land use rights of this project via the acquisition of Fogang Zhongyi from its former shareholder, Dingtai (Fogang) Real Estate Development Company Limited (鼎太(佛岡)房地產開發有限公司), an Independent Third Party in February 2008. The land premium of approximately RMB0.7 million had been paid in full in accordance with the terms of the relevant land grant contracts. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Fogang Huanghua Lake Project as of the Latest Practicable Date.

For further information, please refer to Property No. 35 of the Property Valuation Report in Appendix III to this prospectus.

HUNAN PROVINCE

Changsha

Times King City (Changsha) (時代傾城(長沙))

Project Overview

Times King City (Changsha) is located in Wangcheng District (望城區), Changsha, Hunan Province. Times King City (Changsha) will be an integrated residential development that will comprise high-rise apartment buildings, commercial properties which will be primarily used as retail shops and extensive ancillary facilities such as a community art gallery, clubhouses, a kindergarten and a secondary school. It is one of our "Blossom Series" properties developed with the "Noble and Elegant" theme.

Phase 1

Based on our internal records as of September 30, 2013, details of phase 1 were as follows:

Project type	Residential and commercial
Site area	76,078 sq.m.
Total GFA	288,140 sq.m.
Saleable/rentable GFA	277,852 sq.m.
GFA pre-sold	213,042 sq.m.
GFA available for sale	64,810 sq.m.
Other GFA	10,288 sq.m.
Construction period	
– commencement	June 2011
– estimated completion	March 2014
Expected delivery date	November 2014
Attributable interest to our Group	100%

Phase 2

Based on our internal records as of September 30, 2013, details of phase 2 were as follows:

Project type	Residential and commercial
Site area	92,979 sq.m.
Total GFA	424,512 sq.m.
Construction period	
– estimated commencement	December 2013
– estimated completion	August 2016
Expected delivery date	May 2017
Attributable interest to our Group	100%

Phase 3

Based on our internal records as of September 30, 2013, details of phase 3 were as follows:

Project type	Residential
Site area	100,563 sq.m.
Total GFA	296,822 sq.m.
Construction period	
– estimated commencement	June 2015
– estimated completion	April 2017
Expected delivery date	November 2017
Attributable interest to our Group	100%

Phase 4

Based on our internal records as of September 30, 2013, details of phase 4 were as follows:

Project type	Residential
Site area	76,240 sq.m.
Total GFA	312,069 sq.m.
Construction period	
– estimated commencement	June 2016
– estimated completion	April 2018
Expected delivery date	November 2018
Attributable interest to our Group	100%

Phase 5

Based on our internal records as of September 30, 2013, details of phase 5 were as follows:

Project type	Residential
Site area	59,820 sq.m.
Total GFA	132,096 sq.m.
Construction period	
– estimated commencement	June 2017
– estimated completion	April 2019
Expected delivery date	November 2019
Attributable interest to our Group	100%

Phase 6

Based on our internal records as of September 30, 2013, details of phase 6 were as follows:

Project type	Residential and commercial
Site area	54,458 sq.m.
Total GFA	173,438 sq.m.
Construction period	
– estimated commencement	June 2018
– estimated completion	April 2020
Expected delivery date	November 2020
Attributable interest to our Group	100%

The total budgeted development costs (including land costs, construction costs and capitalized finance costs) to be incurred for the development of Times King City (Changsha) are approximately RMB8,229.9 million. As of September 30, 2013, the total development costs incurred for Times King City (Changsha) were approximately RMB2,519.3 million.

This project was developed by Changsha Meiguiyuan. Changsha Meiguiyuan entered into the relevant land grant contracts in July 2003. We acquired Changsha Meiguiyuan in January 2011. The land premium of approximately RMB169.3 million had been paid in full in accordance with the terms of the relevant contract. Our PRC legal advisers, Commerce & Finance, have confirmed that we had obtained all licenses, permits and certificates required for the development of the relevant phases of Times King City (Changsha) as of the Latest Practicable Date.

For further information, please refer to Property No. 25 and No. 36 of the Property Valuation Report in Appendix III to this prospectus.

Additional land acquired after September 30, 2013

On November 19, 2013, we entered into a land grant contract with the relevant government authority and acquired a parcel of land located in Xishadong in Shiqi District (石岐區細沙東), Zhongshan, Guangdong Province, with a total site area of 46,667 sq.m. for RMB200.0 million to be developed as our Zhongshan Shiqi Project. This parcel of land is designated for residential and commercial use. As of the Latest Practicable Date, we had made a payment of RMB36.4 million for this parcel of land and had an outstanding land premium of RMB163.6 million.

POTENTIAL DEVELOPMENT PROJECTS

In addition to our existing development projects, we actively explore opportunities for potential development projects in areas where we currently operate. In accordance with our acquisition strategy, we have entered into certain letters of intent or co-operation agreements (collectively, the "**Letters of Intent**") with (i) certain local governmental authorities to demonstrate our early commitment to develop these projects, or (ii) third parties to establish project companies to jointly develop these projects (collectively, the "**Counterparties**"). We are required to go through the public tender, auction, or listing-for-sale procedures (as the case may be) under the relevant PRC rules, or, to obtain approvals of relevant government authorities and existing residents before we can obtain land use rights with respect to the land parcels under these Letters of Intent. As such, there is no assurance that these Letters of Intent will lead to our acquisition of any land use rights. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We may not be able to acquire land reserves of sufficient size in desirable locations and at a commercially acceptable cost in the future" in this prospectus.

As of September 30, 2013, we had 17 potential development projects with an aggregate site area of approximately 8.2 million sq.m. Out of these 17 potential development projects, 16 of which are under the "Urban Redevelopment" policies. In accordance with the Letters of Intent, we had paid an aggregate amount of approximately RMB204.8 million to the Counterparties as deposits. If we are able to obtain land use rights through the public tender, auction, or listing-for-sale procedures, or, upon the receipt of approvals of relevant governmental authorities and existing residents, the deposits paid to the Counterparties will be regarded as payment of the land premium or capital contribution to a project company, as the case may be. If we fail to obtain land use rights, the deposits will be refunded to us. As of the Latest Practicable Date, we had not entered into any land grant contract in relation to these 17 potential development projects and could not ensure whether and when we will obtain the land use right certificates in relation to these potential development projects.

In addition to the 17 potential development projects above, in December 2010, we entered into a cooperation agreement (the "**Cooperation Agreement**") with Guangzhou Hongwei Economic Cooperatives for a term of six months for development of a parcel of land located at Hongwei Village, Guangzhou, which comprises four communities. Under this Cooperation Agreement, Guangzhou Hongwei Economic Cooperatives is responsible for, among other things, obtaining the relevant approvals from the government and existing residents and, in the name of the project company, demolishing existing properties and relocating existing residents

in the village. We will be able to obtain the land use right once we acquire the project company after it has fulfilled all its responsibilities under the Cooperation Agreement and has entered into a land grant contract with the relevant competent land bureau. We were required to pay RMB5 million within ten days as of the date of the execution of the Cooperation Agreement. The Cooperation Agreement may be terminated under certain circumstances, including, among others, mutual agreement or failure in obtaining the approval of at least 80% of the village citizens in relation to the demolishing and relocating as well as redeveloping schemes. In June 2011, we entered into a supplemental agreement to the Cooperation Agreement with Guangzhou Hongwei Economic Cooperatives, upon which we and Guangzhou Hongwei Economic Cooperatives agreed to extend the term of the Cooperation Agreement till June 2014. On September 13, 2012, Guangzhou Luogang District Government issued an approval on the urban redevelopment plan in relation to a part of the land where two communities (Community I and Community II of Hongwei Village) are located, which involves a total site area of approximately 257,600 sq.m. As of the Latest Practicable Date, we had obtained the approval of 90% of the village citizens in relation to the redeveloping schemes in relation to the part of the land where these two communities are located. As of September 30, 2013, this project in relation to these two communities incurred development costs in an aggregate amount of approximately RMB76.6 million. As of the Latest Practicable Date, the urban redevelopment plan in relation to the remaining two communities (Community III and Community IV of Hongwei Village) was pending the relevant governmental authority's approval and no development costs had been incurred.

When we select potential development projects, we focus on developing residential properties in Emerging Urban Areas. We will formulate investment plans and conceptualize development targets based on our overall growth strategy and development plan. Once we have a preliminary concept of the properties that we intend to develop, we conduct further feasibility studies on the potential development target with thorough risk management and investment return analysis, which take into account macro-social economic trends in the region, government policies, regulations and other reports relating to the development of the PRC property industry, economic development in the regions, local property market conditions, disposable income, urban planning, infrastructure and supporting facilities.

We plan to fund these potential development projects with our operating cash flow (including pre-sale proceeds from our existing projects under development and these potential development projects), proceeds from the Global Offering and, if necessary, bank loans.

FINANCING PROVIDED BY TRUST FINANCING COMPANIES

Overview of Trust Financing Arrangements

In addition to banking facilities, PRC companies, particularly property developers, may obtain alternative financing from trust financing arrangements. Trust financing arrangements are funding arrangements provided by trust funds, which are domestic funds set up and managed by trust financing companies registered with the CBRC, the principal regulator of the trust financing companies that act as trustees of these funds. Only investors who satisfy certain criteria under the "Measures for the Administration of Trust Companies' Trust Plans of Assembled Funds" (《信託公司集合資金信託計劃管理辦法》) promulgated by the CBRC may subscribe to become unit-holders of these trust funds.

Trust financing is an authorized form of financing transaction under PRC law and have become a common source of funds for property developers in the PRC. They are available to PRC property developers and other PRC companies in various forms, including equity transfers, capital injections, equity acquisitions, shareholder loans, and secured loans granted by trust financing companies acting as trustees of the respective trust funds. Trust financing companies and the borrowing company may enter into secured loan arrangements, which consist of a combination of agreements involving equity pledges or security interests, guarantees, capital injections, equity transfers, repurchases or loan assignments. As with many other property developers in the PRC, our Group enters into trust financing arrangements in the ordinary course of business to finance our property development and other related operations.

The formation of PRC trust financing companies and their respective operations are regulated by the "Rules Governing Trust Financing Companies" (《信託公司管理辦法》) promulgated by the CBRC. Our Directors have confirmed that each of the trust financing companies with which we entered into trust financing arrangements has produced a financial business license issued by the CBRC. The respective business scopes of these trust financing companies do not cover real estate development. Accordingly, our PRC legal advisers, Commerce & Finance, have advised us that these trust financing companies are financial institutions engaged primarily in the trust financing business, and are not considered real estate development enterprises under the relevant PRC laws and regulations.

Key regulations applicable to our trust financing arrangements

From time to time, the CBRC promulgates circulars and notices to regulate the activities of trust financing companies. Key restrictions on the provision of trust loans for property development projects include the following:

- Trust financing companies are restricted from providing trust loans to property projects that have not obtained the requisite land use rights certificates, construction land planning permits, construction work planning permits and construction work commencement permits;

- Trust financing companies may not provide trust loans to property developers that do not have a Class 2 qualification certificate issued by competent construction authorities;

- Trust financing companies may provide trust loans only to property projects for which at least 30% of the total investment will be funded by the developer's own capital (except for affordable housing and commodity apartments, for which at least 20% of the total investment shall be funded by the developer's own capital); and

- Trust financing companies are prohibited from providing trust loans to property developers for payment of land premiums or for working capital purposes.

See the section entitled "Regulatory Overview — Trust Financing" in this prospectus for further details on regulations relating to trust financing arrangements. Our Directors have confirmed that we had obtained all requisite certificates and permits prior to obtaining trust

loans for our trust financing arrangements during the Track Record Period and up to the Latest Practicable Date. Our PRC legal advisers, Commerce & Finance, have confirmed that (i) all of our trust financing arrangements currently valid are in compliance with all applicable rules and regulations in the PRC, and (ii) all terms of the transactions contemplated under such trust financing agreements are valid, binding and enforceable under PRC laws and regulations.

Trust Financing Arrangements Entered into by Our Group

We had nine trust financing arrangements to obtain trust loans in an aggregate amount of RMB1,779.2 million subsisted between us and the respective trust financing companies during the Track Record Period. These trust financing arrangements generally require (i) the equity interests in, or the land use rights or properties held by, some of our PRC subsidiaries to be pledged, and (ii) guarantees to be provided, to the trust financing company (as trustee of the respective trust fund) as security for the loans. As of September 30, 2013, we had four outstanding trust financing arrangements with an aggregate outstanding amount of approximately RMB1,111.3 million.

In October 2013, we entered into an additional trust financing arrangement in the principal amount of RMB450.0 million with Zhongrong International Trust. Under the trust financing arrangement, Guangzhou Shengyu, our wholly owned subsidiary, pledged its 60% equity interest in Zhuhai Jiayu as security for the trust financing. To further secure the trust financing arrangement, Zhongrong International Trust acquired a 40% equity interest in Zhuhai Jiayu through an acquisition of the entire equity interest in Guangzhou Zhuorui, the then indirect wholly owned subsidiary of Guangzhou Shengyu, and Times Group provided a guarantee to any outstanding amount under the trust financing arrangement. See the section entitled "History and Corporate Structure — Our Reorganization — Onshore Acquisition and Disposal" and "History and Corporate Structure — Our Reorganization — Establishment of Onshore Companies" in this prospectus for further details. This trust financing arrangement had not been utilized as of the Latest Practicable Date.

In November 2013, we entered into a trust financing arrangement in the principal amount of RMB215.2 million with Minmetals International Trust. Under the trust financing arrangement, Shenzhen Jinhaidi and Foshan Jiefengli, each a wholly owned subsidiary of us, pledged their 40% and 10% equity interest in Changsha Meiguiyuan, respectively, as security for the trust financing. To further secure the trust financing arrangement, Times Group and Guangzhou Shengyu provided guarantees to any outstanding amount under the trust financing arrangement. The trust financing arrangement had been fully utilized as of the Latest Practicable Date and the outstanding amount bears a maturity of two years and an interest rate of 9.1%.

Our use of trust financing during the Track Record Period was partly due to the tightening of credit policy for real estate industry in the PRC. Compared to bank loans, trust financings offer greater flexibility in terms of availability. While utilizations on bank loans usually depend on actual construction progress, utilizations on trust financings may be made in single or multiple drawdowns as agreed with the relevant trust companies. Our PRC legal advisers, Commerce & Finance, have advised us that such trust financing arrangements are a secured

borrowing transaction, because the equity interests in, or the land use rights or properties held by, the pledger pledged to the trust financing companies are effectively held as collateral to secure our repayment obligations. Our Directors have confirmed that all of the trust financing companies with which our Group had entered into trust financing arrangements during the Track Record Period and up to the Latest Practicable Date are Independent Third Parties. As of the Latest Practicable Date, to the best of our Directors' knowledge, none of the trust financing companies had breached any of the terms of any of these trust financing arrangements. Our Directors are of the view that the terms of the trust financing arrangements entered into by our Group are in line with industry norm.

During the Track Record Period and up to the Latest Practicable Date, we had not defaulted on our repayments or any other obligations in any material respect under the trust financing arrangements. If we fail to satisfy our repayment obligations, enforcement action may be brought against the security interest we have granted and could affect our ownership of our project companies. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We maintain a certain level of indebtedness and may incur additional indebtedness in the future, and any default under any of our loan or financing arrangements could result in enforcement against the security we have granted, which could materially and adversely affect our ownership of our PRC project companies and our ability to continue our operations" in this prospectus for further details.

The following table sets out details of our outstanding trust financing arrangements as of September 30, 2013:

Entity obtaining trust financing	Trust financing company	Effective date and term of financing	Principal amount	Interest rate	Equity or property interests or land use rights (as applicable) pledged, or guarantee provided, as collateral at initial drawdown	Total outstanding trust financing as of September 30, 2013
			(RMB million)	(% of principal amount of trust financing) (per annum)		(RMB million)
Guangzhou Donghe	Dongguan Trust	August 20, 2013 to August 19, 2015	230.0	12.0 (within 12 months from the date of drawdown) 13.0 (after 12 months from the date of drawdown)	Land use rights in certain land parcels of site area of approximately 551,087 sq.m. held by Fogang Real Estate Guarantee provided by Times Group	230.0
Guangzhou Donghe	Zhongrong International Trust	August 19, 2013 to August 18, 2015	350.0	12.5	Land use rights in certain land parcels of site area of approximately 97,110 sq.m. held by Qingyuan Rongjing Guarantee provided by Times Group	350.0
Guangzhou Hongtai	Founder BEA Trust	August 30, 2013 to August 29, 2014	290.0	6.9	Guarantee provided by Times Group	281.3
Guangzhou Tianlang	Construction and Credit Trust	August 21, 2013 to August 20, 2015	250.0	11.7	Property interests of site area of approximately 17,484 sq.m. held by Guangzhou Donghe Guarantee provided by Times Group	250.0

Key Terms of the Trust Financing Arrangements

The major covenants of each outstanding trust financing arrangement include, among others, that (i) the borrowing subsidiary shall ensure that all documents provided under the relevant trust financing agreement to be true, complete, accurate and valid and shall maintain all financial ratios (if any) as required by the relevant trust financing company; (ii) the borrowing subsidiary shall disclose to the relevant trust financing company the current and future indebtedness of the borrowing subsidiary, including but not limited to, indebtedness and liabilities, such as the assets or any undisclosed share pledges to the relevant trust financing company; (iii) during the term of the trust loan, the borrowing subsidiary shall not take any actions that will affect the ability of the borrowing subsidiary to repay the debt, such as acquisitions, restructuring, mergers or divisions, without the prior written consent of the relevant trust financing company; and the borrowing subsidiary shall inform the relevant trust financing company if the borrowing subsidiary is involved in actions which will affect its ability to repay the debt, such as material litigation, external material investments, external guarantees and connected transactions; and (iv) cross-default provisions.

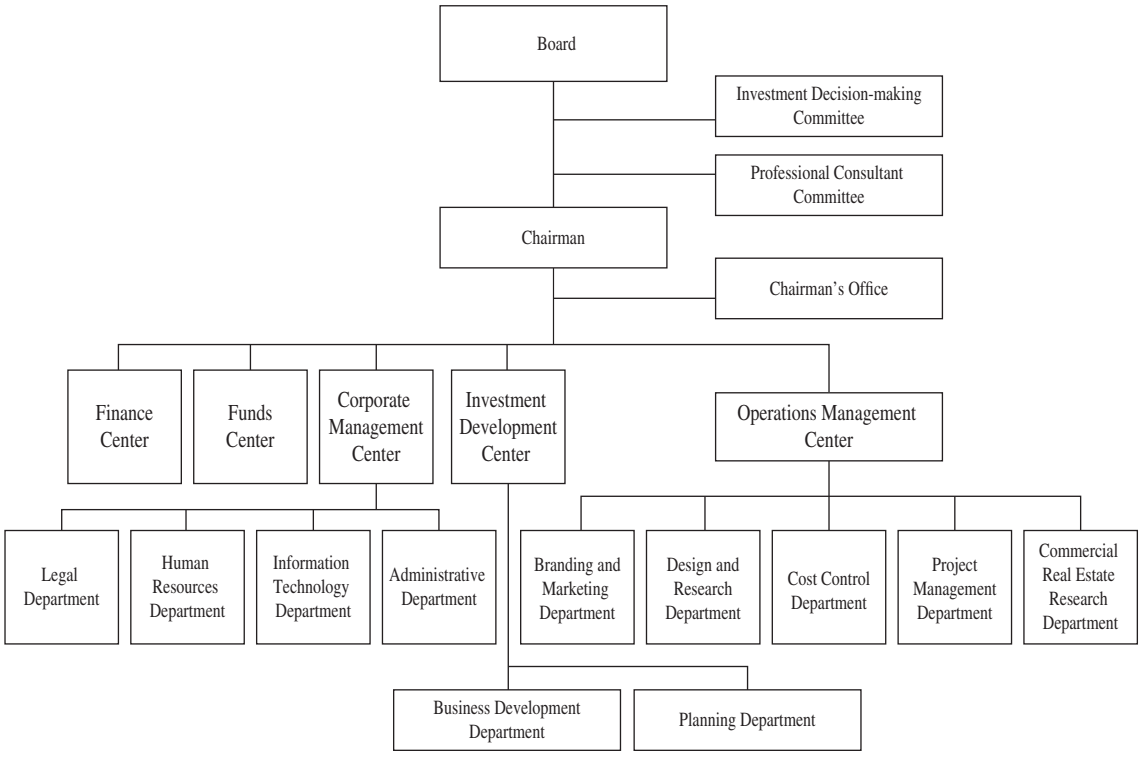
According to the terms of the outstanding trust financing arrangements, no veto rights are granted to the trust financing companies and, therefore, the trust financing arrangements will not affect our control over the borrowing entities. Our Directors confirm that the pledge of land use rights to the trust financing companies were solely as security for the relevant trust loans. The terms and conditions of the trust financing arrangements would neither result in a surrender of control or joint control of the project companies to the trust financing companies, nor enable those trust financing companies to have significant influence on the operation of those project companies.

Repayment under the Trust Financing Arrangements

The terms of our outstanding trust financing arrangements generally range from 12 months to 24 months. We have normally discharged our repayment obligations under our trust financing arrangements using proceeds from sales and pre-sales of our properties. Our Directors expect that we will continue to satisfy our repayment obligations under our trust financing obligations by utilizing proceeds from the sales and pre-sales of properties after Listing.

PROJECT DEVELOPMENT MANAGEMENT

The following chart sets forth our project development management structure:



We have established a chairman's office and five departments at our headquarters to oversee and manage the development of projects, including project acquisition. These five departments consist of:

- a finance center;
- a funds center;
- an investment development center;
- an operations management center; and
- a corporate management center.

Our chairman, Mr. Shum, works closely with our senior management team to provide management and technical guidance to our subsidiaries and regional offices. These centers in turn have different responsibilities and supervise various functional departments, as set out in the table below:

Office/Centers	Functional departments	Responsibilities
Chairman's Office	N/A	• business strategies of our Group
		• oversees planning and operations of projects
		• internal audit
		• public relations
Finance Center	N/A	• budgetary matters, financial forecast and analysis, capital management and taxation planning
Funds Center	N/A	• funding management
Investment Development Center	Planning Department	• project positioning and planning
	Business Development Department	• land reserves and acquisition of new projects
		• investment decision making
Operations Management Center	Design, and Research Department	• products research and development
		• project planning and design
	Cost Control Department	• cost control
		• materials procurement
	Project Management Department	• our overall business operations
	Branding and Marketing Department	• brand management
		• marketing and sales management
	Commercial Real Estate Research Department	• commercial real estate research
Corporate Management Center	Human Resources Department (the "**HR Department**")	• our corporate structuring
		• human resources management and training
	Administration Department (the "**Admin Department**")	• back-office assistance
	Information Technology Department (the "**IT Department**")	• information management
	Legal Department	• legal and risk management

We also formed regional companies in cities where our project developments are located, such as Guangzhou, Foshan, Zhuhai, Zhongshan, Qingyuan and Changsha, in order to respond quickly to local customer needs and to manage the day-to-day operations of the projects in different regions. The regional companies have their own departments for overseeing project construction, development and management, marketing and sales, customer service, daily financial administration and human resources matters. If our new project developments expand outside areas where our regional companies are currently located, we expect to establish new regional companies in those areas.

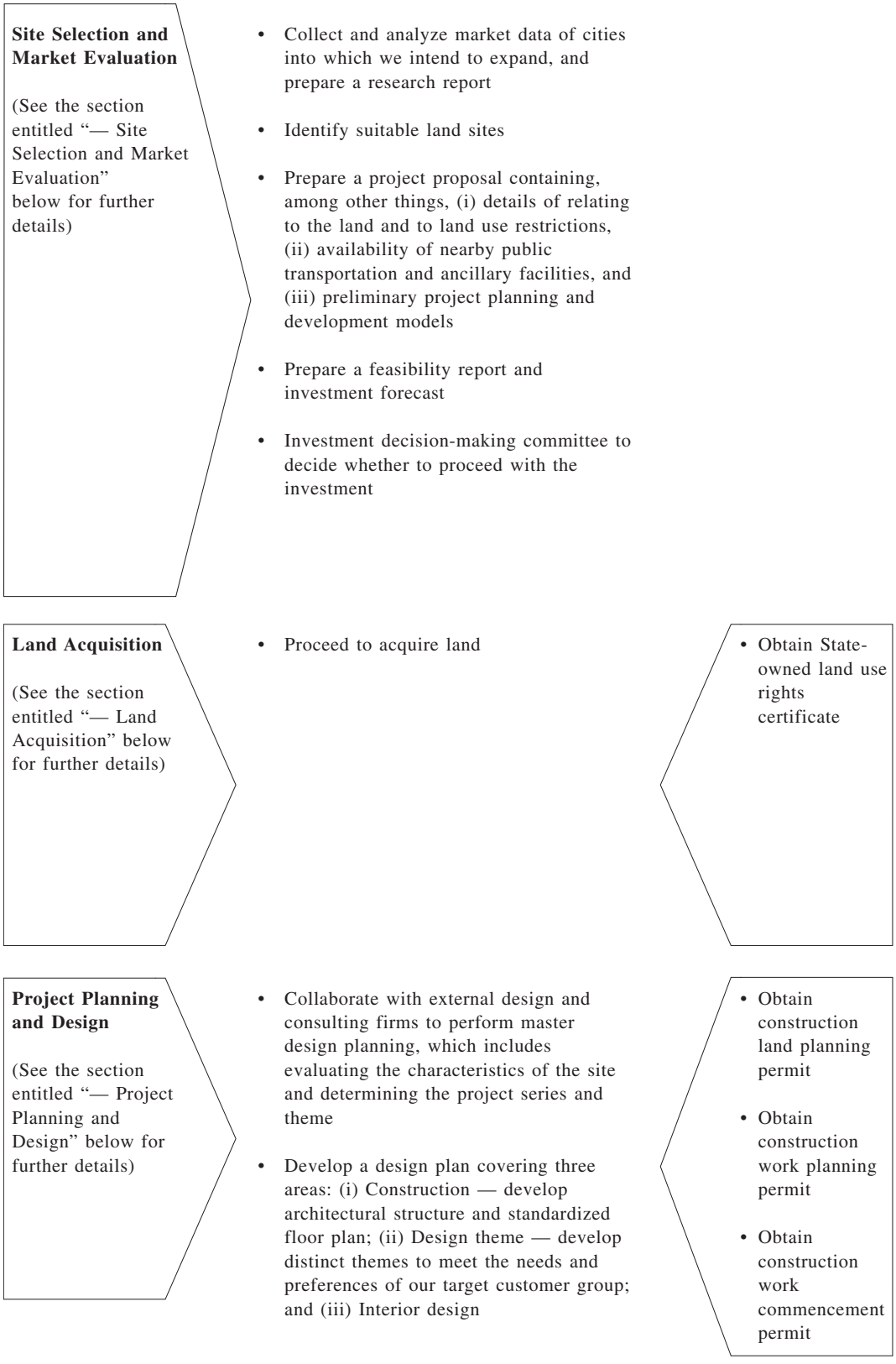
We strive to improve our product research capabilities and product quality, optimize our operational efficiency, strengthen our research capabilities in each of our business departments and achieve customer service excellence to support our business expansion.

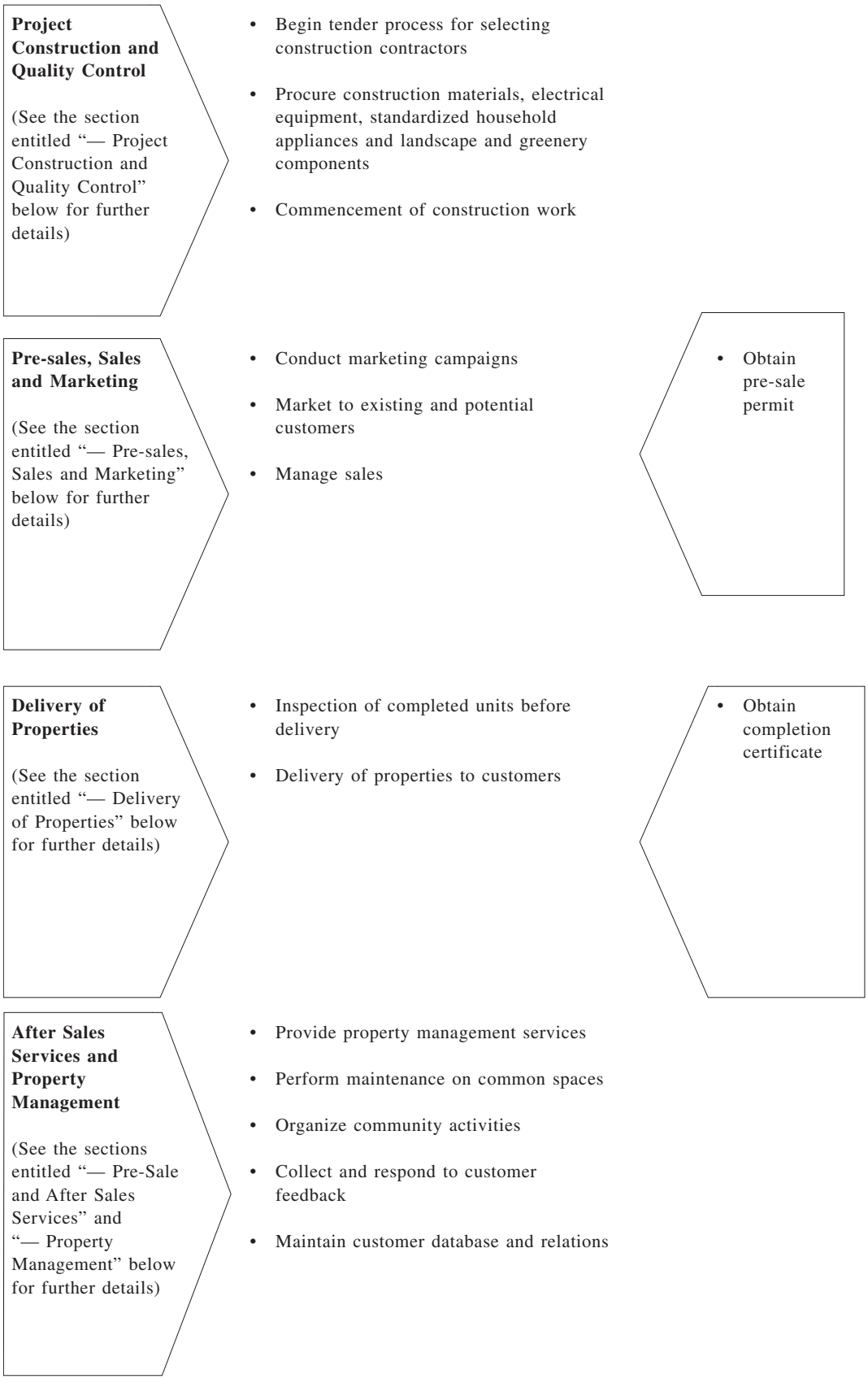
Times Property Standardized Operational and Management System

We have developed the "Times Property Standardized Operational and Management System" (時代地產標準化運營管理體系) to standardize each major stage of the development process to enable us to replicate development projects at a quicker pace and lower cost, helping us to effectively manage the construction of our properties. Nonetheless, as we continue to design and produce new themes and products to cater to changes in customers' preferences, the amount of time it takes for us to complete a project development will vary depending in part on the size, complexity and product mix of a particular project.

Our system contains standard procedures relating to (i) project management, (ii) investment decision-making management, (iii) results management, (iv) materials procurement management, (v) cost control management, (vi) customer services management, and (vii) property management, each of which is directly managed by one of our functional departments. Design management, construction management and sales management are each managed collectively by our functional departments and by designated third-party architecture and design firms, construction contractors and real estate sales agents, respectively.

The diagram below summarizes our standardized property development process:




Project Construction and Quality Control
(See the section entitled "— Project Construction and Quality Control" below for further details)
• Begin tender process for selecting construction contractors
• Procure construction materials, electrical equipment, standardized household appliances and landscape and greenery components
• Commencement of construction work
Pre-sales, Sales and Marketing
(See the section entitled "— Pre-sales, Sales and Marketing" below for further details)
• Conduct marketing campaigns
• Market to existing and potential customers
• Manage sales
• Obtain pre-sale permit
Delivery of Properties
(See the section entitled "— Delivery of Properties" below for further details)
• Inspection of completed units before delivery
• Delivery of properties to customers
• Obtain completion certificate
After Sales Services and Property Management
(See the sections entitled "— Pre-Sale and After Sales Services" and "— Property Management" below for further details)
• Provide property management services
• Perform maintenance on common spaces
• Organize community activities
• Collect and respond to customer feedback
• Maintain customer database and relations

Site Selection and Market Evaluation

Our investment development center supervises and collaborates with the business development department of our regional companies to systematically select and acquire land. We have developed standardized investment decision-making procedures regarding site selection and market evaluation in order to locate and acquire suitable land for our property projects efficiently. Prior to purchasing a parcel of land, the business development department of one of our regional companies (the "**regional business development department**") will conduct a site visit and market research and collect relevant information regarding the potential acquisition opportunity, such as potential demand for developed property in the area, composition of the target customer group, product design and potential competition from other property developers in the vicinity. We will also consider the encumbrances on and legal claims in relation to the land (if any) as part of the risk assessment when we conduct the preliminary feasibility study.

We consider the following factors in relation to site selection and product positioning:

- site area, characteristics of the site and suitability for residential community development;
- growth potential of the area near the site;
- level of competition from other property developers in the vicinity;
- local government's planning and policies for the site and the vicinity;
- local transportation network, existing and potential infrastructure support, and proximity to public facilities; and
- estimated overall cost structure, cash flow contribution and investment return of the potential development.

Based on the preliminary feasibility study, our design and research department will present a design proposal so that our investment development center may coordinate with our regional business development department to gather additional information, including (i) the planning and design conditions of the land set forth by the local government, (ii) the boundary line of the land, and (iii) the relevant State-owned land use rights. With such information, our regional development department will prepare a detailed feasibility analysis, including a financial forecast model with estimated net profit, internal rate of return and various financial indicators, for the investment decision-making committee's consideration and approval. For new areas into which we plan to expand, we will engage external property consultants to conduct further market research and feasibility studies.

Our standardized procedures help us acquire land prudently, minimize potential risks and maximize investment returns. We typically proceed with an acquisition if we conclude from our investment decision-making procedures that (i) a particular site has good development potential, (ii) the potential yield meets our standards, and (iii) the risk profile is acceptable. To date, our major developments are located in select cities in Guangdong Province and in Changsha, Hunan Province.

Based on our business strategy and at an appropriate time, we will expand our operations into PRC cities outside Guangdong Province with fast-growing economies and real estate markets. In doing so, we will engage external property consultants to conduct market research and feasibility studies.

We will consider the following factors in relation to city selection:

- urban composition, including size and population density of the city;
- general economic development conditions, including the gross domestic product growth rate, gross domestic product per capita, purchasing patterns of the residents and the condition of the real estate development business;
- future development and planning strategy;
- central and municipal governments' economic development and expansion strategy and support for the city;
- the state of general economic development in the private sector;
- anticipated demand for residential properties;
- future land availability;
- the competitive landscape of the overall real estate development business;
- laws and regulations relevant to the supply and cost of land; and
- development of cities nearby.

After we have decided on the city we wish to enter, the business development department of our investment development center, with assistance from the marketing and sales teams from the regional company, will carry out a series of project feasibility studies, such as on-site research, market analysis, product studies, customer positioning and financial projections.

We also hire reputable architecture and design firms to perform master design planning of our selected sites based on market research data provided by our marketing team and our particular design requirements and specifications. Our marketing team and the design consulting firms provide additional data and support for feasibility studies. Once the feasibility studies have been completed, findings from the investment decision-making procedures will be submitted to the investment decision-making committee for review and approval.

Land Acquisition

During the Track Record Period, we obtained our land reserves through the following methods:

- acquisition of equity interests in project companies that hold the land use rights;
- participation in government-organized tenders, auctions and listings-for-sale;
- cooperation with third-party property developers that hold land use rights to jointly develop a project;
- acquisition of projects from property developers with more limited property development capabilities;
- acquisition of industrial purpose lands and convert the land use rights to commercial and residential use for mixed-used projects, in line with the local government's town planning; and
- participation in the "Urban Redevelopment" policies in Guangdong Province.

The Rules Regarding the Grant of State-Owned Construction Land Use Rights by Way of Tender, Auction and Listing-for-sale (《招標拍賣掛牌出讓國有建設用地使用權規定》) issued by the PRC Ministry of Land and Resources provide that, State-owned construction land use rights for industrial uses (except mining), commercial uses, tourism, entertainment or commodity residential property development in the PRC must be granted by the government through public tender, auction or listings-for-sale. We believe these measures should result in a more transparent land grant process, which should enable developers to compete more effectively.

When land use rights are granted through a tender, an evaluation committee consisting of at least five members (including a representative of the grantor and other experts) will be established to evaluate and select the tenders that have been submitted. When deciding to whom to grant land use rights, the relevant authorities consider not only the tender price but the qualifications of the tenderer and its tender proposal.

When land use rights are granted through an auction, a public auction is held by the relevant local land bureau, and the land use rights are granted to the highest bidder.

When land use rights are granted through a listing-for-sale, the relevant local land bureau will announce the conditions for granting the land use rights at designated land transaction centers before bids are submitted. The land use rights are granted to the bidder submitting the highest bid by the end of the listing-for-sale period.

Under current regulations, original grantees of land use rights are typically allowed to sell, assign or transfer the land use rights granted to them on the secondary market, provided that (i) the assignment price has been fully paid in accordance with the assignment contract and

a land use rights certificate has been obtained; and (ii) construction work has been carried out according to the assignment contract. If such land use rights are obtained through allocation, such assignment or transfer shall comply with the relevant PRC laws and regulations, including the payment of an assignment fee to the PRC government. Furthermore, government approval of such assignment or transfer must be obtained. In addition to acquiring land through government-organized tenders, auctions or listings-for-sale, we may also obtain land use rights through transfers from third parties or through cooperative arrangements with third parties on the secondary market.

Project Planning and Design

We engage external design consulting firms to perform master design planning of our selected sites before we acquire them. Once we have acquired a site and entered the project implementation stage, we engage reputable architecture and design firms, such as AECOM, Hanhua, HS Architects and SCDA Architects, to perform project design work, including master planning, architectural design, landscape design, interior design and ancillary facilities design.

As we believe that good project design significantly enhances the value and marketability of our properties, we carefully select the architecture and design firms with which we collaborate. Selection of the architecture and design firms is carried out by our design and research department. When selecting external design consulting firms, we take into consideration factors such as reputation, technical abilities, product innovation capabilities, track record in developing similar projects, service standards and past relationship with us. Our senior management is actively involved in the entire planning and design process, especially in the master planning, architectural design and interior design stages of our projects. Planning and design of our projects typically involve the following major steps:

- Concept design — evaluating the characteristics of the site and determining the theme to be applied to the project;

- Project design — analyzing and determining the ancillary facilities required to realize the project theme, the type of residential property, public facilities and landscaping, based on our contemporary lifestyle concept and brand image; and

- Construction blueprint design — determining the technicalities of the project, steps of overall construction and interior design, amount of construction materials and equipment required.

The architecture and design firms we engage are typically subject to strict confidentiality provisions. These architecture and design firms are typically entitled to a fixed fee for their services, which is payable in progressive installments upon the completion of each stage of the planning and design process.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, the total fees we paid to the architecture and design firms were approximately RMB64.5 million, RMB90.6 million, RMB45.6 million and RMB50.6 million, respectively. All architecture and design firms we engaged during the Track Record Period were Independent Third Parties.

We seek to distinguish our property developments through our distinctive and innovative design concepts and our focus on offering modern and artistic developments that evoke an appealing lifestyle. We also aim to design products that reflect our vision of offering tasteful residential communities to our customers with an emphasis on the art of living.

Our distinctive designs and innovative features can be seen in several of our property developments. We built a multi-function clubhouse decorated with modern paintings and sculptures and a private theater in Times Bund (時代外灘). We also integrated the "Guangdong Times Art Gallery" (廣東時代美術館), designed by reputable architects Rem Koolhaas and Alain Fouraux, into Times Deconstruction (時代玫瑰園). We have received a number of accolades for the unique designs of our projects, such as the "2012 APIDA 20th Asia Pacific Region Interior Design Award" (2012 APIDA第二十屆亞太室內設計大獎), which was awarded to the designer of one of our projects by the Hong Kong Interior Design Association (香港室內設計協會) and the "2012 Guangzhou Real Estate Network Festival Most Artistic Mansion Award" (2012廣州地產網絡盛典最佳藝術豪宅大獎), which was awarded to Times Bund (時代外灘) by Sohu Focus (搜狐焦點).

We maintain close relationships with leading reputable design firms to help maintain our standard in project design and material selection. We believe that by keeping abreast of the latest trends and design concepts, we can design our property developments to better suit changing customer preferences.

Project Construction and Quality Control

Before beginning construction, we must obtain the right to develop the land, which includes obtaining the construction land planning permit, the construction work planning permit and the construction work commencement permit from the relevant PRC government authorities. See the section entitled "Regulatory Overview — Planning and Construction Permits" in this prospectus for further details of these permits.

Construction Contractors

Tendering process

We outsource all of our project construction work to Independent Third Parties. A tender process is usually required to select contractors for construction projects pursuant to PRC national and local regulations. Certain local governments in Guangdong Province require that all construction projects go through a tender process. Our cost control and project management departments set up tender terms and are responsible for selecting our construction contractors. Typically, we invite at least three construction contractors to participate in the project tender process. We conduct detailed evaluations of the construction contractors. We consider various factors, including the contractors' reputation, track records in similar projects, credit-worthiness, technical capabilities and price.

During the Track Record Period, we engaged a total of 19 construction contractors. We have, on average, a four-year working relationship with each of them. These construction contractors carry out various types of work, including foundation digging, main structure construction, equipment installation and engineering work. We will also, as agreed with or requested by our property purchasers, provide decoration service to the properties delivered to them.

Agreements and key terms

Term: Our construction contracts generally have a term that begins on the date the contract is signed and ends upon full payment of the contract price.

Payments: Our construction contracts generally provide for progressive payments according to milestones reached, until approximately 97% of the total contract price is paid.

Retention money: Our construction contracts typically contain provisions giving us the right to withhold approximately 3% of the total contract price until 30 days after the expiration of the quality assurance period, which is typically two years after construction is completed. These provisions provide additional assurance in relation to the quality of the workmanship and ensure that funding is available to repair any construction defects. The unused portion of such retention money is returned to the contractors after the expiration of the quality assurance period. We believe the amount of retention money we withhold is in line with industry practice, and our Directors believe that such retention money is sufficient to cover the construction warranties we give to our customers under the sale and purchase agreements. There has been no incident where the amount of retention money was insufficient for us to repair any defects during the Track Record Period.

Warranties: Our construction contracts typically contain warranties made to us by construction contractors in relation to the quality of workmanship, timely completion, and compliance with relevant PRC laws and regulations, government construction standards and specifications, government safety standards, government insurance requirements, and our construction plans, drawings, designs and specifications as set out in the construction contracts.

Liability for non-compliance: In accordance with relevant PRC laws and the provisions of our construction contracts, the construction contractors we engage typically bear full liability for any non-compliance with relevant laws and regulations, including environmental protection, labor, social and safety regulations. In addition, we are not liable for any personal injuries or damage caused by such non-compliance by the construction contractors. In this regard, we believe we do not bear any risk of non-compliance by the construction contractors with environmental protection, labor, social and safety laws and regulations. In addition, our construction contracts typically contain provisions allowing us to require the construction contractors to repair defects at their own expense or to compensate us in the event of delays in construction or unsatisfactory workmanship within the warranty period.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, the total construction costs incurred for our properties delivered were approximately RMB815.0 million, RMB1,178.8 million, RMB1,649.0 million and RMB1,272.1 million, respectively. During the Track Record Period, no material personal injury or death had occurred to the construction contractors we engaged, and we did not experience any disputes with our construction contractors that had a material adverse effect on our businesses.

Quality control and construction supervision

We have various supervisory measures in place to ensure that the construction contractors we engage comply with relevant laws and regulations, including environmental protection, labor, social and safety regulations. As a matter of practice, we monitor construction projects through the appointment of on-site project representatives who oversee the progress, quality and safety of the construction, to pre-examine construction materials before they are used in the project, and to conduct on-site inspection.

The project management departments within our regional project companies monitor quality, cost and construction progress closely during construction. We also appoint an independent external construction supervisory company to manage and supervise project construction to further ensure the quality and integrity of our work. Such independent external construction supervisory companies are typically selected via a tender process. These construction supervisory companies are responsible for managing and supervising each stage of the construction projects to ensure that construction is being carried out in compliance with relevant government regulations and safety requirements. They are also responsible for compiling and submitting progress reports to us. Upon completion of construction, they are responsible for ensuring that all government requirements and building specifications have been complied with, and for compiling and submitting completion verification reports.

Management and supervisory contracts which we enter into with these construction supervisory companies usually contain payment provisions entitling these companies to payment of a fixed fee for managing and supervising each project. Such fees are usually payable in progressive installments upon completion of each stage of construction. Other than engaging such external construction supervisory companies, we also, when necessary, consult external legal counsel for advice to ensure our compliance with relevant PRC laws and regulations.

Procurement of Construction Materials

Suppliers

During the Track Record Period, our major suppliers were mainly our construction contractors and construction material suppliers. Our single largest supplier accounted for approximately 41.4%, 22.2%, 41.1% and 29.6%, of our total purchases in the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. Our five largest suppliers together accounted for approximately 63.1%, 43.0%, 59.0% and 63.0%

of our total purchases in the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. We have, on average, a five-year working relationship with each of them. These suppliers are mainly engaged in the construction of property developments or interior decoration. See the section entitled "— Construction Contractors — Agreements and key terms" above for the principal terms of our agreements with the construction contractors.

In order to obtain better pricing terms and to avoid reliance on any single source of supply, we maintain good relationship with our major suppliers, and we typically chose from a pool of suppliers during the Track Record Period. We have established and designated a team to maintain relationships with our major suppliers by having meetings with our major suppliers and inviting feedback from them from time to time. We also maintain communication with those major suppliers to understand the latest status of their service capabilities, credit profiles and financial conditions to ensure a sustainable source of supply to our satisfaction. We have, on average, a five-year working relationship with each of them, with the longest period of relationship being nine years. We also conduct research on any potential suppliers whom we believe can meet our requirements for our property development and develop strategic cooperation with them. By doing this, we believe, in the case there is any disruption in supply by one or more of our major suppliers, we will be able to find replacement suppliers.

As of the Latest Practicable Date, none of our Directors, their respective associates or any of our Shareholders, who, to the knowledge of our Directors, held more than 5% of our issued share capital as of the Latest Practicable Date, had any interests in our five largest suppliers. During the Track Record Period, we did not experience any difficulty in sourcing our materials or any major defaults or delay by our suppliers that had a material adverse impact on our operations. We do not anticipate any sourcing difficulties in the foreseeable future.

Procurement process

For a substantial portion of the key construction materials used in our projects, we typically procure such materials ourselves or from designated suppliers from whom our contractors must source their construction materials. We usually procure the construction materials or equipment ourselves when they contribute to a significant proportion of our construction materials costs. For example, we procure aluminum windows, doors, paint, electronic equipment in civil engineering works, lifts, electronic re-circulating equipment and other decorative features. For interior decoration and landscaping, we are typically responsible for tiles, light fixtures, kitchenware, faucets and related fittings, timber doors and floors. For standard construction materials that are government regulated, such as steel, cement and sand, our construction contractors are usually responsible for procuring them from designated providers under the construction contracts. We or our contractors mainly purchase these construction materials in China or from Germany. Our construction contractors are generally responsible for procuring a relatively small portion of construction materials. We believe this policy helps to ensure that the construction materials used in our projects meet our particular requirements and quality standards, which is especially important to us when the materials are likely to directly affect the overall appearance of the property or when the quality of the product may vary significantly depending on the brand and manufacturer.

The market prices of steel and copper used in the construction of our projects have fluctuated in the past and during the Track Record Period. However, we are generally able to agree with the suppliers to lock down the prices of these materials on a yearly basis or based on the project development period to avoid incurring unexpected costs due to price fluctuations. This helps us to better formulate our project plan and keep the costs within our budget. Further, as we include the construction costs as an inherent component in pricing our properties, most of the risks associated with the additional costs incurred as a result of the price fluctuation, if any, is passed to our customers.

Quality Control

We place strong emphasis on quality control to ensure that our properties and services comply with the relevant rules and regulations relating to quality and safety, and meet market standards. Our project management department oversees the quality of each project development and conducts monthly evaluations. Most of our quality control team members has obtained a bachelor's degree or higher, typically in project management, construction engineering or civil engineering, and has relevant experience in construction work or quality control matters. Since our projects are located in different regions of Guangdong Province and in Changsha, Hunan Province, the project department of our regional companies is primarily responsible for the day-to-day quality control and construction supervision of the projects. We also engage independent construction supervisory companies to monitor construction, construction safety and day-to-day operations as an additional assurance.

We have formulated a construction quality and safety management system (施工質量和安全管理系統), which includes a construction technology management system (工程技術管理體系), a construction management manual (工程管理手冊) and a construction quality evaluation management inspection form (工程質量評估管理檢查表). This system sets forth the technical and management standards required for construction workers to comply with each stage of the construction process, including quality of workmanship, installation of engineering devices, site supervision, work safety, fire safety, storage and waste disposal.

We typically engage reputable design and construction companies and procure materials from highly regarded suppliers to ensure the quality of contracted work. To ensure consistency of quality, we have an extensive database to collect information, such as quality of service and pricing in relation to our contractors and suppliers. We believe the database will help us to better assess the performance of our contractors and suppliers, and that it provides a useful reference for future projects.

We have quality control procedures in place in our various functional departments. We have established stringent internal control guidelines which apply to the quality of materials used in our property projects. All materials entering the construction process must comply with our specifications and requirements, and go through the procedures of submission, sampling and testing before they are used. Prior to the commencement of any major individual construction work, including the construction of floors or roofs, installation of doors and windows, landscaping and street work, our construction contractors are required to build

construction work samples and submit them for our inspection and approval. These samples may also be displayed on-site when we commence pre-sales of the properties to help our potential customers visualize the materials used in constructing the properties, and to provide assurance of the quality of the development. Full-scale construction may only begin once the submitted samples have been examined and approved. In addition, under the construction contracts with our contractors, we have the right to inspect raw materials before they are used in our projects. We believe that these measures allow us to better control the quality of key construction materials used in our projects and ensure timely completion of the projects.

During construction, every work phase must undergo self-inspection, inter-process inspection and professional inspection from Independent Third Parties. The construction contractors are required to ensure that the construction work satisfies construction specifications and guidelines laid down by relevant authorities before they are submitted for inspection and examination by our project management teams. The independent external project construction supervisory companies engaged by us to manage and supervise our projects also conduct quality and safety control checks in the course of construction to ensure quality of workmanship and compliance with safety measures. Upon completion of construction, these management and supervisory companies also conduct verification checks to ensure that all government requirements and building specifications have been complied with. We maintain strict and fully documented guidelines with respect to all procedures involved in the construction process, and external contractors are required to adhere to the guidelines and report any exceptions.

We provide our customers with a warranty for the quality of construction and for certain fittings and facilities in our property developments in accordance with relevant rules and regulations, typically for six months to five years. To date, we have not been involved in any material claims with respect to the quality of our building structures or other fittings and facilities.

Pre-Sales, Sales and Marketing

Pre-Sales

Like other property developers, we pre-sell properties prior to the completion of their construction. We normally launch pre-sales after a fully-furnished replica of each major floor plan in a development has been created and a majority of the green area and ancillary facilities are completed, which offers our potential customers an accurate and descriptive representation of the property we are selling. We use sales proceeds received from the pre-sale to finance other phases of the same project development. Under the Pre-sale Measures, we must comply with certain conditions prior to commencing pre-sales of any particular property development, including the following:

- the land premium must have been fully paid, the relevant land use rights certificates must have been obtained;

- the construction work planning permit and the construction project building permit must have been obtained;

- the funds contributed to the property developments where property units are pre-sold must be at least 25% of the total amount invested in a project, and the construction progress and the expected completion and delivery date of the construction work must have been confirmed; and

- pre-sale permits must have been obtained from the construction bureau at the local level.

In addition to PRC national laws and regulations, we are required to comply with local regulations promulgated by the respective provincial governments, including Guangdong Province and Hunan Province, and by the municipal governments, including that of Guangzhou, where our project developments are located. See the section entitled "Regulatory Overview — Sales/Pre-Sales of Commodity Buildings" in this prospectus for further details on pre-sale regulations.

Sales and marketing

Marketing

The marketing and sales department of our regional companies is responsible for managing our marketing activities and works closely with other departments during all major stages of project development, from site selection to pre-sales. It provides valuable input throughout the development process to help ensure that our property developments are well positioned, meet customers' expectations and are appropriately and profitably priced. We also retain external real estate agents to assist in implementing our sales and marketing plans and strategies. As of June 30, 2013, there were 91 employees in our sales and marketing department. Set forth below are their primary roles and responsibilities:

- participate in conducting feasibility studies based on market analyzes;

- participate in developing the optimal positioning for and the conceptual design of our projects;

- formulate and execute overall marketing strategies, which may include advertising campaigns via newspapers, television, billboards, direct mail, text messages, project brochures and project models;

- conduct marketing campaigns and arrange promotional activities;

- participate in sales and pricing strategies;

- determine appropriate advertising and sales plans for a particular property development and for a particular phase of the sales cycle; and

- arrange promotional activities.

We tailor our marketing strategies to suit the preferences of our target customers, depending on project theme and the particular city or area in which we operate. For example, we positioned Times Bund (時代外灘) with a "neo-renaissance" style to appeal to middle-to high-income customers looking for an artistic lifestyle. In marketing Ocean Times (時代南灣), we emphasized the investment value of properties in Nansha District. According to China's "five-year plan," which began in 2011 and ends in 2015, and which forms part of a series of social and economic development initiatives, Nansha District will be developed into a commercial and service hub that serves both mainland China and Hong Kong. Nansha District is also a pilot development zone for cooperation between Guangdong and Hong Kong.

We promote our projects and brand name through customer events. These events provide good networking opportunities for existing owners of our properties and also allow potential owners to experience and learn from existing owners the benefits of owning a Times property. We also sponsor various sports events from time to time, such as soccer and table tennis competitions, and organize art events annually, such as Swan Lake, performed by the Russian National Ballet, and an Elton John concert in Guangzhou. We provide our existing customers with a quarterly publication, "Life Stylist" (生活藝術家), containing information on our various projects, including ongoing projects.

We dedicate substantial effort and resources to marketing and branding. The marketing departments of our regional companies work closely with our brand management department and third-party professional advertising firms to design branding and promotion strategies. Leveraging our extensive experience in marketing and in-depth knowledge of the preferences of our target customer group, we strive to conduct unique marketing campaigns to promote our properties and to reinforce our corporate image and brand name. For example, we strive to use creative slogans, eye-catching brochures and postcards to draw attention to our property projects. We believe our marketing efforts have proven successful in achieving effective sales and creating a distinctive corporate image and brand name to set us apart from our competitors.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our selling and marketing costs were approximately RMB172.9 million, RMB259.2 million, RMB204.3 million and RMB169.5 million, respectively.

Pricing policies

We generally price our properties, both residential and commercial units, on a "cost-plus" basis. Such cost includes all costs incurred in relation to the construction of a property development, such as land costs, construction costs and capitalized finance costs. A premium will be added based on our target rate of return and the overall real estate competitive landscape.

Third-party real estate agents

We engage third-party real estate agents to provide professional advice on, and supervise the design and production of, our promotional and marketing materials and media advertisements. These real estate agents are stationed on-site to show potential customers our display units, answer any questions customers may have regarding our projects and assist with the logistics of signing the sale and purchase agreements.

In consideration of their services, we typically pay a monthly commission of approximately 0.8% of the sales they make. Our marketing and sales department works closely with the real estate agents to keep us abreast of customers' needs and feedback and to help us adjust our sales strategy.

Customers

We sell our properties to a large customer base, and our principal customers are from middle- to high-income households. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our five largest customers together accounted for approximately 2.1%, 2.9%, 3.0% and 2.1% of our revenue, respectively, and our largest customer accounted for approximately 0.9%, 1.1%, 1.9% and 0.5% of our revenue, respectively. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material level of defaults by our customers.

Delivery of Properties

We strive to deliver completed properties to our customers within the time frame prescribed in the respective pre-sale or sale and purchase contracts. It typically takes approximately nine to 22 months from the commencement of pre-sales to completion and delivery of properties, depending on the scale of the properties. Before delivery of properties to our customers, we must obtain the relevant "Record of Acceptance Examination Upon Project Completion" (竣工驗收備案表). Our PRC legal advisers, Commerce & Finance, have confirmed that during the Track Record Period we have complied with, in all material respects, all applicable PRC laws and regulations governing the delivery of properties for sale. See the section entitled "Regulatory Overview — Acceptance and Examination Upon Completion of a Real Estate Project" in this prospectus for further details on PRC laws and regulations governing the delivery of properties. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant delays in the completion of our projects or delivery of relevant title documents after sales.

To help ensure timely delivery of our properties, we closely monitor the progress of construction of our projects and conduct pre-delivery property inspections. Our customer service staff will notify our customers, about 25 days before the delivery date stipulated in the sale and purchase agreements, to arrange the delivery procedures. Our sales and construction staff, together with the staff of our property management company, inspect the properties prior to delivery to ensure that our quality standard has been met.

Pre-Sale and After-Sales Services

Our customer services department provides consultation and assistance to our customers throughout the whole purchase procedure. It also handles any complaints that customers may have. Before a sale, a potential customer may consult the staff of our customer services department for information regarding local housing policies. Once the customer has decided to purchase our property, our customer services department will arrange an appointment for the

execution of the sale and purchase agreement and assist in arranging a bank mortgage, if needed. All relevant registrations of the sale and purchase agreement and mortgage application procedures will be handled by us as part of our quality customer service. After a sale, we assist customers in relation to the delivery of properties, including obtaining the property ownership certificate.

PAYMENT ARRANGEMENTS

Upon executing a sale and purchase agreement, a purchaser is typically required to pay us at least 30% of the total purchase price of the property. A purchaser may choose to make a lump-sum payment or to pay in installments, and he or she may choose to fund the purchase using a mortgage loan provided by a bank.

Lump-sum payment: If a purchaser chooses to make a lump-sum payment, the balance of the purchase price is to be paid no later than the date specified in the sale and purchase agreement.

Payment by installment: If a purchaser chooses to pay in installments, we typically require a down payment of at least 20% of the total purchase price of the property, and the balance of the purchase price is typically required to be paid in accordance with the payment schedule set out in the sale and purchase agreements.

Purchasers who fail to make timely payments in accordance with the terms of the sale and purchase agreements will generally be liable for a penalty of (i) within 180 days of the payment date, 0.02% of the remaining purchase price of the property per day, for each day of delay in payment, or (ii) after 180 days of the payment date, (A) 20% of the remaining purchase price if we choose to terminate the agreement, or (B) 0.03% of the remaining purchase price if we consent to the continued performance of the agreement by the purchaser. The payment terms for sales and pre-sales of properties are substantially identical. We do not conduct any prior credit checks on the purchasers who choose to pay by installment. However, we believe that this does not increase our credit risk because we do not transfer the relevant certificates of the property to the purchaser until full payment of the purchase price has been made by the purchaser.

During the years ended December 31, 2010, 2011 and 2012 and the first half of 2013, our total revenue attributable to such an installment payment arrangement was approximately RMB41.1 million, RMB276.6 million, and RMB900.7 million, RMB394.0 million respectively, representing approximately 2.8%, 11.7%, 29.1% and 17.5%, respectively, of our total revenue.

Mortgage loans: If a purchaser chooses to fund his or her purchase using a mortgage loan provided by a bank, under current PRC laws and regulations, the purchaser may obtain a mortgage loan of up to 70% of the purchase price with a repayment period of up to 30 years for the purchaser's first property. Such a purchaser is typically required to pay the portion of the purchase price not covered by the mortgage loan prior to the disbursement of the mortgage loan from the mortgagee bank. We typically receive mortgage payments from the mortgagee bank within approximately one to three months of the execution of the sale and purchase agreements.

Guarantees to banks: In accordance with industry practice, we provide guarantees to banks with respect to the mortgage loans offered to our purchasers. These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks and (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers of our projects. In line with industry practice, we do not conduct independent credit checks on our purchasers but rely on credit checks conducted by the mortgagee banks.

As of December 31, 2010, 2011 and 2012 and June 30, 2013, our outstanding guarantees over the mortgage loans of our purchasers amounted to RMB1,217.0 million, RMB1,710.5 million, RMB3,210.2 million and RMB3,548.3 million, respectively. During the Track Record Period, to our best knowledge, there were six minor defaults by purchasers on mortgage loans that we have guaranteed and which the mortgagee banks had enforced the mortgages through court proceedings. These mortgage loans defaults amounted to an aggregate of approximately RMB1.6 million over the Track Record Period. Our Directors confirm that we did not experience any material default on mortgage during the Track Record Period and we were not required to make any payment in respect of these six default incidents. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We provide guarantees over mortgage loans given by banks to purchasers of our properties, which may negatively impact our financial position if we are required to honor the guarantees" in this prospectus.

PROPERTY LEASING

We seek to sell the commercial properties within our residential developments as soon as practicable. During the Track Record Period, we rented out a small portion of the commercial properties developed within our residential property developments which had not yet been sold. Some of these commercial properties had been sold. For commercial properties which are currently under development or to be developed, we intend to offer them for sale once the relevant pre-sale permits have been obtained. In November 2009, through acquisition of Guangzhou Donghe from an Independent Third Party, we acquired Times Property Center. During the Track Record Period and as of the Latest Practicable Date, we occupied certain premises in Times Property Center as our corporate headquarters, with the remaining premises being leased to Independent Third Parties.

In December 2012, we acquired Guangzhou Zhide and conducted sub-leasing business through Guangzhou Zhide and its subsidiaries, including Zhide Technology and Guangzhou Guangdechang (collectively, "**Zhide Companies**"). We leased certain premises through Zhide Companies from Independent Third Parties and then refurbished and sub-leased to external tenants.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our gross rental income from the lease of Times Property Center and, since January 1, 2013, the sub-leasing business through Zhide Companies amounted to approximately RMB39.5 million, RMB37.9 million, RMB38.4 million and RMB71.7 million, respectively, accounting for approximately 2.5%, 1.5%, 1.2% and 3.0%, respectively, of our total revenue.

Leasing of Our Properties

In selecting our tenants, we generally consider factors such as their business, the attractiveness of such businesses to the residents or tenants of our properties and competing businesses in the surrounding areas. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, the percentages of rental income from the lease of Times Property Center attributable to our top five tenants were approximately 12.7%, 27.9%, 29.8% and 28.0%, respectively.

Times Property Center (時代地產中心)

Times Property Center is located in Yuexiu District (越秀區), Guangzhou, Guangdong Province. It occupies a site area of approximately 5,821 sq.m. with a GFA of approximately 66,155 sq.m. Times Property Center comprises one property with a rentable GFA of approximately 47,068 sq.m. and 249 car parking spaces with a GFA of approximately 19,087 sq.m. As of September 30, 2013, we occupied a number of premises with a GFA of approximately 3,375 sq.m. as our corporate headquarters, with the remaining premises with a GFA of approximately 43,693 sq.m. being leased to Independent Third Parties. During the Track Record Period, our tenants at Times Property Center included reputable enterprises.

Our lease agreements generally have a term of three years. We usually require our tenants to pay deposits of two months' rent for the premises, and rents are typically determined based on the prevailing market rates. Our tenants are responsible for utility charges and management fees. With our consent, our tenants may renew their leases by giving us three months' notice before expiration of the lease term.

This project was developed by Guangzhou Donghe. The land use right of this project was obtained by Guangzhou Donghe's former shareholder, Guangzhou Donghua Industrial Co., Ltd., in 1994. Guangzhou Donghua Industrial Co., Ltd. transferred the land use right to Guangzhou Donghe as the cooperation condition for the establishment of Guangzhou Donghe as a joint venture company in 1993. We acquired Guangzhou Donghe in 2009. Our PRC legal advisers, Commerce & Finance, have confirmed that as of the Latest Practicable Date, we had obtained all licenses, permits and certificates required for the development of Times Property Center.

For further information, please refer to Property No. 1 of the Property Valuation Report in Appendix III to this prospectus.

Sub-leasing

The premises we leased are mainly "urban villages" (城中村), which are located on the collectively owned land in the urban areas. Due to historical reasons, most of the buildings in the urban villages lack ownership certificates. As part of the "Urban Redevelopment" policies, Guangzhou government has been conducting the reform of these areas and solving the ownership issues in relation to the buildings and the land parcels to improve the living environment of the local residents, drive the local commercial development and facilitate the urbanization of the villages. As such, we expect the prices as well as the market rent of the properties in these villages will increase in the long run. Foreseeing the business potential in the urban villages and being confident that the title issues will be solved by the government in the long run, we leased these premises, refurbished them and then sub-leased them to external tenants. To maintain business relationships with our lessors and to ensure the profitability and long-term operation of the leased premises, we generally enter into long-term leases with our lessors ranging from 14 to 22 years. We believe that it is commercially favorable for us to enter into these long-term leases with pre-determined rental rate with our lessors. Meanwhile, we entered into short-term leases with our tenants generally ranging from one to three years. These short-term leases provide us with flexibility on rental adjustment according to the prevailing market conditions upon expiry of the leases. We recognized rental income of RMB50.5 million from the sub-leasing business for the six months ended June 30, 2013, and we incurred total rental expenses of RMB47.9 million including rental expenses of RMB20.2 million in relation to properties to be sub-leased for the same period. To attract potential tenants and meet their demand and preferences, we made investment in refurbishment and renovation of the properties to be sub-leased. For the six months ended June 30, 2013, we made investment in purchases of property, plant and equipment totaling RMB178.3 million in connection with the refurbishment of premises that we leased before sub-leasing them to external tenants. Our current planned capital expenditure for the second half of 2013 is RMB102.2 million, which relates principally to the refurbishment of premises that we lease before sub-leasing them to tenants. We expect these capital investments we made or will make are once and for all expenditures. Once the properties have been refurnished and sub-leased, the costs in relation to our sub-leasing business will mainly be repairs and maintenance fee or expenses. Since some of the properties we leased were under refurbishment and not yet available for rent in the first half of 2013, the occupancy rate of the properties that we sub-leased out through Guangzhou Zhide and its subsidiaries was approximately 68.2% as of June 30, 2013. We believe, as our sub-leasing business grows, it will generate a stable income to us in the long run. In view of the business potential of urban villages, we believe that our early presence through our sub-leasing business will better place us in the potential redevelopment activities in relation to those urban villages in the future, in addition to contributing a stable income to our business.

The table below sets forth our lease arrangements for the purpose of sub-leasing as of the Latest Practicable Date:

No.	Subsidiary	Lessor	Type of building and purpose	GFA	Term	Rent
				(sq.m.)		
1.	Guangzhou Zhide	Xiao Weiwen (肖偉文)	Mixed complex (commercial/office)	31,561	April 1, 2012 to March 31, 2034 (22 years)	Rental and service fee (based on the GFA and the corresponding year's monthly land rental rate calculation)
		Xiao Weichang (蕭偉昌)	Mixed complex (commercial/office)	Land: 8,000, New developed property shall not be less than 20,000 sq.m.	January 1, 2013 to December 31, 2032 (20 years)	The rental rate was RMB10 per sq.m. for the first three years, and the comprehensive service fee was RMB6 per sq.m., from the fourth year onwards, the service and service fee will be increased by 8% every three years (based on the GFA of the property developed)
		Xiao Zhuoju (蕭灼駒)	Mixed complex (commercial/office)	6,700	June 1, 2009 to March 30, 2030 (20 years 9 months)	RMB18 per sq.m.; will be increased by 10% every three years
		Guangzhou Aoweleng Pige Company Limited (廣州市奧威隆皮革股份有限公司)	Mixed complex (commercial/office)	20,000	November 1, 2007 to May 10, 2022 (14 years 6 months)	From April 1, 2008, the annual rental is RMB5.5 million, of which RMB4.8 million will be increased by 13% every three years whereas the remaining RMB700,000 will not change
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.4 Economic Cooperatives (廣州市白雲區棠景街遠景村第四經濟合作社)	Mixed complex (commercial/office)	6,634	August 1, 2012 to July 31, 2032 (20 years)	RMB70 per sq.m. for the first floor; RMB35 per sq.m., for the second to eighth floor; RMB15 for the ninth floor; will be increased by 10% every five years
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.2 Economic Cooperatives (廣州市白雲區棠景街遠景村第二經濟合作社)	Mixed complex (commercial/office)	13,631	April 1, 2012 to March 31, 2027 (15 years)	RMB70 per sq.m., for the first floor; RMB35 per sq.m. for the second to eighth floor; RMB15 for the ninth floor; will be increased by 10% every five years

No.	Subsidiary	Lessor	Type of building and purpose	GFA	Term	Rent
				(sq.m.)		
		Guangzhou Baiyun District Yuanjing Village Economic Cooperatives Property Management Division (廣州市白雲區遠景村經濟聯合社物業管理部)	Mixed complex (commercial/office)	13,700	20 years, starting from August 19, 2005	RMB3.3 million per year, for the first six years; the rental fee for the seventh to 12th year will increase by 10%; the rental fee for the 13th to 20th year will be further increased by 10%
		Guangzhou Baiyun District Yuanjing Village Economic Cooperatives Property Management Division (廣州市白雲區遠景村經濟聯合社物業管理部)	Commercial	1,426	August 1, 2008 to July 31, 2014 (6 years)	For August 1, 2008 to July 31, 2011, the rental fee is RMB17,117.64 per month; from the fourth year onwards, the rental fee will be increased by 10% every three years
		Guangzhou Baiyun District Yuanjing Village Economic Cooperatives Property Management Division (廣州市白雲區遠景村經濟聯合社物業管理部)	Mixed complex (commercial/office)	6,155	January 1, 2010 to December 31, 2024 (15 years)	2010 to 2012: RMB5,600 per month; 2013 to 2015: RMB15,400 per month; from 2016 onwards, the rental fee will be increased by 10% every two years
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.2 Economic Cooperatives (廣州市白雲區棠景街遠景村第二經濟合作社)	Commercial	900	20 years (starting from the 11th month of the construction commencement date)	RMB50 per sq.m. for the first floor; RMB20 per sq.m., for the second floor and above; from the fourth year onwards, the rental fee will be increased by 10% every three years
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.3 Economic Cooperatives (廣州市白雲區棠景街遠景村第三經濟合作社)	Commercial	1,155	May 10, 2009 to May 9, 2029 (20 years)	RMB39,840 per month for the first three years; from the fourth year onwards, the rental fee will be increased by 10% every three years
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.4 Economic Cooperatives (廣州市白雲區棠景街第四經濟合作社)	Commercial	3,672	August 1, 2007 to July 31, 2025 (18 years)	RMB35 per sq.m. for the first three years; from the fourth year, the rental fee will be increased by 5% every two years

No.	Subsidiary	Lessor	Type of building and purpose	GFA	Term	Rent
				(sq.m.)		
		Guangzhou Xinjianqiang Metal Structure Factory (廣州新建強金屬結構廠)	Commercial	2,000	February 27, 2009 to February 26, 2029 (20 years)	For the first five years: the lessor and Guangzhou Zhide will receive total rental amount under the ratio of 1.5:8.5 per month; for the following 15 years: the lessor and Guangzhou Zhide will receive total rental amount under the ratio of 1:4 per month
		Guangzhou Baiyun District Tangjing Street Yuanjing Village No.2 Economic Cooperatives (廣州市白雲區棠景街遠景村第二經濟合作社)	Commercial	4,232	September 1, 2012 to August 31, 2027 (15 years)	RMB70 per sq.m. for the first floor; RMB40 per sq.m. for the second floor; the rental fee will be increased by 10% every five years
2.	Zhide Technology	Guangzhou Baiyun District Junxiong Property Rental Division (廣州市白雲區駿雄地產租賃服務部)	Mixed complex (commercial/office)	57,412	August 1, 2012 January 20, 2030 (17 years 6 months)	RMB13 per sq.m.; the rental fee will be increased by 10% every three years (starting from March 1, 2014)
		Guangzhou Baiyun District Junxiong Property Rental Division (廣州市白雲區駿雄地產租賃服務部)	Mixed complex (commercial/office)	19,496	August 1, 2012 to February 28, 2031 (18 years 7 months)	RMB9 per sq.m.; the rental fee will be increased by 10% every three years (starting from March 1, 2014)
3.	Guangzhou Guangdechang	Guangzhou Textile Exporting Group Company Limited (廣州紡織品進出口集團有限公司)	Commercial	50,791	May 1, 2011 to April 30, 2031 (20 years)	From May 1, 2011 to April 30, 2013, the rental rate is RMB15 per sq.m., and the management fee is RMB7 per sq.m. From the third year onwards, the rental rate and management fee will be increased by 5% every two years

We sublet to third parties some properties of which the property ownership certificates have not been obtained by lessors, due to the historical reasons in relation to the urban villages. Some of our lessors were not able to provide property ownership certificates or proof to allow us to sub-lease the relevant properties to us. We have disclosed to our sub-lessees when we sublet to them the fact that certain properties lack property ownership certificates and they are fully aware of such situation. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We may not be able to use or sublet certain properties leased by us because of defects affecting our leasehold interests" in this prospectus. As advised by our PRC legal advisers, Commerce & Finance, the sub-leasing agreements between us and the lessees are legal, valid and binding on the parties thereto, given that (a) we have already entered into the lease agreements with the lessors of such sub-leasing properties, and such lease agreements are legal, valid and binding on the parties thereto; (b) the lessors of such sub-leasing properties

have agreed to the sub-leasing of such properties by us; and (c) we have entered into sub-leasing agreements with the lessees in writing, and the actual use of the properties in the sub-leasing agreements does not exceed the scope of use as stated in the relevant lease agreements between us and the lessors of the properties. As of the Latest Practicable Date, to our best knowledge, the relevant governmental authorities had not imposed any penalties on the lessors of those premises, or raised any objection when the tenants applied for commencement or extension of their operations on those leased premises. As of the Latest Practicable Date, we leased 100 properties with an aggregate GFA of 280,316 sq.m. from third parties, of which 54 of them with an aggregate GFA of 182,954 sq.m. did not have the property ownership certificates. Out of these 54 properties, 14 of which with an aggregate GFA of 174,975 sq.m. were sublet by us to third parties. The rental income derived from our sub-leases of the premises lacking property ownership certificates was immaterial during the Track Record Period. If there is any disruption to our sub-leasing business in relation to those premises without the property ownership certificates or if any of the leases are terminated as a result of any challenges by third parties, there will not be a material adverse effect on our business, results of operations and financial position.

PROPERTY MANAGEMENT

We place great emphasis on property management because we believe quality property management service is essential to providing a quality experience to our customers and is in line with our business philosophy. We, mainly through Times Property Management, manage all of our properties until the owners of the relevant developments become statutorily entitled to elect their own property management companies.

We have two types of property management services, namely "Sunflower" (向日葵) management for our "Growth Series" and "Blossom Series" properties, and "Golden Lily" (金百合) management for our "Prosperity Series" properties. Both types of property management services aim to provide comprehensive services that attend to the day-to-day needs of residents on a timely basis.

Our property management services include a rental agency, security, maintenance, clubhouse operation, gardening, landscaping and other services. We also regularly organize community activities such as our annual community sports day. We believe this enables us to get to know our customers, and provide more personalized service, maintain good customer relationships and retain existing customers. According to research conducted by FG Consulting, an Independent Third Party, in December 2012, over 90% of residents of our

property developments were satisfied with our property management services. Times Property Management has received recognition of and numerous awards for our property management services, some of which are set forth in the table below:

Year	Award/recognition	Awarding body
2013	Guangdong Top 10 Harmonious Community — Times Peanut (廣東十大和睦社區 — 時代花生)	Guangdong Property Management Association (廣東省物業管理行業協會), Guangdong Yangcheng Evening News (羊城晚報社), Guangdong Women's Federation (廣東省婦女聯合會), Communist Youth League of Guangdong Provincial Committee (共青團廣東省委員會)
2012	Guangzhou Happiness Property Community — Times Laguna Garden, Sweetland (廣州市幸福物業小區 — 時代花園、翠逸家園)	Guangzhou Municipal Bureau of Land Resources and Housing Authority (廣州市國土資源和房屋管理局), Guangzhou Daily Office (廣州日報社), Guangdong Property Management Association (廣州市物業管理行業協會)
2012	Golden Property Service Model — Times Eolia City (金牌物業服務典範 — 時代山湖海)	Zhuhai Jinwan Federation of Trade Unions (珠海金灣區總工會)
2012	"Qualification Certificate for Property Management Enterprise in the PRC (First Class)" (國家一級物業服務企業資質證書)	Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部)
2012	"Guangdong Province Trustworthy Enterprise for 10 consecutive years (2002-2011)" (連續十年(2002-2011)廣東省守合同重信用企業)	GAIC
2011	Civilized and Harmonious Community — Foshan Times King City (和諧文明小區 — 佛山時代傾城)	Foshan Nanhai Luocun Subdistrict Office (佛山市南海區羅村街道辦事處)
2010	National Property Management Model Residential Community — Times Laguna Garden (Guangzhou) (全國物業管理示範住宅小區 — 廣州時代花園)	Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部)

Year	Award/recognition	Awarding body
2010	Guangdong Property Management Model Residential Community — Times Yiyun (Guangzhou), Foshan Times King City Phase 1 and Zhuhai Times Laguna (廣東省物業管理示範住宅小區 — 廣州依雲小鎮、佛山時代傾城一期、珠海時代廊橋)	Guangdong Property Management Association (廣東省物業管理行業協會)
2010	Guangzhou Property Management Model Residential Community — Times Deconstruction Phase 2, Times Peanut (廣州市物業管理示範住宅小區 — 廣州時代玫瑰園二期、廣州時代花生)	Guangzhou Property Management Association (廣州市物業管理行業協會)
2010	Best Property Management in Zhongshan — Times Mont Blanc (中山最佳物業管理 — 中山白朗峰)	Guangzhou Daily (廣州日報)
2009	Foshan City Property Management Model Community — Times City Phase 1 (佛山市物業管理示範小區 — 佛山時代城一期)	Foshan Real Estate Association (佛山市房地產業協會)
2009	Safe and Civilized Community — Sweetland (安全文明小區 — 廣州翠逸家園)	Chinese Communist Party Guangzhou Baiyun District Committee (中共廣州市白雲區委員會), Guangzhou Baiyun District People's Government (廣州市白雲區人民政府)
2009	Foshan Property Management Model Residential Community — Foshan Times Sweet House Phase 1, and Times Yiyun (佛山市物業管理示範小區 — 佛山時代糖果一期、佛山依雲小鎮)	Foshan Real Estate Association (佛山市房地產協會)
2007	Best Equipment and Facilities Management Award — Times Deconstruction (Guangzhou) (最佳設備設施管理獎 — 廣州時代玫瑰園)	Guangdong Property Management Association (廣州市物業管理行業協會)
	Top 10 Harmonious Community — Times Deconstruction (Guangzhou) (十佳和諧社區 — 廣州時代玫瑰園)	Guangdong Property Management Association (廣州市物業管理行業協會)
2006	Top 10 Property Management Enterprises (十佳物業管理企業)	Guangdong Property Management Association (廣州市物業管理行業協會)

Year	Award/recognition	Awarding body
2001	ISO9001-2000 Standard (Property Management Service) Certification (ISO9001: 2000標準(物業管理服務)認證)	Guangdong Audit and Certification Center of Quality System (中鑒認證有限責任公司(原廣東質量體系認證中心))
2000	Guangzhou Outstanding Building of City Property Management — Guangzhou International Shoes City (廣州市城市物業管理優秀大廈(廣州國際鞋城))	Guangzhou Municipal Bureau of Land Resources and Housing Authority (廣州市國土局房地產管理局)

According to the Regulations on Property Management (《物業管理條例》) promulgated on August 26, 2007 and effective October 1, 2007, owners associations of residential property developments must enter into property management agreements with property management companies. In Guangdong Province, according to the Regulations on Property Management in Guangdong Province (《廣東省物業管理條例》) effective March 1, 2009, if 50% or more of the completed GFA of a property development has been delivered to customers, property owners may submit a written request to the relevant local authority for the formation of an owners association. Property developers and property management companies are directed to assist with the formation of such owners associations, including the provision of certain information relating to the property development and its owners. As of the Latest Practicable Date, owners of all of our property developments who had become statutorily entitled to elect their property management companies had continued to elect us to manage their properties. As of the June 30, 2013, we had over 1,690 personnel providing property management services, covering a total GFA of over two million sq.m.

We typically enter into property management agreements with owners associations. Such property management agreements are usually for a term of three years, which may be extended three months prior to the expiration date of the term of the agreement. Services to be provided generally include maintenance, security, gardening, landscaping services and the management of public amenities. These property management agreements also contain provisions regarding payment terms. Generally, the individual property owner is required to pay property management contributions, calculated based on the type and size of the unit owned, to us on a quarterly basis.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our management fee income amounted to approximately RMB41.4 million, RMB59.4 million, RMB67.9 million and RMB39.9 million, respectively, accounting for approximately 2.7%, 2.4%, 2.1% and 1.7%, respectively, of our total revenue.

PROPERTIES USED BY US FOR OPERATIONS

Our corporate headquarters are located at Times Property Center, 410-412 Dongfeng Road, Guangzhou, Guangdong Province, PRC, a property held by one of our subsidiaries. As of September 30, 2013, we occupied a number of premises with a GFA of approximately 3,375 sq.m., while the remaining premises with a GFA of approximately 43,693 sq.m. are leased to Independent Third Parties. For our operations in other regions, we rent certain premises in Zhuhai, Zhongshan, Qingyuan and Changsha from Independent Third Parties. See the Property Valuation Report in Appendix III to this prospectus for further information.

We occupy some properties of which the property ownership certificates have not been obtained by lessors. As of the Latest Practicable Date, we leased 100 properties with an aggregate GFA of 280,316 sq.m. from third parties, of which 54 of them with an aggregate GFA of 182,954 sq.m. did not have the property ownership certificates. Out of these 54 properties, 40 of which with an aggregate GFA of 7,979 sq.m. were leased for our own use. As a result, it is possible that third parties may seek to assert their ownership rights against the lessors or challenge our leases. Since we are not able to confirm the ownership of some of the properties we occupy due to the lack of the property ownership certificates, in the event that any party claims its right upon such properties, we may need to relocate and seek an alternative location. However, as we only use these leased properties as offices and employee dormitories, we do not expect any major impact to our business operations in the event of a relocation.

RESEARCH AND DEVELOPMENT

We consider strong research and development capabilities to be crucial to differentiating our products from those of our competitors and to satisfy the ever-evolving needs and expectations of our customers. Our research and development efforts are centered in our design, research and development department and focus on designing new project series and themes, standardizing designs and modular components. Our design, research and development department also works closely with our branding and marketing department and the sales and marketing departments of our regional companies to enhance our design capabilities. Our head of design, research and development, Ms. Chen Hongrong, has substantial experience in real estate design and development. She obtained the qualification of the Class A registered architect (一級註冊建築師) in the PRC. As of June 30, 2013, our design, research and development team consisted of 57 employees. During the Track Record Period, we incurred approximately RMB13.0 million in costs with respect to research and development.

AWARDS AND RECOGNITIONS

We have received recognition and numerous awards from government authorities, authoritative industry associations and the media. The table below sets forth some of the recognition awards we have received over the years:

Year	Recipient	Award/Recognition	Awarding Body
2013	Times Group	"The Strength of Branded Real Estate" (實力品牌地產)	Sohu Focus (搜狐焦點)
2013	Times Group	"2013 China Real Estate Development Enterprise Comprehensive Development Top 10" (2013中國房地產開發企業綜合發展10強)	China Real Estate Research Association (中國房地產研究會), China Real Estate Industry Association (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心)
2013	Times Group	"2013 China's Top 50 Real Estate Developers" (Rank No. 35) (2013中國房地產開發企業50強(第35名))	China Real Estate Research Association (中國房地產研究會), China Real Estate Industry Association (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心)
2012	Times Group	"2012 Excellent Property Enterprise" (2012年度卓越地產企業)	Sina House (新浪樂居)
2012	Times Group	"2012 Best Enterprise Brand Image Award" (2012最佳企業品牌形象獎)	The China Finance Summit Organization Committee (中國財經峰會組委會)
2012	Times Group	"2012 China Top 100 Real Estate Developers" (2012中國房地產百強企業)	The Development Research Center of the State Council (國務院發展研究中心企業研究所), Tsinghua University Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院)

Year	Recipient	Award/Recognition	Awarding Body
2012	Times Group	"Star of China's Top 100 Real Estate Enterprises" (2012中國房地產百強企業－百強之星)	The Corporate Research House of the Development Research Center of the State Council (國務院發展研究中心企業研究所), Tsinghua University Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院)
2012	Times Group	"Enterprise with Most Cultural Influence" (最具文化影響力企業)	The Guangdong Yangcheng Evening News (羊城晚報)
2012	Times Group	"2011 Top 10 Favorite Real Estate Brand Enterprise of Guangzhou Residents" (2011年度廣州市民十大最喜愛房地產品牌企業)	Guangzhou Daily (廣州日報)
2012	Times Group	"The Strength of Real Estate Brand" (實力地產品牌)	Sohu Focus (搜狐焦點)
2012	Times Group	"2012 The Influence on Guangzhou Brand" (2012影響廣州年度品牌)	Xinkuai Newspaper (新快報)
2012	Times Group	"2012 9th China Real Estate Network Popularity Chart Annual Most Trusted Brand of Guangzhou Home Purchasers" (2012年第九屆中國房地產網絡人氣榜年度廣州購房者最信賴品牌房企)	Soufun (搜房)
2011	Times Group	"Certificate of China Real Estate Brand Value 2011 TOP 10 Brand of South China Real Estate Companies" (中國房地產品牌價值研究成果鑒定書 2011中國華南房地產公司品牌價值TOP 10)	The Development Research Center of the State Council (國務院發展研究中心), Tsinghua University Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院)

Year	Recipient	Award/Recognition	Awarding Body
2011	Times Group	"2011 China Huanan Top 10 Real Estate Company Brand Value" (2011中國華南房地產公司品牌價值TOP 10)	China Real Estate Top 10 Research Team (中國房地產TOP 10研究組)
2011	Times Group	"2011 China's Estate Oscar — 2011 China Top 10 Real Estate Brand Enterprise" (2011中國地產奧斯卡獎 — 2011中國TOP 10房地產品牌企業)	The China Real Estate Industry Association (住建部中國房地產業協會)
2011	Our Company	"2011 China Real Estate Top 200" (2011中國房地產開發企業200強)	The China Real Estate Industry Association (中國房地產研究會), (中國房地產業協會) and China Real Estate Evaluation Center (中國房地產測評中心)
2011	Times Group	"China Real Estate Perspective — Most Influential Brand" (中國地產新視角最具影響力品牌)	Sohu Focus (搜狐焦點)
2011	Times Group	"2011 China Real Properties Champion Ceremony Top 10 Reputable Brand — Times Property" (2011年度中國地產冠軍榜十大美譽品牌)	NetEase (網易房產)
2011	Times Group	"2010 China Real Properties Champion Ceremony Top 10 Reputable Brand — Times Property" (2010年度中國地產冠軍榜十大美譽品牌)	NetEase (網易房產)
2010	Times Group	"Guangdong Real Estate Leader Chart — Brand Enterprise" (廣東地產領袖榜品牌房企)	Southern Metropolis Daily Golden Property Market (南方都市報)
2010	Times Group	"2009 China Real Estate Perspective — Most Influential Brand" (2009中國地產新視角"最具影響力品牌")	Sohu (搜孤) and Sohu Focus (搜狐焦點)

Year	Recipient	Award/Recognition	Awarding Body
2010	Times Group	"2010 China Real Estate Influential Brand Enterprise" (2010影響中國的房地產名牌企業)	Guangzhou Daily (廣州日報) and 中國主流媒體房地產聯盟
2010	Times Group	"2010 7th China Real Estate Network Popularity Chart — Brand with Most Potential" (2010年第七屆中國房地產網絡人氣榜最具發展潛力品牌房企)	Soufun (搜房) and 2010網絡人氣榜組委會
2010	Times Group	"2009 Favorite Real Estate Enterprise of Guangzhou Residents" (2009年度廣州市民最喜愛房地產品牌企業)	Guangzhou Daily (廣州日報社) and 中國主流媒體房產聯盟
2009	Our Company	"2009 Pearl River Delta Brand Ceremony — Most Watched Real Estate Industry Brand" (2009泛珠三角品牌盛典"最受矚目地產行業品牌")	Southern Weekend Newspaper Office (南方周末報社)
2009	Our Company	"China Real Estate Enterprise Top 200 Golden Globe Award (Rank No. 25)" (2009中國房地產企業200強金球獎(第25名))	The Institute for Urban and Environmental Studies Chinese Academy of Social Sciences (中國社會科學院城市發展與環境研究中心), Chinese Real Estate Enterprises Federation (中華全國房地產企業聯合會) and China Real Estate Entrepreneurs Association (中房企業家協會)
2008	Times Group	"Guangzhou Real Estate Top 10 Brand Enterprise" (2008網絡人氣排行榜 — 廣州房地產十大品牌企業)	Soufun (搜房)

Year	Recipient	Award/Recognition	Awarding Body
2007	Times Development Group	"2006 China Guangzhou Top 20 Most Competitive Real Estate Enterprises" (2006年度中國廣州最具競爭力房地產企業20強)	The Productivity Development Institute (生產力發展研究院), the Asia Pacific Economic Times Office (亞太經濟時報社), the Guangzhou Enterprise Evaluation Association (廣州市企業評價協會), Brand Institute, South China University of Technology (華南理工大學品牌研究所), China Social Economic Survey & Research Center (中國社會經濟調查研究中心) and Guangdong Economists Entrepreneurs Association (廣東省經濟學企業家聯誼會)
2007	Times Development Group	"2006 China Guangzhou Top 10 Most Trustworthy Enterprises (Private Company)" (2006年度中國廣州十大最具誠信度企業(民營))	The Guangzhou Enterprise Evaluation Association (廣州市企業評價協會)
2007	Times Group	"2007 Property Market Oscar Huanan Real Estate Top 10 Influential Brands" (2007年樓市奧斯卡華南地產十大最具影響力品牌)	Nanfang Daily (南方日報社) and the 10th Property Market Oscar Vetting Committee (第十屆樓市奧斯卡評審組委會)
2006	Times Development Group	"China Real Estate Enterprise Top 200 (Among Top 100)" (中國房地產企業200強(前100強))	The Institute for Urban and Environmental Studies Chinese Academy of Social Sciences (中國社會科學院城市發展與環境研究中心), the Chinese Real Estate Enterprises Federation (中華全國房地產企業聯合會) and China Real Estate Entrepreneurs Association (中房企業家協會)

Year	Recipient	Award/Recognition	Awarding Body
2006	Times Development Group	"National Class A Trustworthy Enterprise" (國家A級守信企業)	The China Enterprise Credit Evaluation Management Center (中國企業信用評價管理中心) and the China Market Monitoring Center (中國市場監測中心)
2006	Times Development Group	"2005 Guangzhou Top 10 Real Estate Star Enterprise" (2005年廣州十大明星地產企業)	Nanfang Media Group (南方報業傳媒集團), the Guangdong Academy of Social Sciences (廣東省社會科學院) and the Guangdong Shengqing Research Center (廣東省省情調查研究中心)
2006	Times Development Group	"2005 Guangzhou Most Competitive Real Estate Enterprise Top 20" (2005年度中國廣州最具競爭力房地產企業20強)	The Productivity Development Institute (生產力發展研究院), the Guangzhou Entrepreneur Evaluation Association (廣州市企業評價協會), the Asia Pacific Economic Times Office (亞太經濟時報社) and the Guangdong Academy of Social Science Corporative Governance and Policy Decision Science Institute (廣東省社會科學院企業管理與決策科學研究所)
2006	Times Development Group	"2005 Guangzhou Most Trustworthy Real Estate Enterprises Top 30" (2005年度中國廣州最具誠信度房地產企業30強)	The Guangzhou Enterprise Evaluation Association (廣州市企業評價協會)
2006	Times Group	"2006 Guangzhou City Guangzhou Residents Top 10 Favorite Real Estate Brand Enterprises" (2006年度廣州市民十大最喜愛房地產品牌企業)	The Guangzhou Daily News (廣州日報), the Media and Promotion Alliance for Real Estate in China (中國主流媒體房地產聯盟) and the Information Times Office (信息時報)
2005	Times Development Group	"2004 China Guangzhou Most Competitive Real Estate Enterprises Top 30" (2004年度中國廣州最具競爭力房地產企業30強)	The Guangzhou Enterprise Evaluation Association (廣州市企業評價協會)

Year	Recipient	Award/Recognition	Awarding Body
2005	Times Group	"2005 Guangzhou City Guangzhou Residents Favorite Real Estate Brand Enterprise Times Property" (2005年度廣州市民十大最喜愛房地產品牌企業)	The Guangzhou Daily News (廣州日報社), the Media and Promotion Alliance for Real Estate in China (中國主流媒體房地產宣傳聯盟) and the Information Times Office (信息時報社)
2004	Times Development Group	"2004 China Most Influential Property Developments Top 100" (2004年中國最具影響力樓盤100強)	The People's Daily Overseas Edition (人民日報海外版), the China Enterprise Culture Improvement Association (中國企業文化促進會), the China Industrial Design Association (中國工業設計協會), the China Marketing Society (中國營銷學會) and the China Real Estate Marketing and Design Grand Prizes Organizing Committee (中國房地產營銷與設計大獎賽組委會)

COMPETITION

The property market in China is large and highly fragmented. Our existing and potential competitors include major domestic residential property developers and, to a lesser extent, leading overseas developers. Some of our competitors target different segments of the PRC real estate market, some engage in other activities in addition to real estate development, and some are focused on operating in particular regions of China or have a presence in most of China's major cities. According to DTZ, there were more than 220 property developers in the seven major cities in Guangdong Province[(1)] in 2012, and we ranked 11th among these property developers.

We compete with other real estate developers based on a number of factors, including product quality, service quality, price, financial resources, brand recognition and ability to acquire suitable land reserves. Our Directors believe that our competitive advantages and strengths, including what we believe to be our competitive edge over our competitors in quality, well-designed residential property developments and unique, human-centric and refined design concepts, enable us to compete effectively in the real estate market.

Note:

(1) According to DTZ, the seven major cities in Guangdong Province are Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou. The top 50 developers in each of the selected seven cities, ranked by total residential GFA sold in 2012, have been taken out for further analysis. The 220 developers quoted in this report is the final number of developers studied for DTZ's ranking after taking out any overlaps in developers within these seven cities.

Nonetheless, some of our competitors may have better track records, greater financial, human and other resources, larger sales networks and greater name recognition. See the section entitled "Risk Factors — Risks Relating to the Real Estate Industry in the PRC — Increasing competition in the PRC, particularly in Guangdong and Hunan Provinces, may materially and adversely affect our business, results of operations and financial position" in this prospectus.

INTELLECTUAL PROPERTY RIGHTS

As of the Latest Practicable Date, we had registered two trademarks in Hong Kong, and were licensed to use 23 trademarks in the PRC. The 23 trademarks are registered in the PRC and held by Times Development Group. We have entered into the Trademark License Agreement with Times Development Group regarding the use of these 23 trademarks. Pursuant to the Trademark License Agreement (which was amended and supplemented by a supplemental agreement dated July 1, 2013), Times Development Group granted an exclusive license to us to use the Trademark on a royalty free basis for a period commencing from March 13, 2013 and ending on March 12, 2033. In addition, we are the registered owner of the domain name "timesgroup.cn." Details of our intellectual property portfolio are provided in the section entitled "Statutory and General Information — B. Further Information about Our Business — 2. Intellectual Property Rights of Our Group" in Appendix V to this prospectus.

As of the Latest Practicable Date, we were not aware of any infringement (i) by us of any intellectual property rights owned by third parties or (ii) by any third parties of any intellectual property rights owned by us.

INSURANCE

We maintain insurance for medical and hospital expenses that our employees may incur as a result of personal injuries suffered at our workplace or on the construction sites of our property developments. We do not, however, maintain any insurance with respect to our property developments or third-party liability insurance, because these types of insurance are not mandatory and any liability, according to our construction contracts, that may arise from tortious acts committed by construction contractors on work sites will be borne by the construction contractors.

Under PRC law, construction contractors as employers are required to purchase insurance for their construction workers. As we engage third-party contractors to carry out construction for our projects, we currently do not maintain such insurance ourselves.

Our Directors are of the view that our insurance coverage is adequate and in line with customary industry practice in the PRC. During the Track Record Period, we did not receive any civil claims with respect to personal injuries arising out of construction work on our construction sites. However, there is the risk that we do not have sufficient or any insurance coverage for loss, damage and liability that may arise in our business operations. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We may not have maintained adequate insurance to cover our potential losses and claims" in this prospectus.

ENVIRONMENTAL MATTERS

We are subject to various PRC environmental laws and regulations, including the Environmental Protection Law (《中華人民共和國環境保護法》), the Prevention and Control of Noise Pollution Law (《中華人民共和國環境噪聲污染防治法》), the Environmental Impact Assessment Law (《中華人民共和國環境影響評價法》), the Ordinance of Environmental Management for Construction Projects (《建設項目環境保護管理條例》), the Provisions on Management of Inspection and Acceptance of Environmental Protection Facilities in Completed Construction Projects (《建設項目竣工環境保護驗收管理辦法》), the Regulations of Guangdong Province on Environmental Protection (《廣東省環境保護條例》) and the Ordinance of Environmental Management for Construction Projects of Guangdong Province (《廣東省建設項目環境保護管理條例》).

Environmental assessment: As required by PRC laws and regulations, each project developed by a property developer is required to undergo an environmental assessment, and an environmental impact assessment report is required to be submitted to the relevant government authorities for approval before commencement of construction. When there is a material change with respect to the construction site, scale or nature of a given project, a property developer must submit a new environmental impact assessment report for approval. During the course of construction, the property developer and the construction companies must take measures to prevent air pollution, noise emissions and water and waste discharge. Prior to the delivery of completed properties, we engage an external consulting firm to conduct an additional environmental assessment and we deliver the completed properties to our customers only if the relevant standard is met.

Environmental protection: We endeavor to comply with relevant PRC laws and regulations relating to environmental protection and safety by engaging construction contractors with sound environmental protection and safety track records. When entering into construction contracts with these contractors, we request that they strictly comply with all current PRC environmental protection and safety laws and regulations by, among other things, using construction materials and construction methods that meet the requirements of such laws and regulations. Construction contractors are responsible for the final clean-up of the construction site and for taking steps to minimize any adverse environmental impact during construction, such as by erecting a fence around the construction site, limiting work hours for noisy construction activities and managing the quality of residual soil. In addition, we closely monitor the project at every stage to ensure the construction process is in compliance with environmental protection and safety laws and regulations, and require construction contractors to immediately resolve any defect or non-compliance. Our legal department provides us with professional legal advice on compliance with relevant PRC environmental protection and safety laws and regulations.

Environmental amenities: In accordance with relevant PRC environmental laws and regulations, we are required to construct certain environmental amenities, such as septic tanks and adequate sewerage systems, as a part of our property developments. These amenities are integral to our project developments and we design and construct them as we design and construct the overall project. Once our property development is complete, we apply to the relevant environmental protection authorities for an inspection of the environmental amenities. We may deliver the completed properties to our customers only if the environmental amenities pass the inspection and are approved by the relevant environmental authorities. All of our completed properties have passed inspections by the environmental protection authorities, and we have obtained the relevant environmental assessment approvals with respect to our properties under development.

For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, we incurred approximately RMB0.8 million, RMB0.7 million, RMB1.3 million and RMB0.7 million, respectively, in costs from complying with applicable environmental rules and regulations. Our Directors expect that we will continue to incur environmental compliance costs at a similar rate.

During the Track Record Period, no fines or penalties for non-compliance with PRC environmental laws and regulations were imposed on us. As of the Latest Practicable Date, we had not encountered any material issues in passing inspections conducted by the relevant environmental authorities upon completion of our properties. As advised by our PRC legal advisers, Commerce & Finance, we are in compliance in all material respects with applicable environmental laws and regulations in China, and we have obtained all required approvals in relation to the environmental impact reports for our property development projects. We believe that our operations are in compliance with currently applicable national and local environmental protection and safety laws and regulations in all material respects. See the section entitled "Risk Factors — Risks Relating to the Real Estate Industry in the PRC — Potential liability for environmental problems could result in substantial costs" in this prospectus.

We cannot predict the impact of unforeseeable environmental contingencies, or of new or changed laws or regulations, on our existing projects or properties that we may develop in the future. We intend to minimize any potential future environmental risks by continuing to comply with relevant PRC environmental laws and regulations, engaging only construction contractors with good environmental protection and safety track records, and by requiring our construction contractors to strictly comply with relevant laws and regulations with respect to materials procurement and property construction. We will also continue to educate our employees on the importance of environmental protection and to keep abreast of developments in PRC environmental protection laws and regulations through a regular dialog with relevant local PRC authorities. The personnel in our legal department who are responsible for ensuring our compliance with relevant PRC environmental laws and regulations are generally experienced in PRC legal matters, including laws and regulations regarding environmental protection. These personnel also have extensive experience in the PRC real estate industry. When necessary, we consult external environmental protection advisers and legal counsel for advice on complying with PRC environmental protection laws and regulations.

LABOR AND SAFETY

We enter into employment contracts with our employees pursuant to various PRC laws and regulations with respect to labor, health, safety, insurance and accidents, including the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), the Labor Law of the PRC (《中華人民共和國勞動法》) and the Opinions on Several Questions Concerning the Implementation of the Labor Law of the PRC (《關於貫徹執行《中華人民共和國勞動法》若干問題的意見》). Employees are entitled to have rest and annual leave in accordance with the law and the provisions stipulated in their employment contracts.

Despite the fact that all the construction work for our projects is outsourced to independent contractors, we have adopted and implemented occupational health and safety measures, and we work to ensure that all of our employees are aware of our safety procedures when they carry out on-site inspections. We, as a property developer, have limited potential liability to the workers on our construction sites, because most of this liability rests with the construction contractors. When entering into contracts with construction contractors, we require them to purchase accident insurance in compliance with applicable laws and regulations to cover their workers, and to adopt effective occupational injury control measures, such as providing workers with necessary protective gear. To help ensure the safety of our employees, we provide, and require our employees to wear, protective helmets when they visit projects that are under construction. During the Track Record Period and up to the Latest Practicable Date, there had been no reported cases of accidents causing the death of, or material bodily injury to, any of our employees.

Pursuant to the Decision of the State Council on Establishing the Basic Medical Insurance System for Urban Employees (《國務院關於建立城鎮職工基本醫療保險制度的決定》), the Decision of the State Council on Establishing a Uniform Basic Endowment Insurance System for Enterprise Employees (《國務院關於建立統一的企業職工基本養老保險制度的決定》), the Provisional Insurance Measures for Maternity of Enterprise Employees (《企業職工生育保險試行辦法》), the Regulations on the Management of Housing Provident Funds (《住房公積金管理條例》), the Regulations on Unemployment Insurance (《失業保險條例》) and the Regulations on Industrial Injury Insurance (《工傷保險條例》), an enterprise is required to purchase basic medical insurance, pension insurance, maternity insurance, unemployment insurance, and industrial injury insurance, and to provide a housing provident fund, for its staff and pay the relevant premiums.

Our Directors confirm that we were in compliance with applicable PRC labor, social, and health and safety laws and regulations in all material respects during the Track Record Period. We intend to fully comply with any new PRC labor laws and do not expect such compliance to affect our business operations in any material respect. When necessary, we consult external legal counsel for advice on complying with PRC labor, social, and health and safety laws and regulations. We believe that by protecting the interests of our employees we are able to enhance employee morale and assist in the long-term retention of quality personnel. In order to comply with relevant laws and regulations, we participate in various defined retirement contribution plans organized by the PRC provincial and municipal governments. We pay, on behalf of our

employees, a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance, personal injury insurance and housing provident fund contributions. Our human resources personnel monitor our social and health and safety issues. They generally have sound knowledge of administration and human resources issues. They work together with our legal department to remain aware of the latest legal developments in this area and to ensure that we are in compliance with any applicable requirements.

EMPLOYEES AND STAFF

As of June 30, 2013, we had a total of 2,484 employees. These employees are based in our headquarters in Guangzhou, Guangdong Province, and in our regional offices throughout Guangdong Province and in Changsha, Hunan Province. During the Track Record Period and up to the Latest Practicable Date, there had been no complaints or claims from employees that materially affected our operations. A breakdown of our employees by function as of June 30, 2013 is set forth below:

Function	Employee
Finance and funding	90
Sales and marketing	91
Human resources and administration	202
Legal	5
Research and development	57
Project development, operation and management	271
Property management and customer service	1,693
Information technology	13
Investment and business development	62
Total	**2,484**

A breakdown of our employees by geographic location as of June 30, 2013 is set forth below:

City, Province	Employee
Guangzhou, Guangdong Province	1,462
Foshan, Guangdong Province	523
Zhuhai, Guangdong Province	221
Zhongshan, Guangdong Province	97
Qingyuan, Guangdong Province	89
Changsha, Hunan Province	92
Total	**2,484**

We believe that the successful implementation of our growth and business strategies depends on a team of experienced, motivated and well-trained managers and employees at all levels. Approximately 40% of our employees have obtained a bachelor's degree, associate degree or a master's degree. We have implemented training programs for our employees at different levels to meet different job requirements. In addition, we sponsor on average two senior executives, regional managers/deputy regional managers each year to earn EMBAs. As

of June 30, 2013, over half of our senior management had obtained the EMBA qualification. We believe our workforce has sufficient experience to face the challenges that may arise in our day-to-day operations and that our initiatives, training programs and competitive remuneration packages have contributed to increased employee productivity.

We enter into individual employment contracts with our employees to cover matters such as wages, benefits and grounds for termination. We generally formulate our employees' remuneration packages to include a salary, bonus and various allowances. We determine employee salaries based on each employee's qualifications, position and seniority. We have designed an annual review system, which includes group discussions and tests, to assess the performance of our employees. Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We do not engage any external employment agent for recruitment purposes. As of the Latest Practicable Date, no labor dispute had occurred which materially and adversely affected, or was likely to have a material adverse effect on, our operations.

As required by PRC regulations, we make contributions to mandatory social security funds for the benefit of our PRC employees that provide for pension insurance, medical insurance, unemployment insurance and housing funds.

COMPLIANCE

Licenses and Certificates

During the Track Record Period and as of the Latest Practicable Date, we had obtained all business licenses and relevant qualification certificates, such as real estate developer qualification certificates and property management enterprise certificates in accordance with relevant PRC legal regulations and requirements relating to the PRC property sector. Our PRC legal advisers, Commerce & Finance, have confirmed that we have obtained all such licenses, permits and certificates as of the Latest Practicable Date, and no penalty had been imposed on us for failure to comply with the relevant licensing requirements.

Non-Compliance Record

Except as disclosed below, we complied with the laws and regulations applicable to us in all material aspects during the Track Record Period and up to the Latest Practicable Date. The table below sets out summaries of certain incidents of historical non-compliance with applicable regulations during the Track Record Period. Our Directors believe that these incidents of non-compliance, whether individually or collectively, will not have a material operational or financial impact on us. Taking into account (i) the rectification actions taken by us and the status of these non-compliance incidents; (ii) the potential legal consequences arising from these non-compliance incidents as advised by our PRC legal advisers, Commerce & Finance; and (iii) the materiality of the potential fines, if any, we have not made any provision in relation to these non-compliance incidents.

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Tax non-compliance				
During the Track Record Period, one of our PRC subsidiaries, Changsha Meiguiyuan, defaulted in the payment of corporate income tax of approximately RMB889,627 for the year ended December 31, 2010	This non-compliance incident occurred before our indirect acquisition of Changsha Meiguiyuan in 2011, which was on the part of the then shareholders of Changsha Meiguiyuan and was not due to any default on the part of our Group	The local tax bureau required Changsha Meiguiyuan to make the tax payment of approximately RMB889,627 and imposed on Changsha Meiguiyuan a fine of approximately RMB79,177 for such default	Changsha Meiguiyuan paid the outstanding tax amount and the fine of RMB79,177 on November 25, 2011. As advised by our PRC legal advisers, Commerce & Finance, since Changsha Meiguiyuan paid the tax payment and the fine, Changsha Meiguiyuan will not be subject to any further fines and penalties in this regard	• Our finance center, headed by Mr. Niu Jimin, has implemented several internal control measures to enhance our management on tax related matters, which include requiring independent staff to examine whether tax related matters, including tax filings and tax payment, have been timely conducted. Mr. Niu Jimin and Ms. Ge Hui are key members of our finance center. Mr. Niu Jimin, our executive Director and head of our finance center, will be in charge of carrying out and monitoring internal control measures performed by our finance center. See the section entitled "Directors and Senior Management" in this prospectus for further details on the qualifications and the experience of Mr. Niu. Ms. Ge Hui, the vice manager of our finance center, will assist Mr. Niu in the execution of our internal control measures. Ms. Ge obtained the Medium Level Accountant (中級會計師) qualification and has substantial accounting experience. Ms. Ge has joined our Group in 1999 and was promoted to manager of the finance department in 2006. Since then, she has been responsible for overseeing the Group's financial management, tax administration and fund

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
				management. Ms. Ge is also responsible for (i) establishing financial system and its related systems and supervising its implementation according to the requirements of our Company's strategic development and standardizing the process of various financial businesses; (ii) presiding over the work of tax accounting and tax inspection of all branches in Guangzhou and Foshan regions, to ensure tax compliance; and (iii) drawing up of funds using plans and the arrangement of funds payment • Our finance center will examine the compliance of tax related matter on a monthly basis and present such matters in the monthly accounts • If necessary, we will consult with our tax advisers and PRC legal advisers for their advice

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
During the Track Record Period, certain of our PRC subsidiaries had delayed in tax filings or tax registration or had failed to comply with the relevant regulations regarding tax receipt filing	As advised by our Directors, the late filings or late tax registration were due to inadvertent oversight of the officers of the relevant PRC subsidiaries	The relevant competent tax authorities imposed fines in an aggregate amount of approximately RMB3,270	We paid the fines in an aggregate amount of approximately RMB3,270 and made the tax filings. As advised by our PRC legal advisers, Commerce & Finance, since we have made the tax filings and paid the fines, we will not be subject to any further fines or penalties in this regard	• Our finance center, headed by Mr. Niu Jimin, has implemented several internal control measures to enhance our management on tax related matters, requiring independent staff to examine whether tax related matters, including tax filings and tax payment, have been timely conducted • Our finance center will examine the compliance of tax related matter on a monthly basis and present such matters in the monthly accounts • If necessary, we will consult with our tax advisers and PRC legal advisers for their advice
Hong Kong Times Investments failed to file its profit tax return for the year of assessment of 2010-2011 and provisional assessment of 2011-2012 in time (the "**Relevant Tax Return**") which was due on August 15, 2011	The omission was principally due to the inadvertent omission of the then company secretary of Hong Kong Times Investments	Hong Kong Times Investments was ordered to pay a penalty of HK$1,500 for late filing of the Relevant Tax Return	The Relevant Tax Return was filed with the Hong Kong Inland Revenue Department on September 6, 2012 and the penalty of HK$1,500 was paid by Hong Kong Times Investments on November 16, 2012. As a result, the non-compliance incident aforesaid has been fully rectified and our Company confirms that it would not have any impact on the operation or financial position of our Group	Our Directors will ensure that tax return of our Hong Kong subsidiaries will be filed with the Hong Kong Inland Revenue Department within the time required pursuant to Section 51 of the Inland Revenue Ordinance (Chapter 112) by designating our joint company secretaries to (i) monitor the regulatory requirements regarding tax return filings in respect of our Hong Kong subsidiaries, (ii) work closely with the external company secretary engaged by our Group and alert them the deadline to file tax return, and (iii) keep abreast of the regulatory requirements regarding tax filing under the Hong Kong regime

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Delay in Payment of Land Premium				
During the Track Record Period, Foshan Yudonglong delayed in the payment of land premium, which was due on September 27, 2009	As advised by our Directors, there were negotiations between Foshan Yudonglong and the relevant government authority on the delivery conditions provided in the relevant land grant contract. As the parties were unable to reach a conclusion by the time of the deadline for payment of land premium under the relevant land grant contract, Foshan Yudonglong delayed in the payment of land premium	On February 3, 2010, the Government of Nanhai District imposed on Foshan Yudonglong a fine of RMB1,813,414 in relation to such delay in payment	On February 9, 2010, Foshan Yudonglong paid the fine of RMB1,813,414 to Foshan Municipal Land and Resources Bureau. As advised by our PRC legal advisers, Commerce & Finance, since Foshan Yudonglong has paid the land premium as well as the fine and has obtained the land use right certificate, Foshan Yudonglong will not be subject to any further fines or penalties in this regard	Our finance center has implemented several internal control measures, including requiring the respective project companies to establish a register to keep track of the payment schedules of land premium. The register should include information such as expected payment amount and payment date. If a project company foresees any delay in the payment of land premium, our finance center will discuss with the relevant internal departments and government authorities. If necessary, we will consult with our PRC legal advisers for legal advice
In 2010, Guangzhou Hongtai delayed in the payment of land premium of RMB50 million for five days	Pursuant to the supplemental land grant contract, Guangzhou Hongtai was required to pay the land premium of RMB50 million on or before October 31, 2010. Guangzhou Hongtai made the payment of RMB50 million via wire transfer on October 29, 2010. However, the relevant government authority only received the payment on November 5, 2010 due to a bank transmission delay	On February 4, 2013, Guangzhou Municipal Land and Resources Bureau issued a notice, imposing on Guangzhou Hongtai a fine of RMB250,000 in relation to such delay	On February 4, 2013, Guangzhou Hongtai paid the fine of RMB250,000. As advised by our PRC legal advisers, Commerce & Finance, since Guangzhou Hongtai has paid the fine and obtained the land use right certificate, Guangzhou Hongtai will not be subject to any further fines or penalties in this regard	Our finance center has implemented several internal control measures, including requiring the respective project companies to establish a register to keep track of the payment schedules of land premium. The register should include information such as expected payment amount and payment date. If a project company foresees any delay in the payment of land premium, our finance center will discuss with the relevant internal departments and government authorities. If necessary, we will consult with our PRC legal advisers for legal advice

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
In 2012, Guangzhou Hongtai delayed in the payment of land premium of RMB100 million for seven days	Pursuant to the supplemental land grant contract, Guangzhou Hongtai was required to pay the land premium of RMB100 million on or before October 31, 2012. Guangzhou Hongtai made the payment of RMB100 million via wire transfer on October 31, 2012. However, the relevant government authority only received the payment on November 7, 2012 due to a bank transmission delay	On December 17, 2012, Guangzhou Municipal Land and Resources Bureau issued a notice, imposing on Guangzhou Hongtai a fine of RMB700,000 in relation to such delay	On January 8, 2013, Guangzhou Hongtai paid the fine of RMB700,000. As advised by our PRC legal advisers, Commerce & Finance, since Guangzhou Hongtai has paid the fine and obtained the land use right certificate, Guangzhou Hongtai will not be subject to any further fines or penalties in this regard	Our finance center has implemented several internal control measures, including requiring the respective project companies to establish a register to keep track of the payment schedules of land premium. The register should include information such as expected payment amount and payment date. If a project company foresees any delay in the payment of land premium, our finance center will discuss with the relevant internal departments and government authorities. If necessary, we will consult with our PRC legal advisers for legal advice
In 2012, Guangdong Guangchang delayed in the payment of land premium, which was due on September 21, 2012	We entered into an equity transfer agreement with the then shareholder of Guangdong Guangchang on September 28, 2012. We were aware of the deadline for the payment of land premium and, upon negotiation with the then shareholder of Guangdong Guangchang, we agreed to pay the land premium after the completion of the acquisition of Guangdong Guangchang. Due to the PRC national holidays immediately after the execution of the equity transfer agreement, we were only able to make the payment of the land premium on October 9, 2012	On October 16, 2012, Guangzhou Land Use and Development Center (廣州市土地利用發展中心) issued a notice, acknowledging the receipt of the land premium, and imposed on Guangdong Guangchang a fine of RMB2,987,682 in relation to the delay in the payment of land premium	On October 22, 2012, Guangdong Guangchang paid the fine of RMB2,987,682. As advised by our PRC legal advisers, Commerce & Finance, since Guangdong Guangchang has paid the fine and obtained the land use right certificate, Guangdong Guangchang will not be subject to any further fines or penalties in this regard	N/A. This is a commercial arrangement with the then shareholder of Guangdong Guangchang

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
In 2012, Guangzhou Tianlang delayed in the payment of the second installment of the land premium, which was due on October 31, 2012	Under the provincial government's "Urban Redevelopment" policies, Guangzhou Tianlang was entitled to receive land compensation payment from Guangzhou Land Development Center for the redevelopment of an old factory. As advised by our Directors, after Guangzhou Tianlang obtained the land use right through a tender process on April 28, 2012 and before the payment date for the second installment of the land premium on October 31, 2012, there were negotiations between Guangzhou Tianlang and the relevant government authority on the payment arrangements for the second installment of the land premium. On the payment date, i.e., October 31, 2012, the government made part of the land compensation payment of approximately RMB90,000,000 to Guangzhou Tianlang, and Guangzhou Tianlang transferred such payment to Guangzhou Land Development Center as part of the second installment of the land premium via wire transfer on the same day. However, Guangzhou Land Development Center only received such payment on November 2, 2012, due to a bank transmission delay. Since the parties were unable to reach an agreement on the payment arrangements, Guangzhou Tianlang made the remaining payment of RMB216,555,000 for the second installment of the land premium on November 8, 2012, which was eight days after the payment deadline	On November 14, 2012, Guangzhou Land Use and Development Center issued a notice, imposing on Guangzhou Tianlang a fine including interest of RMB10,015,711 in relation to such delay	On December 4, 2012, Guangzhou Tianlang paid the fine including interest of RMB10,015,711. As advised by our PRC legal advisers, Commerce & Finance, since Guangzhou Tianlang has paid the fine and obtained the land use right certificate, Guangzhou Tianlang will not be subject to any further fines or penalties in this regard	Our finance center has implemented several internal control measures, including requiring the respective project companies to establish a register to keep track of the payment schedules of land premium. The register should include information such as expected payment amount and payment date. If a project company foresees any delay in the payment of land premium, our finance center will discuss with the relevant internal departments and government authorities. If necessary, we will consult with our PRC legal advisers for legal advice

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Unauthorized Construction				
In 2009, Guangzhou Nanying built a kindergarten with a total GFA of approximately 860.1 sq.m. for Zhujiang Garden without the approval from Guangzhou Municipal Urban Planning Bureau	This non-compliance incident happened before our acquisition of Guangzhou Nanying in August 2009, which was on the part of the then shareholders of Guangzhou Nanying and was not due to any fault on the part of our Group	On October 14, 2010, Guangzhou Municipal Urban Planning Bureau issued an administrative decision, imposing a fine of RMB46,446 on Guangzhou Nanying in relation to such unauthorized construction	Guangzhou Nanying paid the fine of RMB46,446. Guangzhou Municipal Urban Planning Bureau permitted Guangzhou Nanying to retain the unauthorized construction for use. As advised by our PRC legal advisers, Commerce & Finance, since Guangzhou Nanying has paid the fine and the unauthorized construction has passed the requisite completion and acceptance inspection, Guangzhou Nanying will not be subject to any further fines or penalties in this regard	• We have implemented several internal control measures such as to prohibit commencement of construction work for a project without obtaining the relevant permits and to prepare a checklist before we commence construction in relation to a project, which includes checking whether we have obtained the relevant permits

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
				• Our project management department, headed by Mr. Guan Jianhui, will enhance our supervision on unauthorized construction and provide a guidance. Mr. Guan Jianhui and Mr. Feng Jianzong are key members of our project management department. Mr. Guan Jianhui, our executive Director and head of our project management department, will be in charge of carrying out and monitoring internal control measures performed by our project management department. See the section entitled "Directors and Senior Management" in this prospectus for further details on the qualifications and the experience of Mr. Guan. Mr. Feng Jianzong, the manager of our project management department, will assist Mr. Guan, in carrying out internal control measures. Mr. Feng joined our Group as a manager in 2006 and has substantial experience in property development industry. Mr. Feng is responsible for scheduling our Group's construction projects, convening project coordination meetings, conducting regular on-site inspections and producing inspection reports, as well as conducting specialized studies on construction methods and technologies to improve project quality and efficiency

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
				• Our project management department will set up an inspection team, which is responsible for examining the construction of each project, in particular, the existence of unauthorized construction, on a quarterly basis. If any unauthorized construction has been identified, the inspection team will request the relevant project company to rectify within a given period • The inspection team will prepare a written inspection report and submit to the director of our project management department for his review and approval

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Commencement of Construction Work Before Obtaining the Relevant Construction Work Commencement Permit				
Guangdong Guangchang commenced construction work for part of Times King City (Guangzhou) before obtaining the relevant construction work commencement permits	Guangdong Guangchang entered into a land grant contract with Guangzhou Municipal Land Resources and Housing Administrative Bureau on August 22, 2012 in relation to Times King City (Guangzhou). Guangzhou Municipal Urban Planning Bureau issued a letter on January 14, 2013 and March 6, 2013, respectively, requiring Guangdong Guangchang to construct a kindergarten ancillary to Times King City (Guangzhou). However, to ensure the delivery of the kindergarten on schedule as required by Guangzhou Municipal Urban Planning Bureau, Guangdong Guangchang commenced part of the construction work in April 2013, without obtaining the relevant construction work commencement permits	On June 6, 2013, Guangzhou Urban Management General Enforcement Bureau Panyu Branch (廣州市城市管理綜合執法局番禺分局) issued four administrative decisions, imposing fines amounting to RMB310,000 on Guangdong Guangchang in relation to such commencement of construction work before obtaining the relevant construction work commencement permits	Guangdong Guangchang paid the fines amounting to RMB310,000 on June 6, 2013. Guangdong Guangchang obtained the relevant construction work commencement permits on June 9 and 13, 2013. As advised by our PRC legal advisers, Commerce & Finance, since Guangdong Guangchang has paid the fines and obtained the construction work commencement permits, Guangdong Guangchang will not be subject to any further fines or penalties in this regard	• Our project management department will enhance our policy, requiring our construction team should not commence any construction work without having obtained a construction work commencement permit • We will designate a team to examine whether we have obtained the relevant construction work commencement permit before our commencement of construction work for any project • We will include such examination to our checklist of conditions to fulfill before our commencement of construction work and request the designated team member's signature to confirm the fulfillment of all of the conditions, including the obtaining of the construction work commencement permit • If necessary, we will consult with our PRC legal advisers for legal advice

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Lease registration				
As of the Latest Practicable Date, we leased 100 properties in the PRC from different landlords, out of which we sub-leased 17 properties to third parties. In total, we entered into 572 lease agreements as lessor with different tenants, out of which, 330 lease agreements had yet to be registered with the relevant government authorities	Registration of lease agreements requires the submission of certain documents of landlords and tenants, including their identity documentation, to relevant authorities and therefore the registration is subject to cooperation of landlords or tenants which is not within our control	Our PRC legal advisers, Commerce & Finance, advised us that, under relevant PRC laws and regulations, the relevant governmental authority may ask the parties to a lease to register the lease within a given period, and a fine will be imposed on the parties to a lease for failing to rectify within the given period. For each of the lease agreements in which we are a lessee or a lessor, as the case may be, and the lease agreements have yet to be registered with the relevant government authorities, a fine ranging between RMB1,000 to RMB10,000 may be imposed, if we are ordered by any competent authorities to register the lease agreements within a given period, while we fail to do so	As of June 30, 2013, we entered into 591 lease agreements as lessors with different tenants, out of which, 377 lease agreements had yet to be registered with the relevant government authorities. We have endeavored to rectify the non-compliance incident by actively liaising with the landlords or tenants to provide the necessary documentation for registration. In addition, starting from June 30, 2013, we have included an extra clause in our standard form of lease agreements for new leases, which stipulates that the failure of the tenant to complete the lease registration within 30 days from the date of the lease agreement will be regarded as a default of the lease and we will be entitled to terminate the lease. Through the above rectifying measures, as of the Latest Practicable Date, we entered into 572 lease agreements as lessors with different tenants, out of which, 330 lease agreements had yet to be registered with the relevant government authorities. There has been a decrease in the number and percentage of lease agreements which had not yet registered. We will disclose the status of the rectification in the interim or annual reports, as the case may be Our PRC legal advisers, Commerce & Finance, have advised us that the lack of registration of a lease will not affect the legality, validity or enforceability of a lease agreement. During the Track Record Period and up to the Latest Practicable Date, we had not been ordered by any authorities to register the lease agreements within a given period. In addition, the rental income derived from our unregistered leases was immaterial during the Track Record Period. In consideration of the foregoing and the rectification actions we have taken, we have not made any provision in this regard	• Our administrative department, headed by Mr. Li Qiang, has implemented several internal control measures, including to require registration of the lease within seven days after the lease agreements are entered into • The relevant subsidiary has maintained a register which includes basic information regarding the lease and its registration. The relevant subsidiary will review the register on a monthly basis and will follow up with the relevant landlord or tenant if a lease agreement has not been timely registered • Subsequent to June 30, 2013, we have included an extra clause in our standard form of lease agreement for new leases to be entered into, which stipulates that the failure of the tenant to complete the lease registration within 30 days from the date of the lease agreement will be regarded as a default of the lease, and we will be entitled to terminate the lease • If necessary, we will consult with our PRC legal advisers for legal advice

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
Hong Kong Companies Ordinance non-compliance Contrary to section 122 of the Companies Ordinance, in certain years, our Hong Kong subsidiaries, including Profit City, Wah Tai, Steelmine Minerals (collectively, the "**Acquired Companies**") and Hong Kong Times Investments (together with the Acquired Companies, the "**Relevant Companies**" or each a "**Relevant Company**"), failed to lay their profit and loss accounts and balance sheets ("**Accounts**") at their respective annual general meetings and/or lay their Accounts made up to a date falling not more than nine months before the date of the annual general meeting **Relevant Accounts of non-compliance:** (1) Profit City (2008-2011); (2) Wah Tai (2006-2011); (3) Steelmine Minerals (2007-2011); (4) Hong Kong Times Investments (June 30, 2001 – June 30, 2002, July 1, 2002 – December 31, 2002, 2003-2011)	With respect to the Acquired Companies (except for Profit City) for the period before they were acquired by our Company (i.e. between 2007 and 2009) (the "**Acquisition**"), we are unable to locate all the minutes of the annual general meetings and the Accounts (the "**Unidentified Minutes and Accounts**") and we are not in a position to confirm whether we were in compliance with section 122 of the Companies Ordinance at the relevant time For any non-compliance with section 122 of the Companies Ordinance by the Acquired Companies after they have been acquired by our Company and by Hong Kong Times Investments, it was mainly due to the inadvertent omission of the then company secretary of each of the Relevant Companies	Any director of the Relevant Companies at the material times may be liable to a fine of HK$300,000 and 12 months' imprisonment for breach of each count under section 122 of the Companies Ordinance	With respect to the Relevant Companies, applications (the "**Applications**") have been made to the High Court of Hong Kong (the "**Court**") for relief and an extension of time for laying all the relevant Accounts (other than the Unidentified Minutes and Accounts in the case of the Acquired Companies). Hearings were held on September 26, 2013 and October 15, 2013 (the "**2nd Hearing**"). As of the Latest Practicable Date, judgment of the Court or additional directions from the judge, as the case may be, is still pending. We will disclose the status of the rectification in the interim and/or annual reports, as the case may be As advised by our special legal adviser in relation to the Applications, Hart Giles, Solicitors & Notaries, a solicitors firm in Hong Kong, (the "**Adviser**"), each of the directors of each of the Relevant Companies at the material times are potentially liable for non-compliance with section 122 of the Companies Ordinance Notwithstanding the above, the Adviser, is of the view that any penalty, if applicable in the circumstances, would likely only be a fine (usually around several thousand Hong Kong dollars per count) for the following reasons:	To avoid further non-compliance, our Company has taken additional measures to improve our corporate governance and internal control to ensure full compliance with applicable laws and regulations. Upon identification of the non-compliance, our Group has taken steps to rectify the same where possible Our Directors will ensure our Hong Kong subsidiaries will adhere to section 122 of the Companies Ordinance by designating our joint company secretaries to (i) monitor the regulatory requirements in respect of our Hong Kong subsidiaries, (ii) work closely with the external company secretary engaged by our Group, and (iii) keep abreast of the regulatory requirements under section 122 of the Companies Ordinance

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
			(1) The Court would not impose any sentence of imprisonment against any particular director unless the Court was of the opinion that the offense was committed wilfully (2) Based on the instruction and evidence the Adviser has seen, the non-compliance of section 122 of the Companies Ordinance was inadvertent and on the basis that the respective directors of the Relevant Companies did not choose to breach section 122 of the Companies Ordinance deliberately or intentionally in the circumstances, the sanction imposed would be only one of a fine. Without any evidence that the directors deliberately chose not to comply with the requirements in section 122 of the Companies Ordinance, the Court would not order any sentence of imprisonment pursuant to section 122(3)(b)	

Historical non-compliance	Reason(s) for the non-compliance	Legal consequences and potential maximum and other financial liabilities	Rectification actions taken and status	Measures to prevent future breach and ensure ongoing compliance
			With regard to the expected timing of the Court handing down judgment, based on the Adviser's experience in similar applications in the past, the Adviser is of the view that judgment should normally be handed down probably within 3 months from the 2nd Hearing In light of the above, after having considered the recent decisions of the Court and the evidence in support of the Applications, the Adviser is of the opinion that there is a reasonably good chance that the Court would accede to the Applications	

Idle Land

Under relevant PRC laws and regulations, if a property developer fails to develop land according to the terms of the land grant contract, the relevant PRC land bureau may issue a warning to, or impose a penalty on, the developer or reclaim its land. In particular, the land that is not developed within one year of the construction commencement date stipulated in the land grant contract, or developed but the construction has been suspended for more than one year and falls under either of the following two situations may be considered as an idle land: (1) the construction has been commenced but the area of land under construction is less than one third of the total area that should have been under construction; or (2) the invested amount is less than 25% of the total investment. Where the land is not developed due to the adjustment of the government planning, the relevant land authority shall consult with the developer to deal with the land and the developer will not be subject to forfeiture of the land or any idle land fee or other penalties. See the sections entitled "Risk Factors — Risks Relating to Our Businesses — The PRC government may impose a fine or forfeit our land if we fail to comply with the terms of the land grant contracts" and "Regulatory Overview — Land Grants" in this prospectus for further details.

The table below sets forth the projects which we did not commence construction on or before the respective construction commencement date as stated on the land grant contract or other relevant permit. However, as advised by our PRC legal advisers, Commerce & Finance, since the postponement of construction of these projects was not caused by us, it will not result in termination of the land grant contracts and such land will not be subject to payment of idle land fees or forfeiture of lands for our delay in the commencement of construction of these projects, and the commencement of construction of these projects was in compliance with the relevant PRC laws and regulations. On October 25, 2013 and October 28, 2013, our representatives, our PRC legal advisers, Commerce & Finance, and the PRC legal advisers to the Joint Sponsors attended physical meetings with the officials from the competent government bodies in Guangzhou, Qingyuan, Zhuhai and Foshan responsible for monitoring idle land issues. The officials verbally confirmed during the meetings that the delays of commencement of construction of the land for the respective projects by us will not result in termination of the respective land grant contract and such land will not be subject to payment of idle land fees or penalties or forfeiture of land. Our PRC legal advisers, Commerce & Finance, confirm that the officials interviewed were from the competent land administrative department for the respective projects which have authority in supervising the land use of the respective projects. During the Track Record Period and up to the Latest Practicable Date, we had not been ordered by any authorities to pay idle land fees or penalties or forfeit the land for our delay in commencement of construction of these projects.

No	Company name	Project name	Construction commencement date stated on the land grant contracts or other relevant permit	Actual/expected construction commencement date	Reason for deviation
1.	Guangzhou Nanying	Phase 1 of Times Bund	May 2008	July 2011	The delay was caused by the fact that the relevant government authority modified the original construction plan and the revised plan was not made available until April 2010. As the revised plan might have affected the then owners/residents of the buildings adjacent to this project, the government authority further required us to consult with those owners/residents with respect to the revised plan before applying for the construction work planning permit and the construction work commencement permit. In July 2011, we obtained the construction work commencement permit from the relevant government authority. As a result, the commencement of construction was postponed accordingly.
2.	Foshan Yuhua	Phase 3 of Times City	May 2008	May 2011	The delay was due to the late delivery of the land by the relevant government authority. As a result, the construction plan was not available until March 2011 and our commencement of construction was postponed accordingly.
3.	Zhuhai Jingrun	Zhuhai Jingrun Project (Phase 4 of Times Eolia City)	June 2007	August 2011	The delay was caused by the fact that the relevant government authority made adjustments to the construction plans and did not grant the construction land planning permit to us until December 2010 and grant the construction work planning permit in May 2011. As a result, the commencement of construction was postponed accordingly.
4.	Zhuhai Guoji	Zhuhai Guoji Project	September 2012	May 2013	The delay was caused by the fact that the local planning bureau did not approve the relevant adjustment application by Zhuhai Guoji until December 2012 and grant the construction work planning permit in April 2013. As a result, the commencement of construction was postponed accordingly.

No	Company name	Project name	Construction commencement date stated on the land grant contracts or other relevant permit	Actual/expected construction commencement date	Reason for deviation
5.	Fogang Real Estate	Fogang Shilian Project	July 2007	August 2007(1)	The delay was due to the negotiations on the construction plan between us and the local government.
6.	Fogang Zhongyi	Fogang Huanghua Lake Project	October 2006	January 2014	The delay has occurred because the detailed regulatory plan for the land has not yet been completed and, as a result, construction has not yet commenced.

Note:

(1) As the detailed regulatory plan for the land has not been completed due to adjustment of government planning, the construction has been suspended since the end of 2008.

Our Directors believe that these enforcement measures relating to regulations on forfeiture of idle land and the imposition of fines will not have a material impact on our operations. In order to ensure our ongoing compliance with the relevant idle land laws and regulations, we have implemented several internal control measures, including (i) to conduct extensive research and formulate detailed project plans before we acquire a parcel of land to assess the risk of idle land; and (ii) our project management department to closely monitor the construction progress of each project, hold meetings on a quarterly basis to review the project status and prepare a register to keep track of the status of projects. If there arises any likelihood of delays on the construction commencement, our project management department will follow up with relevant departments and government authorities. In addition, we will also consult PRC legal advisers for legal advice on idle land issues, if necessary. During the Track Record Period and up to the Latest Practicable Date, save as disclosed above, we had been able to pay the land premium and develop land and commence construction in accordance with the terms of our land grant contracts.

INTERNAL CONTROL

In preparation for the Listing, we engaged an independent internal control adviser (the "**Internal Control Adviser**") to perform an overall assessment on certain of our procedures, systems and internal controls, and in particular to review the internal controls to be established by us to prevent future breach and enhance on-going compliance with respect to the historical non-compliance incidents as disclosed in the section entitled "Business — Compliance — Non-Compliance Record" of this prospectus.

During the internal control review, the Internal Control Adviser has provided some recommendations for our management's consideration to enhance and rectify those deficiencies identified in our internal control system, which include certain remedial measures in respect of the historical non-compliance as disclosed in the section entitled "Business — Compliance — Non-Compliance Record" in this prospectus. Our Company has implemented such remedial measures and the Internal Control Adviser has reviewed the remediation status of the identified internal control deficiencies of the selected entities of our Group by performing relevant follow-up testing on sample basis. Based on the follow-up testing results on the sample basis reviewed by the Internal Control Adviser, our Company has implemented all of these remedial measures.

Having considered the circumstances leading to the occurrence of the historical non-compliance incidents, their nature and materiality, the rectification actions taken as well as the internal control measures adopted by our Company and the review conducted by the Internal Control Adviser, nothing has come to the Joint Sponsors' attention that our Company's enhanced internal control measures are inadequate or ineffective to meet the requirements under Rule 3A.15(5) of the Listing Rules, nor are the Joint Sponsors aware of any facts that cause them to believe that the historical non-compliance incidents have any significant negative impact on the Directors' suitability under Rule 3.08 and 3.09 of the Listing Rules.

In order to ensure we maintain sound and effective internal control to protect the interests of the Company and its shareholders, we have set up an internal control team (the "**Internal Control Team**") on June 20, 2013. The Internal Control Team meets twice a year to oversee, handle and liaise with various departments of our Group in relation to all regulatory and compliance-related matters and reports to our Board.

The Internal Control Team consists of senior management from different departments of our Group including Ms. Li Wei Hong, the assistant to our Chairman, Mr. Guan Jianhui, our executive Director and head of our operations management center, Mr. Li Qiang, our executive Director and head of our corporate management center, Mr. Tao Chengjiang, head of our funds center, Mr. Niu Jimin, head of our finance center and Mr. Wong Wai Man, our independent non-executive Director. Ms. Li Wei Hong, aged 38, worked in Guangdong Suning Electronic Company Limited (廣州蘇寧電器有限公司) from November 2004 to March 2005. Ms. Li Wei Hong graduated from Beijing Normal University (北京師範大學) with a Bachelor's degree in History in July 1996 and obtained an EMBA degree from Sun Yat-Sen University (中山大學) in December 2010. She has over eight years of experience in the property development industry. For the qualification and experience of Mr. Guan Jianhui, Mr. Li Qiang, Mr. Tao Chengjiang, Mr. Niu Jimin and Mr. Wong Wai Man, see the section entitled "Directors and Senior Management" in this prospectus. We believe the current composition of the Internal Control Team offers the expertise to provide a comprehensive assessment of key areas of concern, such as strategy, operations, finance and compliance, to our Board and assists our Board to effectively plan and manage the overall operations of our Group's business.

Our legal department, headed by Mr. Li Qiang, our executive Director and a qualified lawyer in the PRC, advises the executive Directors and senior management on the legal issues involved in the daily business operations of our subsidiaries in the PRC on a regular basis. We

have also engaged external legal advisers to provide legal advice and guidance to our regional offices in the cities where we operate so as to ensure our ongoing compliance with relevant laws and regulations in the PRC. We have sought advice from our PRC legal advisers, Commerce & Finance, and the Internal Control Advisers in respect of the historical non-compliance incidents as disclosed in the section entitled "Business — Compliance — Non-Compliance Record" in this prospectus. We may also consider to engage internal control consultant or other professional parties to advise on the internal control issues of our Group from time to time if the Board deems necessary.

Our Audit Committee, which comprises three independent non-executive Directors, will meet twice a year to review the internal control systems and procedures for compliance with the relevant accounting, financial, Listing Rules and the relevant legal requirements. The Audit Committee will, following due and careful inquiry, disclose its general view regarding our Company's compliance and internal control-related matters in its annual report after the Listing.

LEGAL PROCEEDINGS

From time to time, we are involved in legal proceedings or disputes in the ordinary course of business, including contract disputes with purchasers of our properties. As of the Latest Practicable Date, we were involved in the following material legal disputes:

In September 2011, one of our PRC subsidiaries, Zhuhai Jingrun entered into a construction contract with one of our contractors. It was alleged that as of March 2012, Zhuhai Jingrun owed the contractor RMB5 million pursuant to the construction contract. In the meantime, the contractor owed Li Jiancheng, an Independent Third Party, RMB3 million under a loan arrangement. In March 2012, a subrogation claim of RMB3 million was brought by Li Jiancheng against Zhuhai Jingrun. On December 10, 2012, the People's Court of Zhuhai Jinwan District issued a judgment against us to pay Li Jiancheng RMB3 million. We appealed against the judgment in January 2013. As of the Latest Practicable Date, the case was pending before the People's Court of Zhuhai Jinwan District. As advised by our PRC legal advisers, Commerce & Finance, if the People's Court of Zhuhai Jinwan District rules against Zhuhai Jingrun, it is likely that Zhuhai Jingrun will have to pay RMB3 million to Li Jiancheng, which is the amount the contractor owed Li Jiancheng, and the legal cost incurred in relation to this dispute. In the event that the court rules against us, our payables of RMB5 million could have been sufficient to cover the RMB3 million to Mr. Li Jiancheng. In light of the above, our Directors consider that it is not necessary to make further provisions for the potential loss resulting from the subrogation claim.

Except as disclosed above and in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring — Redemption of the Exchangeable Notes and Repayment Agreements" in this prospectus, we were not, during the Track Record Period and up to the Latest Practical Date, involved in any material legal or arbitration proceedings, claims or disputes, and no material litigation or arbitration proceedings, claims or disputes is known to us to be pending or threatened by or against us that may have a material adverse effect on our business, financial condition and operating results.

The immediate Controlling Shareholder of our Company is Asiaciti Enterprises, which is a company incorporated in the BVI with limited liability. Asiaciti Enterprises is owned as to 60% by Renowned Brand and 40% by East Profit. Renowned Brand and East Profit are wholly owned by Mr. Shum and Ms. Li, respectively. Immediately upon completion of the Capitalization Issue and the Global Offering, Mr. Shum and Ms. Li will own approximately 45% and 30%, respectively, of our issued share capital, taking no account into Shares which may be issued pursuant to the exercise of the Over-allotment Option or Shares which may be issued upon the exercise of options which may be granted under the Share Option Scheme. Accordingly, Mr. Shum, Ms. Li, Renowned Brand, East Profit and Asiaciti Enterprises will be our Controlling Shareholders. Our Controlling Shareholders are not interested in any business which is, whether directly or indirectly, in competition with our business.

INDEPENDENCE TO OUR CONTROLLING SHAREHOLDERS

Our Directors consider that we will be able to operate independently from our Controlling Shareholders and their respective associates (other than our Group) upon Listing for the following reasons:

(i) as of the Latest Practicable Date, no executive Director had overlapping roles or responsibilities in any business operation other than our business;

(ii) save as disclosed in the section entitled "Connected Transactions" in this prospectus, our Controlling Shareholders do not operate any business other than our business;

(iii) as of the Latest Practicable Date, none of our Directors had an interest in any business which competes or is likely to compete, either directly or indirectly, with our business;

(iv) as of the Latest Practicable Date, we had our own independent operation capabilities and independent access to customers and suppliers and we had not entered into any connected transactions with any connected person of our Group save as disclosed in the section entitled "Connected Transactions" in this prospectus. Details of the continuing connected transactions that will continue after Listing are set out in the section entitled "Connected Transactions" in this prospectus. Our Group's continuing connected transactions will continue to be entered into on normal commercial terms and in our ordinary course of business; and

(v) we are financially independent of our Controlling Shareholders and their associates. All loans, advances and balances due to and from our Controlling Shareholders and their respective associates will be fully settled and that all share pledges and guarantees provided by our Controlling Shareholders and their respective associates on our Group's borrowing will be fully released before or upon Listing.

Our Directors are satisfied that we are capable of carrying on our business independently from our Controlling Shareholders and their respective associates (other than our Group) after Listing.

NON-COMPETITION UNDERTAKINGS

In order to eliminate any existing or future competition with us, our Controlling Shareholders have undertaken to us in the Deed of Non-Competition that they will not, and will procure their associates (other than members of our Group) except (i) where our Controlling Shareholders hold less than 5% of the total issued share capital of any company (whose shares are listed on the Stock Exchange or any other stock exchange) which is engaged in any business that is or may be in competition with any business engaged by any member of our Group; or (ii) for the property lease disclosed in the section entitled "Connected Transactions" in this prospectus, (1) not to directly or indirectly, either on their own account, in conjunction with, on behalf of or through any person, body corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise, participate, acquire or hold any right or interest, provide any support to, financial or otherwise, or otherwise be interested, involved or engaged in or concerned with any business that directly or indirectly competes with the Restricted Business (as defined below), or acquire or hold shares or interest (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) in any companies or business that compete directly or indirectly with the Restricted Business (as defined below); and (2) not to engage, invest, participate or be interested (economically or otherwise) in any property development business involving the development of residential and commercial properties for sale; property management business involving the provision of property management services to our residential customers; and property leasing business involving the development, leasing and sub-leasing of commercial properties owned by us or Independent Third Parties (the "**Restricted Business**").

The Deed of Non-Competition will lapse automatically if our Controlling Shareholders and their associates cease to hold, whether directly or indirectly, 30% or more of our Shares, or our Shares cease to be listed on the Stock Exchange.

The Deed of Non-Competition also provides that:

- our independent non-executive Directors shall review, at least on an annual basis, the compliance with the Deed of Non-Competition by our Controlling Shareholders;

- our Controlling Shareholders have undertaken to us that they will, and will procure their associates to use their best endeavors to, provide all information necessary for the annual review by the independent non-executive Directors for the enforcement of the Deed of Non-Competition;

- we will disclose the review by the independent non-executive Directors on the compliance with, and the enforcement of, the Deed of Non-Competition in our annual report or by way of announcement to the public in compliance with the requirements of the Listing Rules; and

- our Controlling Shareholders will make an annual declaration in our annual report on the compliance with the Deed of Non-Competition in accordance with the principle of voluntary disclosure in the corporate governance report.

Our Group has been granted a license by Times Development Group to use certain trademarks, and has occupied certain premises in Guangzhou owned by Times Development Group and Ms. Li. Times Development Group is a company owned as to 90% by Mr. Cen Jiancai (岑建财), father of Mr. Shum who is a Controlling Shareholder and an executive Director, and as to 10% by Mr. Cen, the younger brother of Mr. Shum. Times Development Group is an associate of Mr. Shum and is therefore a connected person of our Company. Ms. Li is the wife of Mr. Shum. Ms. Li is an associate of Mr. Shum and is therefore a connected person of our Company. Any transactions entered into between us and Times Development Group and/or Ms. Li will constitute connected transactions for our Company upon Listing under the Listing Rules. Details of such connected transactions are set out below.

CONTINUING CONNECTED TRANSACTIONS

(a) Continuing connected transaction which is exempt from the reporting, annual review, announcement and the independent shareholders' approval requirements under Rule 14A.33(3) of the Listing Rules

Trademark license

Prior to the Listing Date, members of our Group have been using the Trademark for its property development business in the PRC. Times Development Group has applied for and completed the registration of the Trademark in the relevant trademark registry in the PRC. Full particulars of the Trademark are set out in Appendix V to this prospectus.

On March 13, 2013, Times Group entered into the Trademark License Agreement with Times Development Group. Pursuant to the Trademark License Agreement (which was amended and supplemented by a supplemental agreement dated July 1, 2013), Times Development Group granted an exclusive license to us to use the Trademark on a royalty free basis for a period commencing from March 13, 2013 and ending on March 12, 2033. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of Trademark License Agreement is valid, binding and enforceable against the parties thereto.

Our Company did not pay any trademark license fees to Times Development Group for the three years ended December 31, 2012 and the six months ended June 30, 2013 and will not have to pay any trademark license fees to Times Development Group under the Trademark License Agreement.

Given that each of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the above transaction is less than 0.1%, the transaction under the Trademark License Agreement will be exempt from the reporting, annual review, announcement and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Times Development Group is an investment holding company and was established mainly for the purpose of holding the Trademarks and the PRC Premises (as defined below). Given that Times Development Group does not currently have any business activities or use of any of the Trademarks, it was not injected into the Group. Since transfer of trademarks is a time-consuming process in the PRC, the Trademarks were not transferred to the Group.

Use of Property

Times Real Estate, our subsidiary, has been using and occupying a property situated at Shop No. 1, 51 Jingli Street, Airport West Road, Baiyun District, Guangzhou, Guangdong Province, the PRC with a GFA of approximately 111 sq.m. as its registered office pursuant to a confirmation ("**Baiyun Property Confirmation**") dated October 18, 2010 signed by Ms. Li (being the legal owner of the said property) for use of the said property at no consideration. Pursuant to the Baiyun Property Confirmation, there is no time limit for the use of the said property by Times Real Estate. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the Baiyun Property Confirmation are valid, binding and enforceable against the party thereto.

Times Real Estate did not pay any fees for the use and occupation of the said property to Ms. Li for the three years ended December 31, 2012 and the six months ended June 30, 2013 and will not have to pay any fees for such use and occupation to Ms. Li.

Given that each of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the transaction under the Baiyun Property Confirmation is less than 0.1%, such transaction will be exempt from the reporting, annual review, announcement and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(b) Continuing connected transactions which are exempt from the independent shareholders' approval requirement, but subject to the reporting, annual review and announcement requirements under Rule 14A.34 of the Listing Rules

Property lease

Our subsidiary, Guangzhou Hongtai, leased certain properties situated at 2601 and 2602, 26th Floor, No. 410 Dongfeng Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC (collectively the "**PRC Premises**") with an aggregate GFA of approximately 1,079.13 sq.m. from Times Development Group and Ms. Li, pursuant to a lease agreement (the "**Lease Agreement**") entered between Times Development Group and Ms. Li and Guangzhou Hongtai on May 24, 2010 for a term of three years effective

from April 1, 2010 until March 31, 2013. The Lease Agreement was renewed on March 20, 2013 and amended and supplemented by a supplemental agreement dated June 28, 2013, the principal terms of which are set out as follows:

Location	Contracting Parties	Approximate gross floor area	Monthly Rental	Intended use	Duration of agreement
		(sq.m.)	(RMB)		
2601 and 2602, 26/F, No. 410 Dongfeng Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC	Guangzhou Hongtai (as tenant) Times Development Group and Ms. Li (as landlords)	1,079.13	107,913	Office	April 1, 2013 to December 31, 2015

Under the terms of the Lease Agreement, Guangzhou Hongtai is obliged to pay an aggregate annual rental of RMB1,294,956 (exclusive of management fees). Our PRC legal advisers, Commerce & Finance, confirmed that the terms of the Lease Agreement are valid, binding and enforceable against the parties thereto.

DTZ, an independent valuer, has confirmed that the terms and conditions of the Lease Agreement are fair and reasonable.

Historical transaction values

For the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, Guangzhou Hongtai had incurred an aggregate rental of RMB971,217, RMB1,294,956, RMB1,294,956 and RMB647,478, respectively (exclusive of management fees) to Times Development Group and Ms. Li in relation to the leasing of the PRC Premises.

Annual caps

Pursuant to the terms of the Lease Agreement, the annual rentals payable by Guangzhou Hongtai to Times Development Group and Ms. Li will be RMB1,294,956, RMB1,294,956 and RMB1,294,956 for the three financial years ending December 31, 2013, 2014 and 2015, respectively (the "**Property Lease Caps**"), which are determined on the basis of the prevailing market rate and on normal commercial terms.

Listing Rules implication

Given that (i) Mr. Cen Jiancai (岑建財), father of Mr. Shum who is a Controlling Shareholder and an executive Director, owns 90% of the equity interests in Times Development Group; and (ii) Mr. Cen, the younger brother of Mr. Shum holds the

remaining 10% equity interest in Times Development Group, Times Development Group is regarded as a connected person of our Company under the Listing Rules. Ms. Li is the wife of Mr. Shum. Ms. Li is an associate of Mr. Shum and therefore is regarded as a connected person of our Company.

Given that one of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the above transaction is more than 0.1% but less than 5%, the transactions under the Lease Agreement will be exempt from the independent shareholders' approval but subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

Confirmation from the Directors

The Directors (including our independent non-executive Directors) are of the view that (i) the Property Lease Caps are determined through an arm's length negotiations between the parties to the Lease Agreement and (ii) the continuing connected transactions described above (including the Property Lease Caps) have been entered into on normal commercial terms that are fair and reasonable and in the interest of our Shareholders as a whole and in the ordinary and usual course of business of our Company and will be so in the future.

Confirmation from the Joint Sponsors

The Joint Sponsors are of the view that (i) the Lease Agreement described above for which the waiver is sought has been entered into on normal commercial terms that are fair and reasonable and in the interest of the Shareholders as a whole and in the ordinary and usual course of business of our Company; and (ii) the Property Lease Caps are fair and reasonable.

Application for a waiver

We have applied to the Stock Exchange to grant, and the Stock Exchange has granted to us a waiver under Rule 14A.42(3) of the Listing Rules regarding the continuing connection transaction under the Lease Agreement from strict compliance with the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules on the following conditions: (1) the annual caps of RMB1,294,956, RMB1,294,956 and RMB1,294,956 respectively for each of the year ending December 31, 2013, 2014 and 2015 will not be exceeded; (2) the Company will comply with the other requirements of Chapter 14A of the Listing Rules, including Rules 14A.35(1), 14A.35(2), 14A.36 to 14A.40 of the Listing Rules (where applicable); and (3) the continuing connected transaction will be subject to annual review by the auditors of the Company and the independent non-executive Directors each year in accordance with Rules 14A.37 and 14A.38 of the Listing Rules and the other requirements under Rules 14A.39 to 14A.41 of the Listing Rules. In addition, we confirm that we will comply with the applicable provisions of the Listing Rules.

BOARD OF DIRECTORS

Our Board currently consists of nine Directors, comprising six executive Directors and three independent non-executive Directors.

The table below shows certain information in respect of the members of our Board:

Name	Age	Date of Appointment as Director	Existing Position in our Company	Roles and Responsibilities
SHUM Chiu Hung (岑釗雄)	43	November 14, 2007	executive Director; chief executive officer; chairman of our Board; chairman of the Nomination Committee and member of the Remuneration Committee	responsible for the strategic development and overall operations of our Group's business
GUAN Jianhui (關建輝)	49	January 9, 2008	executive Director	responsible for design, construction, tender, cost control, overall marketing and commercial real estate research
BAI Xihong (白錫洪)	45	January 9, 2008	executive Director	responsible for project development, marketing and management of projects in Guangzhou
LI Qiang (李強).	39	January 9, 2008	executive Director	responsible for human resources, information management, administration and legal matters
CEN Zhaoxiong (岑兆雄).	39	November 19, 2013	executive Director	responsible for land development and project pre-planning work

Name	Age	Date of Appointment as Director	Existing Position in our Company	Roles and Responsibilities
NIU Jimin (牛霽旻)	34	November 19, 2013	executive Director	responsible for planning and management of financial accounting, operation and taxation matters
SUN Hui (孫惠).	52	November 19, 2013	independent non-executive Director; chairman of the Remuneration Committee, member of the Audit Committee and the Nomination Committee	as an independent non-executive Director
LIN Rupeng (林如鵬).	45	November 19, 2013	independent non-executive Director and member of the Audit Committee and the Nomination Committee	as an independent non-executive Director
WONG Wai Man (黃偉文).	45	November 19, 2013	independent non-executive Director, chairman of the Audit Committee, member of the Remuneration Committee and member of the Internal Control Team	as an independent non-executive Director

Note: None of our Directors is personally related to any other Director, except Mr. Shum is the elder brother of Mr. Cen.

Executive Directors

Mr. Shum Chiu Hung (岑釗雄), aged 43, is one of the founders of our Group. He has been the chairman of our Board, chief executive officer and Director since November 2007 and was designated as our executive Director in February 2008. Mr. Shum started his business career in real estate development in 1999, and has experience in trade, finance and real estate development. In 1999, he co-founded Sweetland Real Estate, a company engaged in residential property development project in Guangzhou with Mr. Guan Jianhui. In 2001, he founded Times Group and served as the president, primarily responsible for the strategic development and overall operations of Times Group's business. Mr. Shum has led our Group to become one of the leading property developers in Guangdong Province, focusing on the development of mid-market to high-end residential properties. He has over 14 years of experience in the PRC real estate industry. He graduated from Fudan University (復旦大學) with an Executive Master of Business Administration degree ("**EMBA**") in June 2006.

Mr. Shum was recognized as an "Innovative Individual in China's Real Estate Industry in 2005" (「2005年度中國房地產創新人物」), by a number of media outlets including Beijing Youth Daily Group (《北京青年報社》), Guangzhou Daily (《廣州日報》) and China Business News (《第一財經》), an "Outstanding Leader of Mainstream Chinese Real Estate Companies in 2005" (「2005年度中國主流地產傑出領軍人物」) by China Properties Economic Mainstream Summit (中國地產經濟主流峰會) and one of the "100 Most Influential Entrepreneurs in China's Real Estate Industry in 2004" (「2004年度影響中國房地產100位企業家」) by Media and Promotion Alliance for Real Estate in China (中國住交會主流媒體宣傳聯盟). Mr. Shum was recognized as an "Excellent Entrepreneur in China's Real Estate Industry" (「中國房地產優秀企業家」) and was awarded the "Golden Horse Award of Excellent Entrepreneur in China's Real Estate Industry in 2007" (「2007中國房地產優秀企業家金馬獎」) by the Urban Development and Environment Research Center of the Chinese Academy of Social Science (中國社會科學院城市發展與環境研究中心), China National Real Estate Enterprise Association (中華全國房地產企業聯合會) and China Real Estate Entrepreneur Association (中房企業家協會) in 2006 and 2007, respectively. He was also awarded the "Top 10 Figures with Outstanding Contributions in 30 Years of China's Real Estate Industry" (「中國房地產30年十大傑出貢獻人物」in 2008 by Nanfang Media Group (南方報業傳媒集團) and 30 Years of China's Real Estate Industry Summit Organizing Committee (中國房地產30年高峰論壇組委會), "11th Guangzhou Outstanding Youth" (「第十一屆廣州傑出青年」) in 2010 by the People's Government of Guangzhou (廣州市人民政府), "Most Influential Figures in China's Real Estate Industry" (「中國房地產行業最具影響力人物」) in 2010 by the Ministry of Housing and Urban Policy Research Center (住房和城鄉建設部政策研究中心), National Federation of Real Estate Chamber of Commerce (全國工商聯房地產商會) and Guangdong Real Estate Chamber of Commerce (廣東省地產商會) and the "The 1st Top 10 Outstanding Cantonese Youth" (「首屆世界廣府人十大傑出青年」) in 2013 by The 1st Global Conference of the Cantonese Organizing Committee (首屆世界廣府人懇親大會組委會). Mr. Shum was appointed as a standing member of the Guangzhou Committee of the 11th Chinese People's Political Consultative Conference in 2007 (中國人民政治協商會議第十一屆廣州市委員會常務委員) and executive chairman of Guangzhou Chamber of Commerce of Private Enterprises (廣州市民營企業商會). Mr. Shum is currently the vice chairman of the 14th executive committee of Guangzhou Federation of Industry and Commerce (廣州市工商業聯合會) and Guangzhou General Chamber of Commerce (廣州總商會) since September 2011. Mr. Shum is the elder brother of Mr. Cen.

We consider that having Mr. Shum continuously acting as both our chairman and chief executive officer will provide a strong and consistent leadership to our Group and allow for more effective planning and management of our Group.

Mr. Guan Jianhui (關建輝), aged 49, was appointed as our Director in January 2008 and was designated as our executive Director in February 2008. Mr. Guan has been a vice president of Times Group since January 2002. Mr. Guan is also the head of our operation management center and is primarily responsible for design, construction, tender, cost control, overall marketing and commercial real estate research. He co-founded Sweetland Real Estate in 1999 with Mr. Shum and joined Times Group in May 2001. From 2002 to 2006, Mr. Guan was responsible for finance, funding and cost management. He has over 14 years of experience in real estate corporate management. Mr. Guan graduated from South China Normal University (華南師範大學) with a bachelor's degree in arts in December 1994, and obtained an EMBA from Peking University (北京大學) in July 2009. Mr. Guan is currently a member of the 14th Guangzhou Yuexiu District Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十四屆廣州市越秀區委員會). Mr. Guan is a director of Guangzhou Times Expansion Real Estate Development Co., Ltd. (廣州時代拓展房地產開發有限公司) ("**Guangzhou Times Expansion**"), the business license of which was revoked on November 29, 2011 *(Note 1)*.

Mr. Bai Xihong (白錫洪), aged 45, was appointed as our Director in January 2008 and was designated as our executive Director in February 2008. He has been a vice president of Times Group since January 2002. He has also been the general manager of the Guangzhou regional office of Times Group since January 2002 whereby he is primarily responsible for project development, marketing and project management in Guangzhou. Mr. Bai joined Sweetland Real Estate in 1999 and joined Times Group in May 2001. Mr. Bai has over 14 years of experience in real estate corporate management. He graduated from Guangdong Radio & Television University (廣東廣播電視大學) in industrial enterprise operation management in 1990 and obtained an EMBA from Sun Yat-Sen University (中山大學) in December 2009. In 2005, Mr. Bai was recognized as an "Outstanding Contributor to Guangzhou Real Estate in the Past 20 years" (「廣州地產二十年傑出貢獻名人」) by the "'Guangzhou Real Estate in the Past 20 Years' event organizing committee" (廣州地產二十年大型活動組委會), Guangzhou Real Estate Organization (廣州市房地產業協會) and Guangzhou Real Estate Guide Union (房地產導刊社). He was awarded the "2006 Outstanding CEO (Diamond Award) in Mainstream Real Estate in China" (「2006中國主流地產金鑽獎傑出貢獻CEO」) in 2006 by China Mainstream Real Estate Economy Summit (中國地產經濟主流峰會), "Innovative and Meritorious Individual in China's Real Estate Industry in the 60 years since the Founding of the PRC" (「建國60年中國房地產營銷創新功勳名人」) in 2009 by the 7th China Real Estate

Note 1: According to the relevant PRC regulations, a PRC company is required to undergo annual inspection. Failing to undergo annual inspection or inspection within the specified deadline, its business license shall be revoked by the Administration of Industry and Commerce ("**AIC**"). *Guangzhou Times Expansion did not have any business activities after July 2006 and maintained a non-operation status, hence it failed to designate its staff to go through the formalities of annual inspection in 2010. Its business license was revoked by Guangzhou AIC since November 29, 2011. To the best knowledge of our Directors, the business license of Guangzhou Times Expansion remained revoked as of the Latest Practicable Date. Mr. Guan and Mr. Bai were not involved in the business operation of Guangzhou Times Expansion at the relevant time and the failure of Guangzhou Times Expansion to undergo annual inspection in 2010 was due to the negligence on the part of the then officers and was not due to any default on the part of Mr. Guan and Mr. Bai.*

Economy Summit (第七屆中國地產經濟主流峰會) and "Real Estate Pioneers Award" (「地產先鋒人物獎」) in 2010 by Xin Kuai News (新快報). Mr. Bai is currently a member of the Guangzhou Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議廣州市委員會). Mr. Bai is a director of Guangzhou Times Expansion, the business license of which was revoked on November 29, 2011 *(Note 1)*.

Mr. Li Qiang (李強), aged 39, was appointed as our Director in January 2008 and was designated as our executive Director in February 2008. He has been a vice president of Times Group since July 2009. He is currently also the head of the corporate management center of Times Group and is primarily responsible for human resources, information management, administration and legal matters. Mr. Li joined Times Group in July 2005 as an assistant to the president and has served as our vice president since July 2009. Mr. Li has over eight years of experience in real estate corporate management. Mr. Li obtained a master's degree in law from Hunan Normal University (湖南師範大學) in June 2000, and an EMBA degree from Sun Yat-Sen University (中山大學) in December 2007. He was admitted as a lawyer in the PRC in June 1998. Mr. Li is currently a member of the 15th People's Congress of Guangzhou Yuexiu District (廣州市越秀區第十五屆人民代表大會).

Mr. Cen Zhaoxiong (岑兆雄), aged 39, was appointed as our executive Director in November 2013. He has been a director of the investment and development center of Times Group since May 2012, responsible for land development and project pre-planning work. Mr. Cen joined Sweetland Real Estate as a project assistant in 1999 and was promoted as a manager of the development department in May 2001 and a manager of the tender department of Times Group in September 2009. Mr. Cen was the general manager of the Qingyuan regional office of Times Group between December 2010 and May 2012. Mr. Cen is a younger brother of Mr. Shum.

Mr. Niu Jimin (牛霽旻), aged 34, was appointed as our executive Director in November 2013 and is currently the head of the finance department of Times Group, responsible for planning and management of financial accounting, operation and taxation matters. Prior to joining us in 2011, Mr. Niu worked in the finance management department of Guangzhou Vanke Real Estate Co., Ltd. (廣州市萬科房地產有限公司) ("**Guangzhou Vanke**") as regional finance manager from December 2005 to December 2007. He was head of operation analysis of the operation management department and a senior manager of the project development department of Guangzhou Vanke from December 2007 to April 2008 and from November 2010 to March 2011, respectively. He was head of finance department of Wuhan Vanke Real Estate Co., Ltd. (武漢市萬科房地產有限公司) from May 2008 to October 2010. Mr. Niu obtained a bachelor's degree in management from Sun Yat-Sen University (中山大學) in June 2001 and a master of business administration degree from Hong Kong Baptist University in November 2012. Mr. Niu is pursuing an EMBA at the School of Finance of Renmin University of China (中國人民大學財政金融學院).

Independent Non-executive Directors

Ms. Sun Hui (孫惠), aged 52, was appointed as our independent non-executive Director in November 2013. She has been a partner of Shanghai Huanzhong Law Firm (上海市環中律師事務所) since July 1996, a chairman of Zengcheng Jianglong Electric Power Co., Ltd. (增城江龍電力有限公司) since 2009. Ms. Sun graduated from the school of law of East China University of Political Science and Law (華東政法學院) in 1983. She obtained a degree in law from Georgetown University in 1992.

Mr. Lin Rupeng (林如鵬), aged 45, was appointed as our independent non-executive Director in November 2013. Mr. Lin was appointed as the vice president of Jinan University (暨南大學) since July 2008. Mr. Lin obtained a master's degree in legal studies from Jinan University (暨南大學) in February 1993 and a Ph.D. in arts from Fudan University (復旦大學) in June 2004, and engaged in postdoctoral research on management science and engineering in Tsinghua University (清華大學) from October 2004 to December 2006. Mr. Lin has been the vice chairman of the 11th committee of Guangzhou Youth Federation (廣州市青年聯合會第十一屆委員會) since July 2009 for a term of five years.

Mr. Wong Wai Man (黃偉文), aged 45, was appointed as our independent non-executive Director in November 2013. From August 1991 to April 1996, Mr. Wong worked as an auditor with Ernst & Young. From 2006 to 2010, he was an executive director of China Household Holdings Limited (formerly known as Bao Yuan Holdings Limited and Ching Hing (Holdings) Limited) (stock code: 692), a company listed on the Stock Exchange. Mr. Wong obtained a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University in November 1991 and a master of science degree in financial economics from the University of London in December 1997. He is an associate member of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, each of our Directors has not been involved in any of the events described under Rule 13.51(2) of the Listing Rules. Save as disclosed above, none of our Directors has been a director of other listed entities for the three years immediately preceding the date of this prospectus.

SENIOR MANAGEMENT

The table below sets forth certain information concerning our other members of the senior management:

Name	Age	Position
LIU Yongshao (劉永紹)	49	vice president of Times Group and general manager of Times Property Management and Guangzhou Donghe; responsible for property service management for Times Property Management and leasing and project development for Guangzhou Donghe
TAO Chengjiang (陶成江)	45	head of funds center; responsible for capital financing of our Group

Mr. Liu Yongshao (劉永紹), aged 49, has been a vice president of Times Group since 2004 and a general manager of Times Property Management and Guangzhou Donghe since 2008. He is primarily responsible for property service management for Times Property Management and leasing and project development for Guangzhou Donghe. Mr. Liu was a teacher of Nanhai High School in Foshan (佛山市南海區南海中學) from July 1984 to July 1993. He was head of the principal's office of Foshan Nanhai Guicheng Street Guijiang First Junior High School (佛山市南海區桂城街道桂江第一初級中學) from July 1993 to July 1996. He joined Sweetland Real Estate in 1999 and joined Times Group in May 2001. He has over 14 years of experience in real estate development. Mr. Liu obtained a bachelor of arts degree from South China Normal University (華南師範大學) in December 1994 and an EMBA degree from Sun Yat-Sen University (中山大學) in December 2010.

Mr. Tao Chengjiang (陶成江), aged 45, has been the head of the funds center of Times Group since December 2006. He is responsible for capital financing of our Group. He joined Times Group in May 2001 as a manager of our finance department and was promoted as the finance director in January 2004. Prior to joining us, from November 1999 to March 2001, Mr. Tao worked in the finance department and corporate management department of Kingold Group Companies Limited (僑鑫集團有限公司). Mr. Tao has been a qualified accountant in the PRC since April 1997 and he is a non-practising member of the Guangdong Provincial Institute of Certified Public Accountants (廣東省註冊會計師協會) since 2010. Mr. Tao graduated from Xi'an Petroleum College (西安石油學院) with a bachelor's degree in economics in June 1992 and obtained an EMBA degree from Sun Yat-Sen University (中山大學) in December 2008.

JOINT COMPANY SECRETARIES

Ms. Mei Jing (梅菁), aged 27, is one of our joint company secretaries. Ms. Mei joined Times Group in January 2013 as a vice president's secretary. Prior to joining us, Ms. Mei worked as a consultant at Edward Whistler International (S) Pte. Ltd. in Singapore in 2011. Ms. Mei obtained a bachelor's degree of engineering (bioengineering) in June 2009 and a master of science (bioinformatics) degree in June 2010 from Nanyang Technological University, Singapore.

Ms. Lai Siu Kuen (黎少娟), aged 38, is one of our joint company secretaries. Ms. Lai is currently a manager of KCS Hong Kong Limited. She worked in the corporate services division of KPMG Hong Kong from August 1997 to June 2003 and in KCS Limited from July 2003 to January 2005. She subsequently worked in the in-house company secretarial and compliance department of two listed companies, both of which are listed on the Main Board of the Stock Exchange, from January 2005 to February 2013. She has over 15 years of professional and in-house experience in company secretarial field. Ms. Lai is currently the joint company secretary of Jingrui Holdings Limited and Boyaa Interactive International Limited (both companies are listed on the Main Board of the Stock Exchange). She obtained a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University (香港理工大學) in November 1997 and is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom.

BOARD COMMITTEES

Audit Committee

We established an Audit Committee on November 19, 2013 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The Audit Committee consists of three independent non-executive Directors, Mr. Wong Wai Man (being the chairman of the Audit Committee who has a professional qualification in accountancy), Ms. Sun Hui and Mr. Lin Rupeng. The primary duties of the Audit Committee are to assist our Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board.

Remuneration Committee

We established a Remuneration Committee on November 19, 2013 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph B1 of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The Remuneration Committee consists of three members, being Ms. Sun Hui, Mr. Shum Chiu Hung and Mr. Wong Wai Man. Two of the members of the Remuneration Committee are our independent non-executive Directors. The Remuneration Committee is chaired by Ms. Sun Hui. The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Directors regarding our policy and structure for the remuneration of all our Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies; (ii) making recommendations to our Board on the remuneration packages of our Directors and senior management; (iii) reviewing and approving the management's remuneration proposals with reference to our Board's corporate goals and objectives; and (iv) considering and approving the grant of share options to eligible participants pursuant to the Share Option Scheme.

During the Track Record Period, our remuneration policy for our Directors and senior management members was based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit

performance of the Group and the individual performance of our Directors and senior management members. We intend to adopt the same remuneration policy after the Listing, subject to review by and the recommendations of our remuneration committee.

Nomination Committee

We established a nomination committee on November 19, 2013 with written terms of reference. The Nomination Committee consists of three members, being Mr. Shum Chiu Hung, Ms. Sun Hui and Mr. Lin Rupeng. Two of the members of the Nomination Committee are our independent non-executive Directors. The Nomination Committee is chaired by Mr. Shum Chiu Hung. The primary function of the Nomination Committee is to make recommendations to our Board on the appointment of members of our Board.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our executive Directors, who are also our employees, receive, in their capacity as our employees, compensation in the form of salary and cash bonus.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, allowances and benefits in kind and discretionary bonuses which were paid to our Directors for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, was RMB4,038,000, RMB6,938,000, RMB7,249,000 and RMB3,358,000, respectively.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, allowances and benefits in kind and discretionary bonuses which were paid by our Group to our five highest paid individuals for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, was RMB7,116,000, RMB7,990,000, RMB6,821,000 and RMB3,167,000, respectively.

No remuneration was paid by the Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as a compensation for loss of office in respect of the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013. Further, none of our Directors waived any remuneration during the same periods.

Under our arrangements currently in force, the aggregate remuneration (including fees, salaries, contributions to pension schemes, allowances and benefits in kind) of our Directors for the year ending December 31, 2013 is estimated to be approximately RMB8,000,000.

SHARE OPTION SCHEME

We have adopted the Share Option Scheme. For details of the Share Option Scheme, see the section entitled "Statutory and General Information — D. Share Option Scheme" in Appendix V to this prospectus.

COMPLIANCE ADVISER

We will appoint Haitong International Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us in the following circumstances:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(c) where we propose to use the net proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and

(d) where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares or any other matters under Rule 13.10 of the Listing Rules.

The terms of the appointment shall commence on the Listing Date and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately before and following the completion of the Global Offering and the Capitalization Issue (assuming the Over-allotment Option is not exercised):

		HK$
Authorized Share capital:		
10,000,000,000	Shares of HK$0.10 each	1,000,000,000

		HK$
Issued and to be issued, fully paid or credited as fully paid:		
201	Shares in issue as of the date of this prospectus	20.1
1,292,219,799	Shares to be issued pursuant to the Capitalization Issue	129,221,979.9
430,740,000	Shares to be issued pursuant to the Global Offering	43,074,000
1,722,960,000	Total	172,296,000

ASSUMPTIONS

The above table assumes that the Global Offering becomes unconditional and the issue of Shares pursuant to the Global Offering and Capitalization Issue are made. It takes no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or pursuant to the exercise of the options which may be granted under the Share Option Scheme or any Shares which may be issued or repurchased by us pursuant to the general mandate granted to our Directors to issue or repurchase Shares as described below.

RANKINGS

The Offer Shares will rank *pari passu* in all respects with all Shares in issue or to be issued as mentioned in this prospectus and, in particular, will qualify for all dividends or other distributions declared, paid or made on the Shares after the date of this prospectus.

CAPITALIZATION ISSUE

Conditional on the share premium account of our Company being credited as a result of the Global Offering, the Directors are authorized to capitalize the amount of HK$129,221,979.9 from such account and to apply such sum in paying up in full at par a total of 1,292,219,799 Shares for allotment and issue to its then shareholder, Asiaciti Enterprises.

GENERAL MANDATE TO ISSUE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general mandate to allot, issue and deal with Shares in the share capital of our Company with a total nominal value of not more than the sum of:

(a) 20% of the total nominal amount of the share capital of our Company in issue immediately following the completion of Global Offering and the Capitalization Issue (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme); and

(b) the total nominal amount of share capital of our Company repurchased by our Company (if any) pursuant to the general mandate to repurchase Shares granted to our Directors referred to below.

Our Directors may, in addition to the Shares which they are authorized to issue under this general mandate, allot, issue or deal with Shares under a rights issue, scrip dividend scheme or similar arrangement, or on the exercise of any option granted or which may be granted under the Share Option Scheme.

This mandate will expire:

- at the conclusion of our Company's next annual general meeting; or
- at the expiry of the period within which our Company is required by any applicable laws or its articles of association to hold its next annual general meeting; or
- when varied or revoked by an ordinary resolution of the Shareholders in general meeting,

whichever is the earliest.

Further information on this general mandate is set out in the section entitled "Statutory and General Information — A. Further Information About Our Group — 3. Resolutions in Writing of the Shareholders Passed on November 19, 2013" in Appendix V to this prospectus.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general mandate to exercise all the powers of our Company to repurchase Shares with a total nominal amount of not more than 10% of the total nominal amount of the share capital of our Company in issue immediately following the completion of the Global Offering and the Capitalization Issue (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme).

This mandate only relates to repurchases made on the Stock Exchange or on any other stock exchange on which the Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and which are in accordance with the Listing Rules. A summary of the relevant Listing Rules is set out in the section entitled "Statutory and General Information — A. Further Information About Our Group — 6. Repurchases of Our Shares" in Appendix V to this prospectus.

This mandate will expire:

- at the conclusion of our Company's next annual general meeting; or
- at the expiry of the period within which our Company is required by any applicable laws or its articles of association to hold its next annual general meeting; or
- when varied or revoked by an ordinary resolution of the Shareholders in general meeting.

whichever is earliest.

Further information on this general mandate is set out in the section entitled "Statutory and General Information — A. Further Information About Our Group — 3. Resolutions in Writing of the Shareholders Passed on November 19, 2013" in Appendix V to this prospectus.

SHARE OPTION SCHEME

Pursuant to the written resolutions of the Shareholder dated November 19, 2013, we conditionally adopted the Share Option Scheme. Summaries of the principal terms of the Share Option Scheme are set out in the sections entitled "Statutory and General Information — D. Share Option Scheme" respectively in Appendix V to this prospectus.

So far as our Directors are aware, the following persons will, immediately following the completion of the Global Offering and the Capitalization Issue taking no account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option or Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme, have beneficial interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

Name of Shareholder	Nature of Interest	Number of Shares[(1)]	Approximate percentage of interest in our Company immediately following the completion of the Global Offering and the Capitalization Issue
Mr. Shum *(Notes 1, 2, 3, 4)*	Interest in controlled corporation	1,292,220,000L	75%
Ms. Li *(Notes 1, 2, 3, 4)*	Interest in controlled corporation	1,292,220,000L	75%
Renowned Brand *(Notes 1, 2)*	Interest in controlled corporation	1,292,220,000L	75%
East Profit *(Notes 1, 3)*	Interest in controlled corporation	1,292,220,000L	75%
Asiaciti Enterprises *(Notes 1, 4)*	Beneficial owner	1,292,220,000L	75%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) Renowned Brand is wholly owned by Mr. Shum.

(3) East Profit is owned wholly owned by Ms. Li, spouse of Mr. Shum.

(4) Asiaciti Enterprises is owned as to 60% by Renowned Brand and 40% by East Profit which is in turn wholly owned by Ms. Li, spouse of Mr. Shum.

If the Over-allotment Option is fully exercised, each of Mr. Shum, Ms. Li, Renowned Brand, East Profit and Asiaciti Enterprises will have an approximately 72.3% beneficial interest in our Company.

Except as disclosed in this prospectus, our Directors are not aware of any person who will, immediately following the completion of the Global Offering and the Capitalization Issue (assuming the Over-allotment Option is not exercised and no Shares are to be issued upon the exercise of any options which may be granted under the Share Option Scheme, have beneficial interests or short positions in any Shares or underlying Shares, which would be required to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in the circumstances at general meetings of any member of our Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

The Cornerstone Placing

We have entered into cornerstone investment agreements with four investors (the "**Cornerstone Investors**" and each a "**Cornerstone Investor**"), who in aggregate have agreed to subscribe at the Offer Price for such number of Shares (rounded down to the nearest whole board lot of 1,000 Shares) that may be purchased with an aggregate amount of approximately HK$448.9 million (the "**Cornerstone Placing**"). Assuming an Offer Price of HK$4.50, being the high-end of the Offer Price range set out in this Prospectus, the total number of Shares to be subscribed for by the Cornerstone Investors would be 99,754,000, representing approximately 5.8% of the Shares in issue immediately following the completion of the Global Offering (assuming that the Over-Allotment Option is not exercised); assuming an Offer Price of HK$3.85, being the mid-point of the Offer Price range set out in this Prospectus, the total number of Shares to be subscribed for by the Cornerstone Investors would be 116,595,000, representing approximately 6.9% of the Shares in issue immediately following the completion of the Global Offering (assuming that the Over-Allotment Option is not exercised); and assuming an Offer Price of HK$3.20, being the low-end of the Offer Price range set out in this Prospectus, the total number of Shares to be subscribed for by the Cornerstone Investors would be 140,279,000, representing approximately 8.1% of the Shares in issue immediately following the completion of the Global Offering (assuming that the Over-Allotment Option is not exercised).

Each of the Cornerstone Investors is an Independent Third Party and they have agreed not to subscribe for any Shares under the Global Offering other than pursuant to the respective cornerstone placing agreements. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will have any board representation in our Company, nor will any of the Cornerstone Investors become a substantial shareholder of our Company. The shareholding of the Cornerstone Investors will be counted towards the public float of our Shares.

The Cornerstone Placing forms part of the International Offering. The Shares to be purchased by the Cornerstone Investors will not be affected by any reallocation of the Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in the section entitled "Structure of the Global Offering — Hong Kong Public Offering" in this Prospectus. Details of the allocations to the Cornerstone Investors will be disclosed in the announcement of results of allocations in the Hong Kong Public Offering to be published on December 10, 2013.

Our Cornerstone Investors

Details of investment by our Cornerstone Investors are set out below:

Cornerstone Investors	Maximum investment amount (HK$ million)	Number of Shares[1]	Percentage of total number of Offer Shares[1]	Percentage of shareholding interest in our Company immediately following the Global Offering[1]	Number of Shares[2]	Percentage of total number of Offer Shares[2]	Percentage of shareholding interest in our Company immediately following the Global Offering[2]	Number of Shares[3]	Percentage of total number of Offer Shares[3]	Percentage of shareholding interest in our Company immediately following the Global Offering[3]
Fusion Capital Limited	116.3	25,844,000	6.0%	1.5%	30,207,000	7.0%	1.8%	36,343,000	8.4%	2.1%
Guangzhou Highsun Enterprises Group Co., Ltd.[4]	116.3	25,844,000	6.0%	1.5%	30,207,000	7.0%	1.8%	36,343,000	8.4%	2.1%
Ms. Xiong Haitao[4]	100.0	22,222,000	5.2%	1.3%	25,974,000	6.0%	1.5%	31,250,000	7.3%	1.8%
Yue Xiu Securities Holdings Limited	116.3	25,844,000	6.0%	1.5%	30,207,000	7.0%	1.8%	36,343,000	8.4%	2.1%
Total	448.9	99,754,000	23.2%	5.8%	116,595,000	27.0%	6.9%	140,279,000	32.5%	8.1%

Notes:

(1) Rounded down to the nearest board lot of Shares and assuming an Offer Price of HK$4.50 (being the highest point of the indicative Offer Price range) and assuming the Over-allotment Option is not exercised.

(2) Rounded down to the nearest board lot of Shares and assuming an Offer Price of HK$3.85 (being the mid-point of the indicative Offer Price range) and assuming the Over-allotment Option is not exercised.

(3) Rounded down to the nearest board lot of Shares and assuming an Offer Price of HK$3.20 (being the lowest point of the indicative Offer Price range) and assuming the Over-allotment Option is not exercised.

(4) The Shares will be subscribed by the QDII Manager (as defined below) in the capacity of QDII (as defined below) and as the nominee of the relevant Cornerstone Investor (as defined below) pursuant to the terms of the relevant cornerstone placing agreement and the QDII agreement entered into between the relevant Investor and the QDII Manager (as defined below).

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Fusion Capital Limited

Fusion Capital Limited is a limited company incorporated in the BVI whose registered office is located at 3/F, Omar Hodge Buildings, Wickhams Cay I, P.O. Box 362, Road Town, Tortola, BVI, and whose principal business is investment. It is owned as to 50% by Mr. Li Sze Lim and 50% by Ms. Cheung Yee Man, Elisa. Mr. Li Sze Lim is currently the chairman and executive director of Guangzhou R&F Properties Co., Ltd. (廣州富力地產股份有限公司) (stock code: 2777), a company listed on the Stock Exchange. Ms. Cheung Yee Man, Elisa is the spouse of Mr. Li Sze Lim.

Guangzhou Highsun Enterprises Group Co., Ltd.

Guangzhou Highsun Enterprises Group Co., Ltd. (廣州海印實業集團有限公司) ("**Guangzhou Highsun**") is the beneficiary of a proposed asset management arrangement entered into with Hwabao Trust Co., Ltd. (華寶信託有限責任公司), or another qualified domestic institutional investor (the "**QDII Manager**") in the capacity of a qualified domestic institutional investor ("**QDII**") as asset manager and nominee of Guangzhou Highsun. Guangzhou Highsun has agreed to cause the QDII Manager to subscribe for such number of Shares in the International Offering in the capacity of QDII and as its nominee pursuant to the terms of the cornerstone placing agreement and the QDII agreement entered into between Guangzhou Highsun and the QDII Manager.

Guangzhou Highsun was established under the laws of the PRC on April 30, 1996 with a registered capital of RMB100,000,000. Guangzhou Highsun is owned as to 65% by Mr. Shao Jianming, 20% by Mr. Shao Jianjia and 15% by Mr. Shao Jiancong. Guangzhou Highsun engages in the businesses of real estate, hotel, chemical industry and commercial and property development.

Ms. Xiong Haitao

Ms. Xiong Haitao (熊海濤) ("**Ms. Xiong**") is the beneficiary of proposed asset management arrangement entered into with the QDII Manager in the capacity of a QDII as asset manager and nominee of Ms. Xiong. Ms. Xiong has agreed to cause the QDII Manager to subscribe for such number of Shares in the International Offering in the capacity of QDII and as her nominee pursuant to the terms of the cornerstone placing agreement and the QDII agreement entered into between Ms. Xiong and the QDII Manager.

Ms. Xiong is an executive director of each of Guangzhou Chengxin Investment Management Co., Ltd. (廣州誠信投資管理有限公司) and Guangzhou Chengxin Venture Investment Co., Ltd. (廣州誠信創業投資有限公司). She is also a director of Kingfa Scientific and Technological Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600143) since January 2009. Ms. Xiong is the representative of Guangzhou Municipal People's Congress, a director of Guangzhou Women Entrepreneurs Associations and the vice president of Guangzhou Luogang District Federation of Industry & Commerce.

Yue Xiu Securities Holdings Limited

Yue Xiu Securities Holdings Limited ("**Yue Xiu Securities**") is a limited company incorporated in Hong Kong whose registered office is located at 24/F, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong. Yue Xiu Securities engages in the businesses of securities brokerage, asset management, investment advisory and other financial related services. Yue Xiu Securities is wholly owned by Yuexiu Enterprises (Group) Co., Ltd. (越秀企業(集團)有限公司), a state-owned enterprise established in the PRC.

Conditions Precedent

The subscription obligation of the Cornerstone Investors is subject to the following conditions precedent:

(i) the Hong Kong Underwriting Agreement and the International Purchase Agreement having been entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently varied by agreement of the relevant parties) by no later than the time and date as specified in the underwriting agreements or such later time and date as may be agreed between the Company and the Joint Global Coordinators;

(ii) neither of the Hong Kong Underwriting Agreement and the International Purchase Agreement having been terminated;

(iii) the Offer Price having been agreed upon between our Company and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters and the International Underwriters);

(iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the investment and there shall be no order or injunction of a court of competent jurisdiction in effect precluding or prohibiting consummation of the investment;

(v) the Listing Committee having granted the listing of, and permission to deal in, the Shares and such approval or permission not having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange; and

(vi) the representations, warranties, undertakings and confirmations of the Cornerstone Investors as set out in the respective cornerstone placing agreement remain accurate, true and not misleading, and there is no material breach of the respective cornerstone placing agreement on the part of the Cornerstone Investors.

Restrictions on disposals by the Cornerstone Investors

Each of the Cornerstone Investors has agreed that without the prior written consent of our Company the Joint Global Coordinators and the Joint Bookrunners, it will not, and will procure the QDII Manager not to (in the case of Guangzhou Highsun and Ms. Xiong) whether directly or indirectly, at any time during the period of six months following the Listing Date, dispose of any of the Shares subscribed for by it or her, as the case may be, pursuant to the respective cornerstone placing agreement or any interest in any company or entity holding (directly or indirectly) any of such Shares, other than transfers to any wholly-owned company of such Cornerstone Investor provided that:

(a) prior written notice of such transfer of not less than five Business Days is provided to our Company, the Joint Global Coordinators and the Joint Bookrunners, such written notice shall contain the identity of such wholly-owned company and its relationship with the relevant Cornerstone Investor;

(b) such wholly-owned company shall give a written undertaking to our Company, the Joint Global Coordinators and the Joint Bookrunners to the effect that it will abide by the terms and restrictions in the cornerstone placing agreement imposed on the relevant Cornerstone Investor as if the wholly-owned company were the Cornerstone Investor subject to such terms and restrictions and give the same acknowledgements, representations and warranties under the relevant cornerstone placing agreement;

(c) the Cornerstone Investor and such wholly-owned company shall be treated as being the Cornerstone Investor in respect of all the Shares held by them and shall jointly and severally bear all liabilities and obligations imposed by the cornerstone placing agreement; and

(d) if any such wholly-owned company holding the Shares is about to or will cease to be a wholly-owned company of the Cornerstone Investor, the Cornerstone Investor shall immediately procure that such entity transfers any such Shares to the Cornerstone Investor or another wholly-owned company of the Cornerstone Investor, and the new wholly-owned company will also give a written undertaking to our Company, the Joint Global Coordinators and the Joint Bookrunners prior to the previous wholly-owned company ceasing to be so wholly owned by the Cornerstone Investor to the effect that it will strictly abide by the terms and restrictions in the cornerstone placing agreement imposed on the Cornerstone Investor as if such new wholly-owned subsidiary were the Cornerstone Investor subject to such terms and restrictions and give the same acknowledgements, representations and warranties under the cornerstone placing agreement.

You should read the following discussion and analysis in conjunction with our consolidated financial information together with the accompanying notes, set forth in the Accountants' Report included as Appendix I to this prospectus. Our consolidated financial information is prepared in accordance with IFRS, which may differ in certain material aspects from generally accepted accounting principles in other jurisdictions, including the United States. You should read the whole of the Accountants' Report included as Appendix I to this prospectus and not rely merely on the information contained in this section.

The following discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results reported in future periods could differ materially from those discussed in such forward-looking statements. Factors that could cause or contribute to such differences include those discussed in the sections entitled "Risk Factors" and "Business" and elsewhere in this prospectus.

Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We are one of the leading property developers in Guangdong Province, focusing on the development of mid-market to high-end residential properties. Our business comprises three areas: (i) property development, i.e., the development of residential and commercial properties for sale, (ii) property leasing, i.e., the development, leasing and sub-leasing of commercial properties owned by us or Independent Third Parties, and (iii) property management, i.e., the provision of property management services to our residential customers.

According to DTZ, in 2012, we ranked 11th among all real estate developers by contracted sales volume in Guangdong Province,[(1)] and third among non-listed developers in Guangdong Province in terms of contracted sales volume. In 2013, we ranked 35th out of the "2013 China's Top 50 Real Estate Developers" (2013中國房地產開發企業50強) and were among the "Star of 2012 China Top 100 Real Estate Developers" (2012中國房地產百強企業一百強之星), which were selected by the Development Research Center of the State Council (國務院發展研究中心), Tsinghua University's Real Estate Research Institute (清華大學房地產研究所) and the China Index Academy (中國指數研究院). In 2012, we received the "2012 Best Enterprise Brand Image Award" (2012最佳企業品牌形象獎) from the China Finance Summit Organization Committee (中國財經峰會組委會). We believe our success is attributable to our market positioning, our well-recognized "Times Property" (時代地產) brand image and our property developments with modern designs.

Note:

1. According to DTZ, Guangdong Province comprises Guangzhou, Shenzhen, Foshan, Zhuhai, Dongguan, Zhongshan and Huizhou.

Property development — We define ourselves as a "life stylist" (生活藝術家), with a vision of introducing contemporary and artistic lifestyles to increasingly affluent middle- to high-income households that have relatively high disposable income and strong purchasing power. To meet the anticipated needs and preferences of our target customers during their progression through different stages of their professional careers and lives, we offer three series of residential property developments, namely the "Growth Series" (成長型), the "Blossom Series" (成熟型) and the "Prosperity Series" (成功型). Our series contain modern and artistic themes designed by reputable architecture and design firms, such as AECOM, Hanhua, HS Architects and SCDA Architects. Substantially all of our residential developments are equipped with well-designed ancillary facilities, such as residents-only parks, clubhouses and swimming pools. We have introduced an art gallery within Times Deconstruction (時代玫瑰園) and we have included private theaters and art salons in some of our property developments to enhance the artistic experience for our customers. To increase our operating efficiency and enhance our cost and quality control, we have standardized and replicated certain themes that we believe to be the most popular among our product offerings. We have also developed commercial properties within our residential property developments so that retail shops and other entertainment facilities are made available to our residential neighborhoods.

Property leasing — We seek to sell the commercial properties within our residential developments as soon as practicable. During the Track Record Period, we rented out a small portion of the commercial properties within our residential developments which had not yet been sold. In addition, we occupied certain premises in Times Property Center for our corporate headquarters, with the remaining premises being leased to third parties. Leveraging our experience in leasing and managing our properties, we also engage in the sub-leasing of commercial properties owned by Independent Third Parties.

Property management — We provide quality property management services to our residential customers through our property management company, Times Property Management, which is a property management enterprise in the PRC (first class) (中華人民共和國物業服務企業(一級)).

Leveraging our strong presence in Guangdong Province, we expanded into neighboring Hunan Province in 2011. We typically select sites located in Emerging Urban Areas. As of September 30, 2013, we had a total of 28 residential property projects at various stages of development, 27 of which were located in Guangdong Province, including ten in Guangzhou, six in Foshan, six in Zhuhai, three in Qingyuan and two in Zhongshan, and one of which was located in Changsha, Hunan Province. These 28 projects had an aggregate site area of approximately 4,328,327 sq.m. and an aggregate GFA of approximately 11,269,018 sq.m. As of September 30, 2013, approximately 3,016,908 sq.m. of the GFA was completed, approximately 3,697,977 sq.m. of the GFA was under development and approximately 4,554,133 sq.m. of the GFA was held for future development. Our business strategy is to focus on residential project development. Except for certain premises in Times Property Center that are leased to third parties, the property projects we develop are mainly for sale.

In order to maximize investment returns, improve cash flow and obtain sustainable growth, we strive to shorten our project development cycle. We believe this efficient project development practice is crucial to the success of our business operations. In support of this model, we develop our properties through standardized procedures and by creating standardized residential units for each development theme, while catering to the unique consumer preferences of each market. See the section entitled "Business — Our Business — Property Development" in this prospectus for further details.

SUMMARY FINANCIAL INFORMATION

Consolidated Income Statements and Consolidated Statements of Comprehensive Income

The table below sets forth our consolidated income statements and consolidated statements of comprehensive income for the periods indicated:

Consolidated Income Statements

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Revenue	1,547,206	2,466,811	3,197,142	1,817,102	2,362,705
Cost of sales	(1,156,369)	(1,781,257)	(2,288,184)	(1,419,129)	(1,814,642)
Gross profit	390,837	685,554	908,958	397,973	548,063
Other income and gains	196,025	208,908	138,269	69,811	47,442
Selling and marketing costs	(172,925)	(259,226)	(204,279)	(134,886)	(169,488)
Administrative expenses	(111,425)	(182,227)	(145,098)	(67,875)	(130,801)
Other expenses	(27,006)	(84,069)	(34,377)	(3,427)	(8,985)
Finance costs	(33,110)	(39,662)	(42,055)	(20,695)	(34,411)
Share of profits and losses of associates	3,212	6,440	5	(13)	105
Profit before tax	245,608	335,718	621,423	240,888	251,925
Income tax expense	(80,264)	(100,847)	(267,775)	(78,231)	(95,232)
Profit for the year/period	165,344	234,871	353,648	162,657	156,693
Attributable to:					
Owners of the Company	165,347	247,169	362,916	167,599	165,946
Non-controlling interests	(3)	(12,298)	(9,268)	(4,942)	(9,253)
	165,344	234,871	353,648	162,657	156,693

Consolidated Statements of Comprehensive Income

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
			(RMB in thousands)		
Profit for the year/period	165,344	234,871	353,648	162,657	156,693
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of foreign operations	3,061	1,551	(3,005)	228	(6,423)
Other comprehensive income/(loss) for the year/period	3,061	1,551	(3,005)	228	(6,423)
Total comprehensive income for the year/period	168,405	236,422	350,643	162,885	150,270
Attributable to:					
Owners of the Company	168,408	248,720	359,911	167,827	159,523
Non-controlling interests	(3)	(12,298)	(9,268)	(4,942)	(9,253)
	168,405	236,422	350,643	162,885	150,270

Consolidated Statements of Financial Position

The table below sets forth our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Non-current assets				
Property, plant and equipment	59,996	72,873	432,936	749,372
Prepaid land lease payments	383,245	1,266,111	1,229,089	1,610,335
Investment properties	1,290,000	1,430,000	1,540,000	1,560,000
Investments in associates	539,079	3,247	42,934	43,039
Deferred tax assets	48,798	94,163	83,504	94,368
Total non-current assets	2,321,118	2,866,394	3,328,463	4,057,114
Current assets				
Inventories	–	–	4,642	–
Prepaid land lease payments	563,210	363,019	265,813	–
Properties under development	3,859,424	6,924,604	9,350,228	13,064,262
Completed properties held for sale	1,205,795	2,195,714	2,641,554	2,925,626
Trade receivables	12,576	18,872	32,546	17,813
Prepayments, deposits and other receivables	874,819	1,562,773	3,580,567	1,487,586
Held-to-maturity investments	–	–	305,700	–
Amount due from the immediate holding company	–	11,408	437,507	22,282
Amount due from the ultimate holding company	6	5	16	16
Amounts due from associates	72,631	60,180	63,880	56,480
Amounts due from directors	11,048	4,000	3,438	–
Available-for-sale investments	4,100	3,100	3,100	12,900
Tax prepayments	110,944	154,116	234,409	319,254
Restricted bank deposits	608,813	1,037,539	897,299	1,236,706
Cash and cash equivalents	563,389	565,700	936,446	309,909
Total current assets	7,886,755	12,901,030	18,757,145	19,452,834

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Current liabilities				
Trade payables	1,564,997	2,039,031	2,872,646	2,930,841
Other payables and accruals	3,382,706	5,202,549	8,718,085	10,839,631
Interest-bearing bank loans and other borrowings	533,689	1,220,697	3,177,263	2,851,992
Amount due to a director	95,588	101,489	101,478	96,885
Tax payable	81,552	97,087	207,061	146,497
Total current liabilities	5,658,532	8,660,853	15,076,533	16,865,846
Net current assets	2,228,223	4,240,177	3,680,612	2,586,988
Total assets less current liabilities	4,549,341	7,106,571	7,009,075	6,644,102
Non-current liabilities				
Interest-bearing bank loans and other borrowings	2,244,705	3,010,943	2,499,536	2,871,064
Deferred tax liabilities	187,669	1,244,591	1,303,426	1,316,803
Total non-current liabilities	2,432,374	4,255,534	3,802,962	4,187,867
Net assets	2,116,967	2,851,037	3,206,113	2,456,235
Equity				
Equity attributable to owners of the Company				
Issued capital	–	–	–	–
Reserves	2,111,095	2,359,815	2,719,726	2,437,602
	2,111,095	2,359,815	2,719,726	2,437,602
Non-controlling interests	5,872	491,222	486,387	18,633
Total equity	2,116,967	2,851,037	3,206,113	2,456,235

Selected Consolidated Statements of Cash Flows

The table below sets forth selected financial information extracted from our consolidated statements of cash flows for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Net cash flows (used in)/generated from operating activities	(261,426)	(363,607)	281,166	(36,989)	(275,523)
Net cash flows used in investing activities	(77,468)	(529,735)	(326,969)	(312,191)	(646,304)
Net cash flows generated from financing activities	520,454	895,706	416,583	179,826	295,340
Net increase /(decrease) in cash and cash equivalents	181,560	2,364	370,780	(169,354)	(626,487)
Cash and cash equivalents at the beginning of the year/period	381,882	563,389	565,700	565,700	936,446
Effect of foreign exchange rate changes, net	(53)	(53)	(34)	(1)	(50)
Cash and cash equivalents at the end of the year/period	563,389	565,700	936,446	396,345	309,909

KEY FACTORS AFFECTING OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL POSITION

Our business, results of operations and financial position are affected by a number of factors, many of which are beyond our control. See the section entitled "Risk Factors" in this prospectus. Such factors include, without limitation, the following:

Economic Growth and the State of the Real Estate Market in China, in particular, in Guangdong and Hunan Provinces

Economic growth, urbanization and rising living standards in China have been the key drivers behind increasing market demand for residential properties. Currently, while the real estate industry is regarded by the PRC government as one of China's pillar industries, it is significantly dependent on overall economic growth and the resultant consumer demand for residential properties. Since we target customers in fast-growing urbanizing cities, we believe that urbanization in China and overall economic growth, in particular, in Guangdong and Hunan Provinces, are especially important to our sales and profitability. As such, these factors will continue to have a significant impact on our results of operations.

In addition, our results of operations are subject to the performance of the PRC's real estate market, in particular, the supply and demand for residential properties and pricing trends of mid-market to high-end residential properties in the cities and regions where we operate. Any general economic downturn or downturn in the real estate market, particularly in the regions where we operate, could adversely affect our business, results of operations and financial position. See the section entitled "Risk Factors — Risks relating to the PRC — PRC economic, political and social conditions, as well as governmental policies, could affect our business" in this prospectus.

Regulatory Measures in the Real Estate Industry in China

Policies and measures relating to property development and related industries implemented by the PRC government have a direct impact on our business and results of operations. From time to time, the PRC government adjusts its macro-economic control policies to encourage or restrict development in the property sector by regulating, among other things, land grants, pre-sales of properties, bank financing and taxation. Prior to the second half of 2008, the PRC government took various measures to control money supply, credit availability and fixed asset investment with a view to preventing China's economy from overheating and to achieve more balanced and sustainable economic growth. From the second half of 2008 through the third quarter of 2009, as a result of a global economic downturn, the PRC government adopted measures to encourage consumption in the residential property market and provided support to property developers. Since the fourth quarter of 2009, the PRC government has adjusted some policies to curtail the overheating of the real estate market. These policies include abolishing certain preferential treatment in respect of business tax payable upon the transfer of residential properties, increasing the down payment for mortgage loans, imposing more stringent requirements on the payment of land premium, limiting the

number of residential properties a household can buy, and levying a 20% personal income tax on the sale of certain residential properties. PRC regulatory measures in the real estate industry will continue to impact our business. See the section entitled "Regulatory Overview" in this prospectus for more details on relevant PRC laws and regulations. Also see the section entitled "Risk Factors — Risks Relating to Our Businesses — Our business is subject to extensive governmental regulations and policies and, in particular, we are susceptible to policy changes in the PRC property industry" in this prospectus.

Ability to Acquire Suitable Land at Reasonable Cost

Our continuing growth and profitability depend, to a large extent, on our ability to acquire quality land at reasonable cost. Land acquisition costs, which consist of land premium and, where necessary, the costs of demolishing existing buildings and relocating residents, are one of the primary components of our cost of sales for property development. Over the past few years, land premiums in China have generally shown an increase as a result of the growing PRC economy. Based on our current development plans, we believe we have sufficient land reserves for our property developments for the next few years. We believe that if the PRC economy continues to grow, demand for residential properties is likely to remain strong and competition for land reserves suitable for property development will intensify. In addition, the public tender, auction and listing-for-sale practices in respect of the grant of state-owned land use rights are also likely to increase competition for undeveloped land, resulting in higher land acquisition costs. See the section entitled "Risk Factors — Risks Relating to Our Businesses — We may not be able to acquire land reserves of sufficient size in desirable locations and at a commercially acceptable cost in the future" in this prospectus.

Pre-sales

Our ability to sell properties prior to completion, known as the pre-sale of properties, constitutes the most important source of our operating cash inflow during project development. PRC law allows us to pre-sell properties upon the satisfaction of certain requirements and requires us to use the pre-sale proceeds to develop the property projects that are pre-sold. The amount and timing of cash inflows from pre-sales are affected by a number of factors, including timing and other restrictions on pre-sale imposed by the PRC government, market demand for our properties subject to pre-sale and the number of properties we have available for pre-sale. Reduced cash inflows from pre-sales of our properties will increase our reliance on external financing and impact our ability to finance our property developments as well as profitability.

Timing of Property Development

According to our accounting policy for revenue recognition, no revenue is recognized with respect to a property project until it has been completed, sold and delivered to the customers. The development of our property projects may take many months or sometimes years before the commencement of pre-sales or completion and delivery. As market demand fluctuates, the revenue we recognize in a particular period may depend on market conditions

at the time a particular project is pre-sold or sold. Moreover, delays in construction, regulatory approval and other processes can adversely affect the timetable of our projects. Given these limitations, timing differences and uncertainties, coupled with the substantial capital requirements of property development, we can undertake only a limited number of projects at any one time. Since the delivery of our properties varies according to our construction timetable, our results of operations are likely to continue to fluctuate in the future. In order to mitigate these fluctuations, we aim to schedule projects so they will be at different stages of development during any particular period.

Change in Product Mix

The average selling prices per sq.m. and gross profit margins of our products vary by the type of properties we develop and sell. Our gross profit margin is affected by the proportion of revenue attributable to our high gross margin products compared to revenue attributable to lower gross margin products. During the Track Record Period, our low-density units, higher-end apartment units (for example, our "Prosperity Series" (成功型) of property development) and retail shops commanded higher average selling prices per sq.m. and gross margins than our mid-market apartment units. In addition, similar properties located in different cities or regions could command different selling prices and thus result in different gross margins. Our properties located in first-tier cities such as Guangzhou typically command higher average selling prices per sq.m. and higher gross profit margins than our properties located in second- or third-tier cities. Our product mix varies from period to period based on a number of factors, including government-regulated plot ratios, project locations, land size and cost, market conditions and our development planning. We adjust our product mix from time to time but may nonetheless be unable to maintain or increase our gross profit margin, which would materially and adversely affect our profitability. See the section entitled "Risk Factors — Risks Relating to Our Businesses — Our profit margin varies with each property development, and we may not be able to sustain our existing profit margin" in this prospectus.

Access to Adequate Financing and Capital Resources

We fund our business operations both through cash flows generated from our business operations and through external financing, primarily including bank loans and trust financings. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our outstanding bank loans and other borrowings amounted to RMB2,778.4 million, RMB4,231.6 million, RMB5,676.8 million and RMB5,723.1 million, respectively.

For bank loans, we are highly susceptible to any regulations or measures adopted by the PBOC that restrict bank lending, particularly those that restrict the ability of real estate developers to obtain financing. Furthermore, since commercial banks in China link the interest rates on their loans to benchmark lending rates published by the PBOC, an increase in such benchmark lending rates may increase our interest costs. For the applicable interest rates of our bank loans in 2010, 2011 and 2012 and the first half of 2013, see the subsection entitled "— Indebtedness and Contingent Liabilities — Borrowings" below. Our access to capital and cost of financing are also affected by restrictions imposed from time to time by the PRC government on bank lending for property developments. See the section entitled "Risk Factors — Risks Relating to Our Businesses — Our financing costs are subject to changes in interest rates" in this prospectus.

From time to time during the Track Record Period, we obtained secured trust financings from a number of trust companies in China. Compared to bank loans, trust financings are more readily obtainable and offer greater flexibility in terms of availability of funds. While drawdowns on bank loans usually depend on actual construction progress, drawdowns on trust financings may be made in full in one or multiple installments as agreed with the relevant trust companies. However, financing costs under these trust financing arrangements are generally higher than those under bank loans. See the section entitled "Business — Financing Provided by Trust Financing Companies" in this prospectus for more details. There is no guarantee that in the future we will be able to enter into these arrangements, if needed, at all or on favorable terms.

Our ability to access capital at reasonable cost may have a significant impact on our results of operations and financial position.

LAT

We are required to pay land appreciation tax, or LAT, on our property developments with respect to the appreciated value of the related land. We paid LAT in an aggregate amount of RMB373.3 million with respect to our pre-sales made during the Track Record Period. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, we made provisions for LAT of RMB3.6 million, RMB18.2 million, RMB123.2 million and RMB27.7 million, respectively. As of the Latest Practicable Date, we had made prepayments and provisions for LAT in compliance with the relevant LAT laws and regulations. However, we cannot assure you that the relevant tax authorities will agree with the basis on which we have calculated our LAT liabilities for provision purposes or that such provisions will be sufficient to cover all LAT obligations that tax authorities may ultimately impose on us. Our financial position may be adversely affected if our LAT liabilities as calculated by the relevant tax authorities are substantially higher than our LAT provisions. See the section entitled "Risk Factors — Risks Relating to Our Businesses — The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations" in this prospectus.

Price Volatility of Construction Materials

Our results of operations are affected by the price volatility of construction materials such as steel and cement and may have a direct effect on our gross margin. In 2010, 2011 and 2012, the purchasing price indices of building materials for industrial producers in China was 103.8, 108.4 and 108.1, respectively. See the section entitled "Industry Overview — Historical Price Trends of Raw Materials" in this prospectus. For our purchase of key construction materials and facilities such as tiles, electrical wires and cables, lifts, electrical equipment and air-conditioning units, we employ a centralized procurement process to strengthen our bargaining power. Despite the efficiencies and pricing advantages of our volume purchases, any significant increase in the price of construction materials will impact our cost of sales and overall project costs. Furthermore, we typically pre-sell our properties prior to their completion, and we will not be able to pass the increased costs on to our customers if construction costs increase subsequent to the time of such pre-sale. If we cannot successfully

pass an increase in the cost of materials to our customers, our profitability will be adversely affected. See the section entitled "Risk Factors — Risks Relating to Our Businesses — If we are not properly insulated from the price volatility of construction materials, our results of operations may be materially and adversely affected when prices of construction materials appreciate substantially" in this prospectus.

Change in Fair Value of Our Investment Properties

Our investment properties consist of commercial units in Times Property Center held for gross rental income. In our consolidated statements of financial position, our investment properties are stated at their fair value as non-current assets at the end of each reporting period on the basis of valuations by the Property Valuer. Gains or losses arising from changes in the fair value of our investment properties are accounted for in our consolidated income statements as gains or losses upon revaluation, which may have a substantial effect on our profit. The valuation of our investment properties involves the exercise of professional judgment and requires the use of certain bases and assumptions. The fair value of our investment properties, as determined at a particular date, might have been higher or lower if the valuer had used a different set of bases or assumptions or if the valuation had been conducted by a different qualified independent professional valuer. In addition, upward revaluation adjustments reflect unrealized capital gains on our investment properties as of the end of the reporting period and do not generate any cash inflow available for our operations or potential dividend distribution to our shareholders. The amounts of fair value adjustments have been, and may continue to be, impacted by prevailing property market conditions in China. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, we had fair value gains on our investment properties of RMB142.0 million, RMB140.0 million, RMB110.0 million and RMB20.0 million, respectively. The decrease in the fair value gains on our investment properties, the commercial units in Times Property Center, for the six months ended June 30, 2013 was in line with the smaller increase in the value of comparable commercial properties nearby in the first half of 2013. We recognized gains from fair value changes in our investment properties during the Track Record Period, but we cannot assure you that similar levels of fair value gain can be sustained in the future. See the section entitled "Risk Factors — Risks Relating to Our Businesses — The appraised value of our properties may be different from their actual realizable value and are subject to change" in this prospectus.

Expansion into Other Cities

Our continuing growth depends, to a significant extent, on our ability to expand into other cities. We began our business in Guangzhou and, over the years, have expanded into other cities in Guangdong Province, including Foshan, Zhuhai, Zhongshan and Qingyuan, as well as into Changsha in nearby Hunan Province. Despite our past record of expansion, 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 preference. If we cannot successfully leverage our experience or understand the property market in any other cities which we target for expansion, our business, results of operations and financial position will be adversely affected.

CRITICAL ACCOUNTING POLICIES

We prepare our consolidated financial statements in accordance with IFRS and under the historical cost convention except for available-for-sale investments, investment properties, and certain payables included in the other payables and accruals, all of which have been measured at fair value. Some of our accounting policies require us to make judgments, estimates and assumptions that affect: (i) the reported amounts of our assets and liabilities at the end of each financial year; (ii) the disclosure of our contingent assets and liabilities at the end of each financial year; and (iii) the reported amounts of revenue and expenses during each financial year.

We continually evaluate these estimates based on our own historical experience, knowledge and assessment of current business and other conditions, and on our expectations regarding the future based on available information and our best assumptions, which together form our basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, our actual results could differ as a consequence of those estimates and expectations. Some of our accounting policies require a higher degree of judgment than others in their application.

When reviewing our financial statements, you should consider: (i) our selection of critical accounting policies; (ii) the judgment and other uncertainties affecting the application of such policies; and (iii) the sensitivity of reported results to changes in conditions and assumptions. We believe the following accounting policies involve the most significant judgment and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

Revenue from the sale of properties in the ordinary course of business is recognized when all of the following criteria are met:

(a) the significant risks and rewards of ownership of the properties are transferred to purchasers;

(b) neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties is retained;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to our Group; and

(e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

For our Group, revenue from the sale of completed properties is recognized upon the signing of the property handover letter, which is taken to be the point in time when the risks and rewards of ownership of the property have been passed to the purchasers.

Deposits and installments received in respect of properties sold prior to the date of revenue recognition are included in our consolidated statements of financial position under current liabilities.

Rental income is recognized on a time proportion basis over the lease terms.

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Property management fee income is recognized when the property management services are rendered and the inflow of economic benefits is probable.

Properties under Development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost and net realizable value and comprise land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

Properties under development are classified as current assets unless the construction period of the relevant property development project is expected by the Directors to be beyond the normal operating cycle. On completion, these properties are transferred to completed properties held for sale.

Completed Properties Held for Sale

Completed properties held for sale are stated at the lower of cost and net realizable value. Cost is determined by an apportionment of the total land and buildings costs attributable to unsold properties. Net realizable value takes into account the price ultimately expected to be realized less the costs we estimate will be incurred in selling the properties.

Investment Properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or held for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in our consolidated income statements in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognized in our consolidated income statements in the year/period of the retirement or disposal.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use or sale, are capitalized as part of the cost of those assets. The capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalized. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

LAT

We recognize LAT as an expense to the extent that it is probable that we have the obligation to pay the tax to the PRC tax authorities. When we pre-sell properties under development and receive advances from the pre-sale of properties, we make initial payment of LAT on the basis of our pre-sale proceeds in accordance with the requirements of the PRC tax authorities. The actual LAT liabilities are, however, subject to determination by the tax authorities upon completion of the property development projects and recognition of the related revenue. Accordingly, significant judgment is required in determining the amount of the land appreciation and its related taxes. LAT in China is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures, including premiums for land use rights and all other property development expenditures. We make LAT provisions in accordance with relevant PRC laws and regulations as interpreted and enforced by the relevant local tax authorities.

Income Tax

Income tax comprises current and deferred tax. Income tax relating to items recognized outside profit or loss is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which our Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry-forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry-forward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

DESCRIPTION OF CERTAIN INCOME STATEMENT LINE ITEMS

Revenue

Revenue represents (i) gross proceeds from the sale of properties, (ii) gross rental income and (iii) property management fee income, all of which are net of business tax and surcharges.

The table below sets forth our revenue by operating segment for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2010		2011		2012		2012		2013	
		Percentage of total revenue		Percentage of total revenue		Percentage of total revenue		Percentage of total revenue		Percentage of total revenue
	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(unaudited) (RMB in thousands)	(%)	(RMB in thousands)	(%)
Sale of properties	1,466,334	94.8	2,369,563	96.1	3,090,787	96.7	1,767,709	97.3	2,251,179	95.3
Gross rental income	39,505	2.5	37,881	1.5	38,423	1.2	18,585	1.0	71,670	3.0
Property management fee income	41,367	2.7	59,367	2.4	67,932	2.1	30,808	1.7	39,856	1.7
	1,547,206	**100.0**	**2,466,811**	**100.0**	**3,197,142**	**100.0**	**1,817,102**	**100.0**	**2,362,705**	**100.0**

Sale of properties represents revenue generated from the sale of aggregate GFA of 241,878 sq.m., 292,938 sq.m., 384,348 sq.m. and 267,185 sq.m., respectively, for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013.

Gross rental income represents revenue generated from the lease of Times Property Center and, since January 1, 2013, the sub-leasing business through Guangzhou Zhide and its subsidiaries. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our gross rental income was RMB39.5 million, RMB37.9 million, RMB38.4 million and RMB71.7 million, respectively. As of December 31, 2010, 2011 and 2012 and June 30, 2013, the occupancy rate of Times Property Center was 98.2%, 96.0%, 95.2% and 97.9%, respectively, and the rent per sq.m. was RMB900.4, RMB865.3, RMB931.2 and RMB1,111.5, respectively. As of June 30, 2013, the occupancy rate of the properties that we sub-leased out through Guangzhou Zhide and its subsidiaries was 68.2%, and the rent per sq.m. was RMB737.6.

Property management fee income represents revenue generated from property management services provided in relation to delivered properties. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, we provided property management services for 17, 20, 24 and 27 project phases, respectively, and our revenue from property management was RMB41.4 million, RMB59.4 million, RMB67.9 million and RMB39.9 million, respectively. Because our pricing strategy involved offering management services at below-market rates to enhance our competitiveness and facilitate the sale of our properties, this segment recorded low levels of gross profit and sometimes gross losses during the Track Record Period. For the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, this segment recorded a gross profit of RMB0.2 million, a gross loss of RMB5.2 million, a gross loss of RMB1.6 million and a gross profit of RMB30,000, respectively.

As we derive substantially all of our revenue from the sale of properties, our results of operations for a given period depend principally on the price we obtain for the properties we deliver during such period, which in turn depends on the amount of total GFA, the location and type of such properties, and market demand at the time the properties are 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 as well as in the regions in which we operate. For further details of the effect these factors may have on our results of operations, see the subsection entitled "— Key Factors Affecting Our Business, Results of Operations and Financial Position" above.

The table below sets forth our revenue from the sale of properties, the aggregate GFA of properties we delivered, and the average selling prices per sq.m. for these properties by type of property for the periods indicated:

	Year ended December 31,									Six months ended June 30,					
	2010			2011			2012			2012			2013		
	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.
	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)	(unaudited) (RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)
Residential	1,385,872	228,461	6,066	2,198,788	279,442	7,868	3,042,447	378,778	8,032	1,749,478	228,372	7,661	2,227,117	264,160	8,431
Commercial	13,274	749	17,722	119,858	7,762	15,442	3,856	266	14,496	–	–	–	–	–	–
Car park	66,872	12,566	5,322	50,745	5,719	8,873	44,434	5,304	8,377	18,231	2,218	8,219	24,062	3,025	7,954
Others[2]	316	102	3,098	172	15	11,467	50	–	–	–	–	–	–	–	–
Total	**1,466,334**	**241,878**	**6,062**	**2,369,563**	**292,938**	**8,089**	**3,090,787**	**384,348**	**8,042**	**1,767,709**	**230,590**	**7,666**	**2,251,179**	**267,185**	**8,426**

Notes:

(1) "GFA delivered" excludes the GFA for ancillary facilities, such as clubhouses, which are delivered in aggregate to the purchasers of properties in the relevant property developments. We did not generate any revenue from such GFA during the Track Record Period.

(2) "Others" represents the amounts received from property purchasers for the GFA actually delivered if this exceeds the GFA provided in the relevant sale and purchase agreements, less the amounts refunded to property purchasers for the shortfall in GFA where the GFA actually delivered is less than the GFA provided in the sale and purchase agreements.

Residential properties

The average selling price per sq.m. of our residential properties increased steadily during the Track Record Period, driven by (i) the location of the properties (for example, the properties located in Guangzhou and Zhuhai generally commanded higher selling prices than those in other cities, such as Zhongshan and Foshan, and the properties located in prefecture-level cities, such as Foshan, generally commanded higher selling prices than those in county-level cities, such as Zengcheng), and (ii) overall property market conditions, which generally strengthened as a result of the growing PRC economy. The average selling price per sq.m. of our residential properties increased by 10.1%, from RMB7,661 per sq.m. for the six months ended June 30, 2012 to RMB8,431 per sq.m. for the six months ended June 30, 2013,

primarily due to the delivery in the first half of 2013 of phase 2 of Ocean Times, located in Guangzhou, and phase 3 of Times Sweet House (Jinshazhou), located in Foshan. The average selling price per sq.m. of those properties was higher than that of phase 1 of Ocean Times, located in Guangzhou, and phase 1 of Times King City (Zengcheng), located in Zengcheng, which were delivered in the first half of 2012. The average selling price per sq.m. of our residential properties increased by 2.1%, from RMB7,868 per sq.m. in 2011 to RMB8,032 per sq.m. in 2012, primarily due to the delivery in 2012 of phase 2 of Ocean Times, located in Guangzhou, and phase 2 of Times Eolia City (Zhuhai), located in Zhuhai. The average selling price per sq.m. of those properties was higher than that of Times Mont Blanc (Zhongshan), located in Zhongshan, and phase 1 of Times Eolia City (Zhuhai), located in Zhuhai, which were delivered in 2011. The average selling price per sq.m. of our residential properties increased by 29.7%, from RMB6,066 per sq.m. in 2010 to RMB7,868 per sq.m. in 2011, primarily due to the delivery in 2011 of Times Mont Blanc (Zhongshan), located in Zhongshan, phase 2 of Times Sweet House (Jinshazhou), located in Foshan, and phase 1 of Times Eolia City (Zhuhai), located in Zhuhai. The average selling price per sq.m. of those properties was higher than that of Times King City (Foshan), located in Foshan, and phase 2 of Times Sweet House (Jinshazhou), located in Foshan, which were delivered in 2010.

Commercial properties

The average selling price per sq.m. of our commercial properties generally declined during the Track Record Period, driven by the location of the properties. Our commercial properties located in Guangzhou and Foshan generally commanded higher selling prices than those in Zhongshan. No commercial properties were delivered in the first half of 2012 and the first half of 2013. The average selling price per sq.m. of our commercial properties decreased by 6.1%, from RMB15,442 per sq.m. in 2011 to RMB14,496 per sq.m. in 2012, primarily due to the delivery in 2012 of the remaining commercial properties in Times Mont Blanc (Zhongshan), located in Zhongshan. The average selling price per sq.m. of those properties was lower than that of the commercial portion of phase 2 of Times Sweet House (Jinshazhou), located in Foshan, which were delivered in 2011. The average selling price per sq.m. of our commercial properties decreased by 12.9%, from RMB17,722 per sq.m. in 2010 to RMB15,442 per sq.m. in 2011, primarily due to the delivery in 2011 of Times Mont Blanc (Zhongshan), located in Zhongshan, and the commercial portion of phase 2 of Times Sweet House (Jinshazhou), located in Foshan. The average selling price per sq.m. of those properties was lower than that of Times Peanut, located in Guangzhou, which were delivered in 2010.

Car parking spaces

The average selling price per sq.m. of our car parking spaces varied during the Track Record Period, driven by (i) the location of the properties (for example, the car parking spaces at properties located in Foshan generally commanded higher selling prices than those at properties in Zhuhai) and (ii) overall property market conditions, which generally strengthened as a result of the growing PRC economy. The average selling price per sq.m. of our car parking spaces decreased by 3.2%, from RMB8,219 per sq.m. for the six months ended June 30, 2012 to RMB7,954 per sq.m. for the six months ended June 30, 2013, primarily due to the delivery

in the first half of 2013 of phase 1 of Times Eolia City (Zhuhai), located in Zhuhai. The average selling price per sq.m. of car parking spaces at that property was lower than that of phase 2 of Times Sweet House (Jinshazhou), located in Foshan, which was delivered in the first half of 2012. The average selling price per sq.m. of our car parking spaces decreased by 5.6%, from RMB8,873 per sq.m. in 2011 to RMB8,377 per sq.m. in 2012, primarily due to the delivery in 2012 of car parking spaces in phase 1 of Times Eolia City (Zhuhai), located in Zhuhai. The average selling price per sq.m. of car parking spaces at that property was lower than that of phase 2 of Times Sweet House (Jinshazhou), located in Foshan, which was delivered in 2011. The average selling price per sq.m. of our car parking space increased by 66.7%, from RMB5,322 per sq.m. in 2010 to RMB8,873 per sq.m. in 2011, primarily due to the delivery in 2011 of car parking spaces at Times Mont Blanc (Zhongshan), located in Zhongshan. The average selling price of car parking spaces at this project was higher than at Times King City (Foshan), located in Foshan, which was delivered in 2010.

Cost of Sales

Cost of sales primarily consists of costs incurred for our property development activities, which are land acquisition costs, construction costs and capitalized finance costs. Our cost of sales also includes the costs relating to our property leasing (including sub-leasing) and property management services, which consist of costs relating directly to such business activities, such as repairs and maintenance arising from rental-earning properties and staff costs associated with our property management companies. The table below sets forth a breakdown of our cost of sales for the periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2010		2011		2012		2012		2013	
							(unaudited)			
	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands)	(%)	(RMB in thousands)	(%)
Cost of properties sold										
Land acquisition costs	255,221	22.1	434,877	24.4	420,479	18.4	245,829	17.3	344,593	19.0
Construction costs	814,983	70.4	1,178,837	66.2	1,649,003	72.1	1,060,180	74.8	1,272,056	70.1
Capitalized finance costs	42,828	3.7	98,979	5.6	145,124	6.3	77,930	5.5	117,790	6.5
Subtotal	**1,113,032**	**96.2**	**1,712,693**	**96.2**	**2,214,606**	**96.8**	**1,383,939**	**97.6**	**1,734,439**	**95.6**
Direct operating expenses (including repairs and maintenance) arising from rental-earning properties	2,199	0.2	3,998	0.2	4,084	0.2	1,921	0.1	40,377	2.2
Cost of property management services provided	41,138	3.6	64,566	3.6	69,494	3.0	33,269	2.3	39,826	2.2
Total	**1,156,369**	**100.0**	**1,781,257**	**100.0**	**2,288,184**	**100.0**	**1,419,129**	**100.0**	**1,814,642**	**100.0**

The table below sets forth a sensitivity analysis relating to our construction costs, illustrating, for the periods indicated, what the impact on our profit before income tax would have been if our construction costs had been 5% higher or lower:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
Increase/(decrease) on profit before income tax:					
If construction costs had been 5% higher					
In thousands of RMB	(40,749)	(58,942)	(82,450)	(53,009)	(63,603)
As a percentage of total profit before tax	(17%)	(18%)	(13%)	(22%)	(25%)
If construction costs had been 5% lower					
In thousands of RMB	40,749	58,942	82,450	53,009	63,603
As a percentage of total profit before tax	17%	18%	13%	22%	25%

Cost of properties sold

Land Acquisition Costs

Land acquisition costs relate to the acquisition of rights to occupy, use and develop land, and primarily include land premiums incurred in connection with land grants from the PRC government or land obtained in the secondary market by cooperative arrangement, corporate acquisition or otherwise. Land acquisition costs also include any demolition and resettlement costs that we may be required to pay. Our land acquisition costs are influenced by a number of factors, including the location of the property, the timing of the acquisition, the project's plot ratios, the method of acquisition and changes in PRC regulations.

Construction Costs

Construction costs include all of the costs for the design and construction of a project, including payments to third-party contractors and designers and costs of construction materials. Our construction material costs fluctuate as a result of changes in the prices of key construction materials, including steel, cement and other key building materials. Despite our cost control measures, we are still subject to general increases in the prices of construction materials, and we expect the current trend of increasing prices for construction materials to continue in the near future, which in turn will likely increase our construction costs. See the section entitled "Risk Factors — Risks Relating to Our Businesses — If we are not properly insulated from the price volatility of construction materials, our results of operations may be materially and adversely affected when prices of construction materials appreciate substantially" in this prospectus.

Capitalized Finance Costs

We capitalize a portion of our finance costs to the extent that such costs are directly attributable to the acquisition and construction of a project. For any given project, the finance costs incurred after construction on the project is completed are not capitalized but are instead accounted for as finance costs in the period in which they are incurred.

Direct operating expenses (including repairs and maintenance) arising from rental-earning properties

Direct operating expenses arising from rental-earning properties primarily includes the repair and maintenance costs for our rental-earning properties, as well as fees and costs associated with the management of our rental-earning properties. Such direct operating expenses are recognized when such costs are incurred.

Cost of property management services provided

Cost of property management services provided primarily includes staff costs associated with our property management companies and other costs associated with the management of the properties that we have developed.

Gross Profit

Our gross profit for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013 was RMB390.8 million, RMB685.6 million, RMB909.0 million and RMB548.1 million, respectively, and our gross profit margin was 25.3%, 27.8%, 28.4% and 23.2%, respectively, for the corresponding periods. The decrease in our gross profit margin in the first half of 2013 as compared to that in 2012 was primarily due to the fact that the increases in both our construction costs per sq.m. and our land acquisition costs per sq.m. were larger than the increase in the average selling price per sq.m. of the properties we delivered. The general increases in our gross profit margins in 2010, 2011 and 2012 were driven primarily by (i) the completion and delivery in 2011 of Times Mont Blanc (Zhongshan) located in Zhongshan, phase 1 of Ocean Times located in Guangzhou and phase 1 of Times Eolia City (Zhuhai) located in Zhuhai, and, in 2012, phase 2 of Ocean Times located in Guangzhou and phase 2 of Times Eolia City (Zhuhai) located in Zhuhai, all of which were projects with relatively higher average selling prices per sq.m. as compared with the properties delivered in the preceding years, coupled with (ii) the standardization of our products and the centralization of our procurement process, both of which helped us to control development and construction costs.

Other Income and Gains

Other income and gains primarily comprise bank interest income, other interest income, exchange gain, fair value gain on investment properties and gains on acquisition of subsidiaries. Gains on acquisition of subsidiaries represents the excess of the fair value of the net assets of subsidiaries acquired over the aggregate of the consideration transferred. Our other interest income of RMB12.3 million in 2012 was in relation to our short-term investment in certain Renminbi-denominated wealth management products. See the subsection entitled "— Results of Operations — 2012 compared to 2011" below. We have adopted investment and treasury policies and internal control measures to review and monitor our investment risks. We consider the profits expected to be generated and the risks expected to be involved before we make any investment. For each investment that we decide to make, we aim to maintain its value by setting up a working team, which comprises business, finance and legal staff, and keeping a register to monitor the performance of the investment. We also maintain detailed accounting records of each investment and review the investments on a regular basis.

The following table sets forth our other income and gains for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
			(RMB in thousands)		
Other income					
Bank interest income	3,372	7,795	9,055	5,510	3,451
Other interest income	6,968	–	12,321	4,565	3,139
Others					
Penalty income	1,540	919	2,648	1,472	860
Temporary rental income	715	926	1,519	573	236
Exchange gain, net	–	2,272	2,702	–	9,064
Others	1,451	1,460	2,168	691	1,593
Subtotal	3,706	5,578	9,037	2,736	11,753
	14,046	**13,373**	**30,413**	**12,811**	**18,343**
Gains					
Gains on acquisition of subsidiaries	20,134	58,073	–	–	7,685
Gain on deregistration or disposal of subsidiaries	1,672	–	–	–	1,414
Fair value gains on investment properties	142,000	140,000	110,000	57,000	20,000
Fair value changes in certain other payables to fellow investors/the non-controlling shareholders	18,173	(2,538)	(2,144)	–	–
Subtotal	181,979	195,535	107,856	57,000	29,099
	196,025	**208,908**	**138,269**	**69,811**	**47,442**

Selling and Marketing Costs

Selling and marketing costs comprise primarily advertising and promotion expenses, including expenses for advertisements on television, in newspapers and magazines, and on billboards and for promotion offers made directly to our customers. Selling and marketing costs also include sales commissions paid to independent third-party sales agents and staff costs in relation to our selling and marketing staff.

The following table sets forth our selling and marketing costs for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
			(RMB in thousands)		
Staff costs	5,808	11,202	13,731	7,961	11,258
Office expenses	2,698	4,330	5,474	4,334	5,760
Sales commissions	14,954	30,165	42,408	25,915	28,233
Advertising and promotion expenses	145,089	208,640	139,547	95,453	121,945
Entertainment expenses	163	161	294	44	1,022
Others	4,213	4,728	2,825	1,179	1,270
Total	**172,925**	**259,226**	**204,279**	**134,886**	**169,488**

Administrative Expenses

Administrative expenses comprise primarily costs arising from the administration departments of our project companies, such as utility charges, administrative staff costs, transportation and entertainment expenses, rental expenses, general office expenses, legal and professional expenses, other taxes, depreciation and amortization and rental expenses for properties to be sub-leased.

The following table sets forth our administrative expenses for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
			(RMB in thousands)		
Staff costs	34,245	58,886	48,843	23,576	35,384
Office expenses	12,994	22,593	17,500	7,618	11,169
Legal and professional fees	14,911	15,824	9,110	4,273	12,507
Depreciation and amortization	9,271	14,957	16,454	7,826	18,429
Transportation and entertainment expenses	25,431	43,546	20,584	12,099	9,814
Bank charges	4,135	5,307	3,947	1,651	2,786
Tax expenses	12,489	16,643	21,866	9,773	15,442
Provision for other receivables	(5,000)	1,000	–	–	(1,000)
Rental expenses for properties to be sub-leased	–	–	–	–	20,228
Others	2,949	3,471	6,794	1,059	6,042
Total	**111,425**	**182,227**	**145,098**	**67,875**	**130,801**

Other Expenses

Other expenses during the Track Record Period comprised primarily (i) donations we made to social and charitable organizations, including China Overseas–Educated Scholars Development Foundation (中國留學人才發展基金會) (which has the Ministry of Civil Affairs of the PRC as its registration administration organ and the United Front Work Department of Communist Party of China as its business unit) and Guangzhou Times Property Charity Fund (時代地產公益基金會) (a charitable organization registered with the Department of Civil Affairs of Guangdong Province, which was established by Times Development Group, our connected person, in 2007 and primarily serves the underprivileged, such as aged or disabled people, orphans and people suffering from natural disasters, as its main targeted beneficiaries), and (ii) a loss recorded due to an accounting treatment in relation to the re-measurement of the fair value of our previously held 69.3% equity interest in Guangzhou Nanying on April 11, 2011, when we increased our equity interest in Guangzhou Nanying to 99%. See Note 16 to the Accountants' Report in Appendix I to this prospectus for further details.

The following table sets forth our other expenses for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Donation and sponsorship	21,305	34,179	29,927	364	6,534
Fines	4,049	700	1,663	–	1,427
Compensation	693	254	688	151	26
Re-measurement of previously held equity interest	–	47,378	–	–	–
Exchange loss, net	–	–	–	2,287	–
Others	959	1,558	2,099	625	998
Total	**27,006**	**84,069**	**34,377**	**3,427**	**8,985**

Finance Costs

Finance costs comprise primarily interest costs on bank loans and other borrowings net of capitalized borrowing costs relating to properties under development to the extent that such costs are directly attributable to the acquisition and construction of a project or project phase. The capitalization of borrowing costs relating to property under development commences when the construction of a property starts and ceases when the construction work is completed. See the subsection entitled "— Critical Accounting Policies — Borrowing Costs" above. Since the construction period for a project or project phase does not necessarily coincide with the repayment period of the relevant loan, not all of the interest costs related to a project or project phase can be capitalized. As a result, our finance costs fluctuate from period to period depending on the level of outstanding indebtedness and the interest rates on such indebtedness, as well as the amount of capitalized borrowing costs, and the timing of the capitalization of such costs, within the reporting period.

The following table sets forth our finance costs for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Interest expense	162,017	310,243	488,296	241,452	273,712
Less: Interest capitalized	(128,907)	(270,581)	(446,241)	(220,757)	(239,301)
	33,110	**39,662**	**42,055**	**20,695**	**34,411**

The weighted average effective interest rate for our bank loans and other borrowings for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013 was 6.26%, 8.70%, 9.67% and 9.48%, respectively.

Income Tax Expense

Income tax expense consists primarily of PRC corporate income tax expense and LAT expense of our PRC subsidiaries. The following table sets forth our tax for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Current:					
PRC corporate income tax	50,962	95,052	118,185	36,456	73,435
LAT	3,633	18,183	123,168	12,087	27,706
Deferred	25,669	(12,388)	26,422	29,688	(5,909)
Total tax charge for the year/period	**80,264**	**100,847**	**267,775**	**78,231**	**95,232**

Our effective tax rate for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013 was 32.7%, 30.0%, 43.0% and 37.8%, respectively. The comparatively higher tax rate in 2012 and the first half of 2013 as compared to 2011 and 2010 was primarily due to the higher LAT rate we were subject to in 2012 and the first half of 2013 in relation to phase 2 of Ocean Times and Times Sweet House (Jinshazhou), respectively, both of which are residential developments that includes townhouses, which are subject to a higher LAT rate than high-rise apartment buildings.

Non-controlling Interests

Non-controlling interests mainly represent the portion of our net profit or loss of our non-wholly owned subsidiaries that is attributable to their non-controlling shareholders.

RESULTS OF OPERATIONS

The table below summarizes our consolidated income statements for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Revenue	1,547,206	2,466,811	3,197,142	1,817,102	2,362,705
Cost of sales	(1,156,369)	(1,781,257)	(2,288,184)	(1,419,129)	(1,814,642)
Gross profit	390,837	685,554	908,958	397,973	548,063
Other income and gains	196,025	208,908	138,269	69,811	47,442
Selling and marketing costs	(172,925)	(259,226)	(204,279)	(134,886)	(169,488)
Administrative expenses	(111,425)	(182,227)	(145,098)	(67,875)	(130,801)
Other expenses	(27,006)	(84,069)	(34,377)	(3,427)	(8,985)
Finance costs	(33,110)	(39,662)	(42,055)	(20,695)	(34,411)
Share of profits and losses of associates	3,212	6,440	5	(13)	105
Profit before tax	245,608	335,718	621,423	240,888	251,925
Income tax expense	(80,264)	(100,847)	(267,775)	(78,231)	(95,232)
Profit for the year/period	165,344	234,871	353,648	162,657	156,693
Attributable to:					
Owners of the Company	165,347	247,169	362,916	167,599	165,946
Non-controlling interests	(3)	(12,298)	(9,268)	(4,942)	(9,253)
	165,344	234,871	353,648	162,657	156,693

Six months ended June 30, 2013 compared to six months ended June 30, 2012

Revenue. Our revenue increased by RMB545.6 million, or 30.0%, to RMB2,362.7 million for the six months ended June 30, 2013 from RMB1,817.1 million for the six months ended June 30, 2012. This increase was primarily due to an increase in revenue from the sale of properties as described below.

The table below sets forth, for the periods indicated, our revenue from the sale of properties by type of property and revenue from other sources:

	Six months ended June 30, 2012			Six months ended June 30, 2013		
	Revenue	GFA delivered[(1)]	Average selling price per sq.m.	Revenue	GFA delivered[(1)]	Average selling price per sq.m.
	(unaudited) (RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)
Sales of properties						
Residential	1,749,478	228,372	7,661	2,227,117	264,160	8,431
Car park	18,231	2,218	8,219	24,062	3,025	7,954
Sub-total	1,767,709	230,590	7,666	2,251,179	267,185	8,426
Gross rental income	18,585			71,670		
Property management fee income	30,808			39,856		
Total	**1,817,102**			**2,362,705**		

Note:

(1) "GFA delivered" excludes the GFA for ancillary facilities, such as clubhouses, which are delivered in aggregate to the purchasers of properties in the relevant property developments. We did not generate any revenue from such GFA during the Track Record Period.

Revenue from the sale of properties increased by 27.4% to RMB2,251.2 million for the six months ended June 30, 2013 from RMB1,767.7 million for the six months ended June 30, 2012, due to an increase in total GFA delivered and an increase in the average selling price per sq.m. of properties delivered.

The GFA of properties delivered increased by 36,595 sq.m., or 15.9%, to 267,185 sq.m. in the first half of 2013 from 230,590 sq.m. in the first half of 2012. This increase was primarily attributable to the completion and delivery of phase 2 of Ocean Times and phase 3 of Times Sweet House (Jinshazhou). The average selling price per sq.m. of properties delivered rose by 9.9% to RMB8,426 in the first half of 2013 from RMB7,666 in the first half of 2012. This increase was primarily attributable to the higher average selling price per sq.m. of the properties listed above in comparison with the average selling price per sq.m. of the properties delivered in the first half of 2012, as a consequence of these two properties being located in cities generally commanding higher selling prices than other cities.

Gross rental income increased by 285.6% to RMB71.7 million for the six months ended June 30, 2013 from RMB18.6 million for the six months ended June 30, 2012. This significant increase was primarily due to the fact that we acquired Guangzhou Zhide in December 2012 and engaged in the sub-leasing business through Guangzhou Zhide and its subsidiaries, including Zhide Technology and Guangzhou Guangdechang, from which we recognized rental income of RMB50.5 million in the first half of 2013.

Property management fee income increased by 29.4% to RMB39.9 million for the six months ended June 30, 2013 from RMB30.8 million for the six months ended June 30, 2012, primarily due to an increase in the number of property phases that we managed.

Cost of sales. Our cost of sales increased by RMB395.5 million, or 27.9%, to RMB1,814.6 million for the six months ended June 30, 2013 from RMB1,419.1 million for the six months ended June 30, 2012. This increase was primarily due to (i) a rise in the total GFA of properties delivered, which resulted in higher land acquisition costs and construction costs, and (ii) an increase in direct operating expenses (including repairs and maintenance) arising from rental-earning properties, as a result of the operating expenses incurred in relation to our sub-leasing business that we conducted through Guangzhou Zhide, a subsidiary we acquired in December 2012, and its subsidiaries.

Gross profit. As a result of the foregoing, our gross profit increased by RMB150.1 million, or 37.7%, to RMB548.1 million for the six months ended June 30, 2013 from RMB398.0 million for the six months ended June 30, 2012, while our gross profit margin increased to 23.2% for the six months ended June 30, 2013 from 21.9% for the six months ended June 30, 2012.

Other income and gains. Other income and gains decreased by RMB22.4 million, or 32.0%, to RMB47.4 million for the six months ended June 30, 2013 from RMB69.8 million for the six months ended June 30, 2012. This decrease was primarily attributable to a decrease in fair value gains on our investment properties, i.e., the commercial units in Times Property Center, which was in line with the smaller increase in the capital value of comparable commercial properties nearby in the first half of 2013, which was partially offset by (i) an increase in exchange gain, as a result of appreciation of Renminbi, in relation to our distribution of dividends of approximately RMB442.4 million to Asiaciti Enterprises on June 6, 2013 to offset the debt owed to us by Asiaciti Enterprises, and (ii) a one-time gain on bargain purchase in relation to our acquisition of Zhuhai Guoji.

Selling and marketing costs. Our selling and marketing costs increased by RMB34.6 million, or 25.7%, to RMB169.5 million for the six months ended June 30, 2013 from RMB134.9 million for the six months ended June 30, 2012. This increase was primarily due to an increase in the number of properties for which we commenced pre-sales and the fact that we commenced pre-sales in new geographic markets, for example, in relation to Times King City (Qingyuan), which was our first property project in Qingyuan, all of which resulted in more sales, marketing and advertising activities, as well as an increase in sales commission paid in relation to the higher total GFA we delivered in the first half of 2013.

Administrative expenses. Our administrative expenses increased by RMB62.9 million, or 92.7%, to RMB130.8 million for the six months ended June 30, 2013 from RMB67.9 million for the six months ended June 30, 2012. The increase was primarily due to our acquisition of Guangzhou Zhide in December 2012 and the commencement of our sub-leasing business through Guangzhou Zhide and its subsidiaries, which resulted in an increase in our staff costs, office expenses, depreciation and amortization and rental expenses for properties to be sub-leased. We also incurred higher legal and professional fees in the first half of 2013 in relation to the Listing.

Other expenses. Our other expenses significantly increased by RMB5.6 million, or 162.2%, to RMB9.0 million for the six months ended June 30, 2013 from RMB3.4 million for the six months ended June 30, 2012. This increase was primarily due to an increase in donations and sponsorship we made.

Finance costs. Our finance costs increased by RMB13.7 million, or 66.3%, to RMB34.4 million for the six months ended June 30, 2013 from RMB20.7 million for the six months ended June 30, 2012. This increase was primarily due to higher interest expenses as a result of an increase in borrowings to finance our property development activities, which was partially offset by an increase in interest capitalized for properties under development for sale.

Share of profits and losses of associates. Our share of profits of associates was RMB105,000 for the six months ended June 30, 2013, and our share of losses of associates was RMB13,000 for the six months ended June 30, 2012. The share of profits for the six months ended June 30, 2013 was largely a consequence of a decrease in losses of Guangzhou Hongwei, an associate in which we had a 30% equity interest, and an increase in profit generated by Guangzhou Baiyun, an associate in which we had a 20% equity interest.

Income tax expense. Our income tax expense increased by RMB17.0 million, or 21.7%, to RMB95.2 million for the six months ended June 30, 2013 from RMB78.2 million for the six months ended June 30, 2012, primarily due to an increase in profit that was subject to tax. Our effective tax rate rose to 37.8% in the first half of 2013 from 32.4% in the first half of 2012, primarily due to the higher LAT rate we were subject to in the first half of 2013 in relation to Times Sweet House (Jinshazhou), which is a residential development that includes townhouses, which are subject to a higher LAT rate than high-rise apartment buildings.

Profit for the period. As a result of the foregoing, our profit decreased by RMB6.0 million, or 3.7%, to RMB156.7 million for the six months ended June 30, 2013 from RMB162.7 million for the six months ended June 30, 2012. Our net profit margin decreased to 6.6% in the first half of 2013 from 9.0% in the first half of 2012, primarily due to (i) an increase in our selling and marketing costs as explained above and (ii) an increase in administrative expenses due to our acquisition of Guangzhou Zhide in December 2012 and the commencement of our sub-lease business.

Profit attributable to non-controlling interests. We recorded losses attributable to our non-controlling shareholders of RMB9.3 million for the six months ended June 30, 2013, primarily due to losses attributable to Guangzhou Dafushi Investment Co., Ltd., Guangzhou Xiandai Investment Co., Ltd., Guangzhou Jiada Investment Consulting Co., Ltd., Zhuhai Special Economic Zone Nanying Industrial Co., Ltd. Guangzhou Office, Foshan Meiguiyuan and Foshan Huaye. We recorded losses attributable to our non-controlling shareholders of RMB4.9 million for the six months ended June 30, 2012, primarily due to losses attributable to Guangzhou Dafushi Investment Co., Ltd., Zhuhai Special Economic Nanying Industrial Co., Ltd., Guangzhou Branch, Foshan Meiguiyuan and Foshan Huaye.

Profit attributable to owners of our Company. As a result of the foregoing, profit attributable to owners of our Company decreased by RMB1.7 million, or 1.0%, to RMB165.9 million for the six months ended June 30, 2013 from RMB167.6 million for the six months ended June 30, 2012.

2012 compared to 2011

Revenue. Our revenue increased by RMB730.3 million, or 29.6%, to RMB3,197.1 million in 2012 from RMB2,466.8 million in 2011. This increase was primarily due to an increase in revenue from the sale of properties as described below.

The table below sets forth, for the years indicated, our revenue from the sale of properties by type of property and revenue from other sources:

	2011			2012		
	Revenue	GFA delivered[(1)]	Average selling price per sq.m.	Revenue	GFA delivered[(1)]	Average selling price per sq.m.
	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)
Sales of properties						
Residential	2,198,788	279,442	7,868	3,042,447	378,778	8,032
Commercial	119,858	7,762	15,442	3,856	266	14,496
Car park	50,745	5,719	8,873	44,434	5,304	8,377
Others[(2)]	172	15	11,467	50	–	–
Sub-total	2,369,563	292,938	8,089	3,090,787	384,348	8,042
Gross rental income	37,881			38,423		
Property management fee income	59,367			67,932		
Total	2,466,811			3,197,142		

Notes:

(1) "GFA delivered" excludes the GFA for ancillary facilities, such as clubhouses, which are delivered in aggregate to the purchasers of properties in the relevant property developments. We did not generate any revenue from such GFA during the Track Record Period.

(2) "Others" represents the amounts received from property purchasers for the GFA actually delivered if this exceeds the GFA provided in the relevant sale and purchase agreements, less the amounts refunded to property purchasers for the shortfall in GFA where the GFA actually delivered is less than the GFA provided in the sale and purchase agreements.

Revenue from the sale of properties increased by 30.4% to RMB3,090.8 million in 2012 from RMB2,369.6 million in 2011, primarily due to an increase of 91,410 sq.m. in total GFA delivered.

Gross rental income slightly increased by 1.4% to RMB38.4 million in 2012 from RMB37.9 million in 2011. This increase in gross rental income was primarily due to an increase in the rent per sq.m. to RMB931.2 in 2012 from RMB865.3 in 2011, partially offset by a decrease in the occupancy rate of Times Property Center to 95.2% as of December 31, 2012 from 96.0% as of December 31, 2011.

Property management fee income increased by 14.4% to RMB67.9 million in 2012 from RMB59.4 million in 2011, primarily due to an increase in the number of properties that we managed.

Cost of sales. Our cost of sales increased by RMB506.9 million, or 28.5%, to RMB2,288.2 million in 2012 from RMB1,781.3 million in 2011. This increase was primarily due to a rise in the total GFA of delivered properties, which resulted in higher construction costs and land acquisition costs.

Gross profit. As a result of the foregoing, including the factors listed under "— Description of Certain Income Statement Line Items — Gross Profit," our gross profit increased by RMB223.4 million, or 32.6%, to RMB909.0 million in 2012 from RMB685.6 million in 2011, while our gross profit margin slightly increased to 28.4% in 2012 from 27.8% in 2011.

Other income and gains. Other income and gains decreased by RMB70.6 million, or 33.8%, to RMB138.3 million in 2012 from RMB208.9 million in 2011. This decrease was primarily attributable to the absence of any gain on bargain purchase in 2012, in contrast with a one-time gain on bargain purchase of approximately RMB58.1 million in 2011 in relation to our acquisition of a 29.7% equity interest in Guangzhou Nanying by which we increased our shareholding interest in Guangzhou Nanying to 99%. The absence of such a one-time gain in 2012 was partially offset by an increase in other interest income of RMB12.3 million in relation to our held-to-maturity investments of RMB305.7 million in 2012, which were short-term investments in certain Renminbi denominated wealth management products sold by a reputable PRC bank with a determinable expected interest rate and maturity period within one year and was pledged to the same bank as a security for one of our bank loans. In April 2013, the bank loan was settled by offsetting the amount owed against such short-term investments.

Selling and marketing costs. Our selling and marketing costs decreased by RMB54.9 million, or 21.2%, to RMB204.3 million in 2012 from RMB259.2 million in 2011. The decrease in selling and marketing costs was primarily due to a decline in advertising and marketing costs in 2012 following the higher advertising and marketing costs we incurred in 2011 with respect to our expansion to Panyu, Guangdong Province and Changsha, Hunan Province that year. This decline in advertising and marketing costs in 2012 was partially offset by an increase in sales commission in relation to the higher total GFA we delivered in 2012.

Administrative expenses. Our administrative expenses decreased by RMB37.1 million, or 20.4%, to RMB145.1 million in 2012 from RMB182.2 million in 2011. We incurred higher administrative expenses in 2011 primarily due to our expansion to Panyu, Guangdong Province and Changsha, Hunan Province that year, which resulted in an increase in our staff costs, office expenses and traveling expenses.

Other expenses. Our other expenses decreased by RMB49.7 million, or 59.1%, to RMB34.4 million in 2012 from RMB84.1 million in 2011, primarily as a result of a one-time loss in 2011, representing the re-measurement of the fair value of our previously held 69.3% equity interest in Guangzhou Nanying at the date we increased that interest to 99%. See Note 16 to the Accountants' Report in Appendix I to this prospectus for further details.

Finance costs. Our finance costs increased by RMB2.4 million, or 6.0%, to RMB42.1 million in 2012 from RMB39.7 million in 2011. This increase was primarily due to higher interest expenses as a result of an increase in borrowing to finance our property development activities, which was partially offset by an increase in interest capitalized for properties under development for sale.

Share of profits and losses of associates. Our share of profits and losses of associates in 2012 and 2011 was RMB5,000 and RMB6.4 million, respectively. The decline from 2011 to 2012 was largely a consequence of an increase in our shareholding interests in Guangzhou Nanying to 99% in April 2011, which enabled us to consolidate the results of Guangzhou Nanying with ours in 2012 and hence eliminated any further separately recorded share of profits and losses of Guangzhou Nanying after that date.

Income tax expense. Our income tax expense increased by RMB167.0 million, or 165.5%, to RMB267.8 million in 2012 from RMB100.8 million in 2011, primarily due to an increase in profit before tax. Our effective tax rate rose to 43.0% in 2012 from 30.0% in 2011, primarily due to the higher LAT rate we were subject to in 2012 in relation to phase 2 of Ocean Times, which is a residential development that includes townhouses which are subject to a higher LAT rate than high-rise apartment buildings.

Profit for the year. As a result of the foregoing, our profit increased by RMB118.8 million, or 50.6%, to RMB353.6 million in 2012 from RMB234.9 million in 2011. Our net profit margin increased to 11.1% in 2012 from 9.5% in 2011, primarily due to a decrease in selling and marketing costs and administrative expenses, partially offset by an increase in income tax expenses.

Profit attributable to non-controlling interests. We recorded losses attributable to our non-controlling shareholders of RMB9.3 million and RMB12.3 million in 2012 and 2011, respectively, primarily due to losses attributable to Foshan Meigui Huaye and Foshan Meiguiyuan.

Profit attributable to owners of our Company. As a result of the foregoing, profit attributable to owners of our Company increased by RMB115.7 million, or 46.8%, to RMB362.9 million in 2012 from RMB247.2 million in 2011.

2011 compared to 2010

Revenue. Our revenue increased by RMB919.6 million, or 59.4%, to RMB2,466.8 million in 2011 from RMB1,547.2 million in 2010. This increase was primarily due to an increase in revenue from the sale of properties.

The table below sets forth, for the years indicated, our revenue from the sale of properties by type of project and revenue from other sources:

	2010			2011		
	Revenue	GFA delivered[1]	Average selling price per sq.m.	Revenue	GFA delivered[1]	Average selling price per sq.m.
	(RMB in thousands)	(sq.m.)	(RMB)	(RMB in thousands)	(sq.m.)	(RMB)
Sales of properties						
Residential	1,385,872	228,461	6,066	2,198,788	279,442	7,868
Commercial	13,274	749	17,722	119,858	7,762	15,442
Car park	66,872	12,566	5,322	50,745	5,719	8,873
Others[2]	316	102	3,098	172	15	11,467
Sub-total	1,466,334	241,878	6,062	2,369,563	292,938	8,089
Gross rental income	39,505			37,881		
Property management fee income	41,367			59,367		
Total	1,547,206			2,466,811		

Notes:

(1) "GFA delivered" excludes the GFA for ancillary facilities, such as clubhouses, which are delivered in aggregate to the purchasers of properties in the relevant property developments. We did not generate any revenue from such GFA during the Track Record Period.

(2) "Others" represents the amounts received from property purchasers for the GFA actually delivered if this exceeds the GFA provided in the relevant sale and purchase agreements, minus the amounts refunded to property purchasers for the shortfall in GFA where the GFA actually delivered is less than the GFA provided in the sale and purchase agreements.

Revenue from the sale of properties increased by 61.6% to RMB2,369.6 million in 2011 from RMB1,466.3 million in 2010, due to an increase in total GFA delivered and an increase in the average selling price per sq.m. of properties delivered.

The GFA of properties delivered increased by 51,060 sq.m., or 21.1%, to 292,938 sq.m. in 2011 from 241,878 sq.m. in 2010. This increase in total GFA delivered was primarily attributable to the completion and delivery of phase 2 of Times Sweet House (Jinshazhou), phase 2 of Times City, Times Mont Blanc (Zhongshan) and phase 1 of Times Eolia City (Zhuhai). The average selling price per sq.m. of properties delivered rose by 33.4% to RMB8,089 in 2011 from RMB6,062 in 2010. This increase was primarily attributable to the

higher average selling price per sq.m. of the properties listed above in comparison with the average selling price per sq.m. of the properties delivered in 2010, as a consequence of these four developments being located in cities generally commanding higher selling prices than other cities.

Gross rental income decreased by 4.1% to RMB37.9 million in 2011 from RMB39.5 million in 2010, primarily due to a decrease in the GFA of Times Property Center leased to others, as well as a decline in the occupancy rate of Times Property Center to 96.0% as of December 31, 2011 from 98.2% as of December 31, 2010.

Property management fee income increased by 43.5% to RMB59.4 million in 2011 from RMB41.4 million in 2010. This increase was primarily due to an increase in the number of properties that we managed.

Cost of sales. Our cost of sales increased by RMB624.9 million, or 54.0%, to RMB1,781.3 million in 2011 from RMB1,156.4 million in 2010. This increase was primarily due to a rise in the total GFA of completed and delivered properties, which resulted in higher construction costs and land acquisition costs.

Gross profit. As a result of the foregoing, including the factors listed under "— Description of Certain Income Statement Line Items — Gross Profit," our gross profit increased by RMB294.7 million, or 75.4%, to RMB685.6 million in 2011 from RMB390.8 million in 2010, and our gross profit margin rose to 27.8% in 2011 from 25.3% in 2010.

Other income and gains. Other income increased by RMB12.9 million, or 6.6%, to RMB208.9 million in 2011 from RMB196.0 million in 2010. This increase was primarily attributable to a one-time gain on bargain purchase in relation to our acquisition of 29.7% of Guangzhou Nanying, which was partially offset by a decrease in fair value changes attributable to our non-controlling shareholder based on the assets it owned in Guangzhou Nanying, which were measured by an Independent Third Party by reference to the prevailing market value. See the subsection entitled "— Description of Selected Statements of Financial Position Items — Other payables and accruals" below for further details on "other payables to fellow investors/non-controlling shareholders."

Selling and marketing costs. Our selling and marketing costs increased by RMB86.3 million, or 49.9%, to RMB259.2 million in 2011 from RMB172.9 million in 2010. This increase was primarily due to higher sales, marketing and advertising activities resulting from our expansion to Panyu, Guangdong Province and Changsha, Hunan Province, as well as an increase in sales commission paid in relation to the higher total GFA we delivered in 2011.

Administrative expenses. Our administrative expenses increased by RMB70.8 million, or 63.5%, to RMB182.2 million in 2011 from RMB111.4 million in 2010. This increase was primarily due to a rise in staff costs as a result of our expansion to Panyu, Guangdong Province and Changsha, Hunan Province.

Other expenses. Our other expenses increased by RMB57.1 million, or 211.3%, to RMB84.1 million in 2011 from RMB27.0 million in 2010, primarily as a result of a one-time loss, representing the re-measurement of the fair value of the previously held 69.3% equity interests in Guangzhou Nanying at the acquisition date.

Finance costs. Our finance costs increased by RMB6.6 million, or 19.8%, to RMB39.7 million in 2011 from RMB33.1 million in 2010, primarily due to higher interest expense as a result of an increase in borrowing to fund our property development activities, which was partially offset by an increase in interest capitalized in relation to properties under development for sale.

Share of profits and losses of associates. Our share of profits and losses of associates in 2011 and 2010 was RMB6.4 million and RMB3.2 million, respectively. We recognized a higher share of profits of associates in 2011 as compared to 2010, primarily due to an increase in our share of profits of Guangzhou Nanying before it became our 99% owned subsidiary in April 2011.

Income tax expense. Our income tax expense increased by RMB20.6 million, or 25.6%, to RMB100.8 million in 2011 from RMB80.3 million in 2010, primarily due to an increase in profit before tax. Our effective tax rate in 2010 and 2011 was 32.7% and 30.0%, respectively. The decline in our effective tax rate in 2011 compared to 2010 was primarily due to an increase in income not subject to tax and LAT, partially offset by a decrease in expenses not deductible for tax and a decrease in tax losses not recognized.

Profit for the year. As a result of the foregoing, our profit increased by RMB69.5 million, or 42.0%, to RMB234.9 million in 2011 from RMB165.3 million in 2010. Our net profit margin decreased to 9.5% in 2011 from 10.7% in 2010, primarily due to an increase in selling and marketing costs, administrative expenses and other expenses as a result of our expansion to new geographic markets, including Panyu, Guangdong Province and Changsha, Hunan Province.

Profit attributable to non-controlling interests. We recorded losses attributable to our non-controlling shareholders of RMB12.3 million and RMB3,000, respectively, in 2011 and 2010. These losses were primarily due to losses to Foshan Meigui Huaye and Foshan Meiguiyuan in 2011, and losses attributable to Guangzhou Dafushi and attributable to Guangzhou Hengde Investments in 2010.

Profit attributable to owners of our Company. As a result of the foregoing, profit attributable to owners of our Company increased by RMB81.8 million, or 49.5%, to RMB247.2 million in 2011 from RMB165.3 million in 2010.

DESCRIPTION OF SELECTED STATEMENTS OF FINANCIAL POSITION ITEMS

Net Current Assets

	As of December 31,			As of June 30,	As of September 30,
	2010	2011	2012	2013	2013
					(unaudited)
			(RMB in thousands)		
Current assets					
Inventories	–	–	4,642	–	–
Prepaid land lease payments	563,210	363,019	265,813	–	–
Properties under development	3,859,424	6,924,604	9,350,228	13,064,262	14,855,895
Completed properties held for sale	1,205,795	2,195,714	2,641,554	2,925,626	2,089,055
Trade receivables	12,576	18,872	32,546	17,813	31,528
Prepayments, deposits and other receivables	874,819	1,562,773	3,580,567	1,487,586	2,077,162
Held-to-maturity investments	–	–	305,700	–	–
Amount due from the immediate holding company	–	11,408	437,507	22,282	–
Amount due from the ultimate holding company	6	5	16	16	–
Amounts due from associates	72,631	60,180	63,880	56,480	66,980
Amounts due from directors	11,048	4,000	3,438	–	–
Available-for-sale investments	4,100	3,100	3,100	12,900	3,100
Tax prepayments	110,944	154,116	234,409	319,254	328,559
Restricted bank deposits	608,813	1,037,539	897,299	1,236,706	1,074,368
Cash and cash equivalents	563,389	565,700	936,446	309,909	560,617
Total current assets	7,886,755	12,901,030	18,757,145	19,452,834	21,087,264
Current liabilities					
Trade payables	1,564,997	2,039,031	2,872,646	2,930,841	2,922,935
Other payables and accruals	3,382,706	5,202,549	8,718,085	10,839,631	11,871,710
Interest-bearing bank loans and other borrowings	533,689	1,220,697	3,177,263	2,851,992	1,745,862
Amount due to a director	95,588	101,489	101,478	96,885	–
Tax payable	81,552	97,087	207,061	146,497	180,895
Total current liabilities	5,658,532	8,660,853	15,076,533	16,865,846	16,721,402
Net current assets	2,228,223	4,240,177	3,680,612	2,586,988	4,365,862

Properties under Development and Completed Properties Held for Sale

Properties under development in our consolidated statements of financial position are accounted for as current assets. The value of our properties under development totaled approximately RMB3,859.4 million, RMB6,924.6 million, RMB9,350.2 million and RMB13,064.3 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. The increase in the aggregate value of our properties under development during the Track Record Period was primarily due to the increase in the number of our properties under development and the construction progress of our projects. In 2010, we commenced

construction of six projects. In 2011, we completed the construction of two projects from 2010 and commenced construction of six new projects, five of which were commenced in the second half of the year. In 2012, other than the seven projects still under development from 2011, we commenced construction of three new projects. In the first half of 2013, other than the nine projects still under development from 2012, we commenced construction of ten new projects.

Completed properties held for sale comprise our completed properties remaining unsold as of the end of each reporting period and are included in our consolidated statements of financial position as current assets. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our completed properties held for sale amounted to approximately RMB1,205.8 million, RMB2,195.7 million, RMB2,641.6 million and RMB2,925.6 million, respectively.

Trade Receivables

Our trade receivables mainly arise from the sale of properties. The purchase price of properties sold is payable by each purchaser in accordance with the terms of the related sale and purchase agreement. Our credit policy for our customers who purchase property from us is reflected in our sale and purchase agreements with our customers. Our customers who purchase properties from us generally pay non-refundable initial deposits at or prior to signing the sale and purchase agreements. These customers can choose to settle the outstanding amounts by a lump-sum payment, installment payments or mortgage loans. If these customers need to apply for bank mortgage loans, they will generally make additional down payments when they sign the sale and purchase agreements and subsequently apply for mortgage loans for the remaining purchase prices. Our trade receivables outstanding as of December 31, 2010, 2011 and 2012 and June 30, 2013 were mainly attributable to installment payments to be made by customers and mortgage payments to be made by mortgagee banks for the amounts outstanding under sale and purchase agreements.

We had trade receivables of RMB12.6 million, RMB18.9 million, RMB32.5 million and RMB17.8 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. The decrease in our trade receivables as of June 30, 2013 compared to as of December 31, 2012 was primarily due to our adoption of measures to accelerate the settlement of trade receivables in the first half of 2013. For example, we set up a working team in the end of 2012 to monitor the settlement of our trade receivables by liaising with our customers in relation to unsettled payments for the properties they had purchased. The increase in our trade receivables in 2012 compared to 2011 was primarily due to (i) an increase in settlement by installment payments as a result of stringent residential mortgage policies being issued in the PRC in 2012, which in turn caused an increase in the aggregate amount outstanding of the purchase price of our properties, and (ii) an increase in the total GFA we delivered. The increase in our trade receivables as of December 31, 2011 compared to that as of December 31, 2010 was primarily due to an increase in the total GFA we delivered.

Our trade receivables turnover days were three days, two days, three days and two days, respectively, in 2010, 2011 and 2012 and the six months ended June 30, 2013. We calculate our trade receivables turnover days by averaging the trade receivables as of the beginning and as of the end of a particular year or period, dividing such average by the revenue during the year or period, and multiplying by 365 (or 180, in the case of the six months ended June 30, 2013).

The following is an aging analysis of our trade receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Within 3 months	3,198	17,037	21,327	13,826
4 to 6 months	810	390	9,752	2,127
7 to 12 months	8,568	1,445	1,467	1,860
	12,576	**18,872**	**32,546**	**17,813**

In general, the credit term for our customers to settle the initial down payment is within seven days of the execution of the sale and purchase agreement. As of September 30, 2013, approximately 58.4% of our trade receivables as of June 30, 2013 had been subsequently settled.

Prepayments, Deposits and Other Receivables

We had total prepayments, deposits and other receivables of RMB874.8 million, RMB1,562.8 million, RMB3,580.6 million and RMB1,487.6 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. Our prepayments, deposits and other receivables consist of deposits and other receivables, prepayments for leasehold land, and other prepayments. The table below sets forth a breakdown of our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Prepayments for leasehold land	426,734	471,761	1,730,780	432,641
Deposits and other receivables	279,705	816,503	1,210,453	405,269
Other prepayments	168,380	275,509	640,334	649,676
	874,819	1,563,773	3,581,567	1,487,586
Impairment	–	(1,000)	(1,000)	–
	874,819	**1,562,773**	**3,580,567**	**1,487,586**

Our prepayments for leasehold land are recorded as such while the relevant land use right certificates are pending approval. Our prepayments for leasehold lands decreased by RMB1,298.1 million, or 75.0%, to RMB432.6 million as of June 30, 2013 from RMB1,730.8 million as of December 31, 2012, primarily due to the fact that we obtained land use rights certificates for six parcels of land in relation to Ocean Times, Times King City (Qingyuan), Times Peanut II, Times Cloud Atlas (Foshan), Zhuhai Pingsha Project and Times King City (Guangzhou), all of which commenced construction in the first half of 2013, and as a result, the amount of the prepayments for these six parcels of land were transferred to properties under development as current assets in our consolidated financial statements. Our prepayments for leasehold lands significantly increased by RMB1,259.0 million, or 266.9%, to RMB1,730.8 million as of December 31, 2012 from RMB471.8 million in 2011, primarily due to our prepayment for the acquisition of four parcels of land in 2012 in relation to Times Peanut II, Times Cloud Atlas (Foshan), Times King City (Zhuhai) and Times King City (Guangzhou). Our prepayments for leasehold land increased by RMB45.1 million, or 10.6%, to RMB471.8 million as of December 31, 2011 from RMB426.7 million as of December 31, 2010, primarily due to an increase in our prepayment for the acquisition of parcels of land in 2011 in relation to Ocean Times and Times King City (Qingyuan).

Our deposits and other receivables primarily include (i) receivables that were owed to our project companies by former owners before our acquisition of the companies, (ii) a deposit of RMB330.0 million that we made to guarantee one installment payment to be made by Asiaciti Enterprises under loans it received from the Investors (which deposit was released in May 2013), and (iii) advances to independent contractors.

Our deposits and other receivables decreased by RMB805.2 million, or 66.5%, to RMB405.3 million as of June 30, 2013 from RMB1,210.5 million as of December 31, 2012. This decrease was primarily due to (i) the settlement of receivables of approximately RMB418.6 million as a consequence of consolidating Guangzhou Nanying's assets into our Group upon our acquisition of Guangzhou Nanying in April 2011, and (ii) the release of the RMB330.0 million deposit that we made to guarantee one installment payment under the loans that Asiaciti Enterprises received from the Investors. Our deposits and other receivables increased by RMB394.0 million, or 48.2%, to RMB1,210.5 million as of December 31, 2012 from RMB816.5 million as of December 31, 2011, primarily due to the deposit of RMB330.0 million that we made to guarantee one installment payment under the loans that Asiaciti Enterprises received from the Investors. Our deposits and other receivables increased significantly by RMB536.8 million, or 191.9%, to RMB816.5 million as of December 31, 2011 from RMB279.7 million as of December 31, 2010, primarily due to an increase in receivables of approximately RMB416.9 million as a consequence of consolidating Guangzhou Nanying's assets into our Group upon our acquisition of Guangzhou Nanying in April 2011 (which amount was fully settled by June 30, 2013).

Our other prepayments consist of tax prepayments, prepaid construction costs, prepaid sales commission, prepaid advertising expenses and prepaid costs relating to the acquisition of project companies. The table below sets forth these prepayments as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Prepaid business tax and surcharges	91,624	150,112	339,430	464,346
Prepaid construction costs	33,000	81,000	81,000	81,000
Prepaid sales commission	23,756	44,397	71,865	87,475
Prepaid advertising expenses	–	–	5,000	16,855
Prepaid acquisition cost of project companies	20,000	–	143,039	–
Total	**168,380**	**275,509**	**640,334**	**649,676**

Our other prepayments increased by RMB9.3 million, or 1.5%, to RMB649.7 million as of June 30, 2013 from RMB640.3 million as of December 31, 2012. Our other prepayments increased by RMB364.8 million, or 132.4%, to RMB640.3 million as of December 31, 2012 from RMB275.5 million as of December 31, 2011, and increased by RMB107.1 million, or 63.6%, to RMB275.5 million as of December 31, 2011 from RMB168.4 million as of December 31, 2010. These increases were primarily due to increases in the pre-sale of properties, which contributed to increases in our prepayments for corporate income tax, LAT and sales commission.

Trade Payables

Our trade payables consist of payables to third parties, such as suppliers and contractors. We had trade payables of RMB1,565.0 million, RMB2,039.0 million, RMB2,872.6 million and RMB2,930.8 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. The increase in our trade payables was generally in line with the expansion of our property development operations during the Track Record Period.

Our trade payables turnover days were 339 days, 369 days, 392 days and 288 days in 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. We calculate our trade payables turnover days by averaging the trade payables as of the beginning and as of the end of a particular year or period (which are affected by the scale of and construction cost incurred for our property development activities conducted during the relevant period), dividing such average by our cost of sales for the year or period (which is affected by our properties completed and delivered during the period), and multiplying by 365 (or 180, in the case of the six months ended June 30, 2013). Our trade payables turnover days decreased in the first half of 2013, primarily due to the fact that our contractors accelerated the construction of property projects to meet delivery schedules, which resulted in the acceleration of the settlement of our trade payments in the first half of 2013. Our trade payables turnover days

were relatively high in 2010, 2011 and 2012, primarily due to relatively high construction costs as a result of the large scale of our development activities conducted during these years. In addition, we have maintained long-term relationships with our major contractors, some of which have been flexible on a case-by-case basis with respect to the credit terms granted to us. We make payments to our contractors based on the construction progress of our development projects. We are generally required to pay a certain percentage of the total contract price, ranging from approximately 70% to 97%, once the relevant project has reached certain payment milestones, such as completion of construction, inspection of the completed construction and clearance of the completed construction. We hold approximately 3% to 5% of the total contract price as a warranty deposit and usually pay this amount upon the expiration of the warranty period of the construction, which is typically two years after construction is completed. The increase in our trade payables turnover days in 2010, 2011 and 2012 was primarily due to the combined effect of changes in the number of our properties completed and delivered and in the number of projects on which construction was started or on-going during the respective periods, as well as the flexibility of the credit terms granted to us.

The following is an aging analysis of our trade payables as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Within 1 year	1,258,799	1,264,802	2,185,743	2,415,516
Over 1 year	306,198	774,229	686,903	515,325
	1,564,997	**2,039,031**	**2,872,646**	**2,930,841**

Other Payables and Accruals

We had other payables and accruals of RMB3,382.7 million, RMB5,202.5 million, RMB8,718.1 million and RMB10,839.6 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. The composition of our other payables and accruals was as follows as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Deposits received and receipts in advance	2,556,446	4,097,526	7,342,131	9,385,631
Payables for acquisition of project companies	307,878	239,894	528,262	1,015,985
Accruals and other payables	369,315	765,930	741,341	277,208
Other payables to fellow investors/the non-controlling shareholders	149,067	99,199	106,351	160,807
	3,382,706	**5,202,549**	**8,718,085**	**10,839,631**

Deposits received and receipts in advance represents proceeds from the pre-sale of properties. We do not recognize these proceeds from the pre-sale of properties as revenue until we have completed construction and delivered the relevant properties to the purchasers. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our aggregate deposits received and receipts in advance from the pre-sale of properties amounted to RMB2,556.4 million, RMB4,097.5 million, RMB7,342.1 million and RMB9,385.6 million, respectively. The increase in deposits received and receipts in advance as of June 30, 2013 as compared to the amount as of December 31, 2012 was primarily in relation to phase 2 of Times Bund, Zhuhai Jingrun Project (phase 4 of Times Eolia City), phase 2 of Times King City (Changsha) and phase 3 of Times City in the first half of 2013. The increase in deposits received and receipts in advance as of December 31, 2012 as compared to December 31, 2011 was primarily in relation to phase 1 of Times Bund, phase 3 of Times Sweet House (Jinshazhou), phase 1 of Times King City (Zhongshan) and phase 1 of Times King City (Changsha) in 2012. The increase in deposits received and receipts in advance in 2011 as compared to 2010 was primarily in relation to phase 2 of Ocean Times, phase 2 of Times Eolia City (Zhuhai), phase 2 of Times King City (Zengcheng) and phase 2 of Times City in 2011.

Payables for acquisition of project companies represents amounts owed to the former owners of project companies in relation to our acquisition of the companies. As of December 2010, 2011 and 2012 and June 30, 2013, our aggregate payables for acquisition of project companies amounted to RMB307.9 million, RMB239.9 million, RMB528.3 million and RMB1,016.0 million, respectively. The increase in this item as of June 30, 2013 as compared to the amount as of December 31, 2012 was primarily due to (i) a RMB180.8 million increase in the consideration outstanding in relation to Times Peanut II, which was payable to the former owners of Guangzhou Tianlang, and (ii) RMB269.0 million of consideration outstanding in relation to our acquisition of Changsha Meiguiyuan. The increase in this item as of December 31, 2012 as compared to the amount as of December 31, 2011 was primarily due to the receipt of a land compensation payment of RMB429.2 million from Guangzhou Land Development Center under the provincial government's "Urban Redevelopment" policies, which was payable to the former owners of Guangzhou Tianlang for their redevelopment of an old factory. See the section entitled "Regulatory Overview — Land Grants — Urban Redevelopment" in this prospectus for further details regarding "Urban Redevelopment" policies. Pursuant to the land acquisition arrangements with those former owners, land compensation that we receive from Guangzhou Land Development Center should be paid to them as part of the land acquisition consideration. In this regard, the land compensation payment that we received from Guangzhou Land Development Center was recorded as a current liability in our consolidated financial statements. As of September 30, 2013, the payable balance had not been settled. The decrease in payables for acquisition of project companies as of December 31, 2011 as compared to the amount as of December 31, 2010 was primarily due to a decrease in consideration outstanding in relation to our acquisition of Zhongshan Wanlian in 2010 (which was settled in 2011).

Accruals and other payables primarily include items such as deposits from independent contractors, payables to a former shareholder of Changsha Meiguiyuan, employee benefits payable and miscellaneous taxes payable to local government authorities on behalf of our customers, such as deed tax and stamp duty. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our aggregate accruals and other payables amounted to RMB369.3 million, RMB765.9 million, RMB741.3 million and RMB277.2 million, respectively. The decrease in accruals and other payables as of June 30, 2013 as compared to the amount as of December 31, 2012 was primarily due to (i) repayment of the deposits we received from some of our major contractors to secure their performance in relation to various construction projects, and (ii) a decrease in payables to a former shareholder of Changsha Meiguiyuan in relation to a shareholder's loan used as working capital of Changsha Meiguiyan (which was settled in May 2013), all of which was partially offset by an increase in accrued advertising and promotion expenses. The decrease in accruals and other payables as of December 31, 2012 as compared to the amount as of December 31, 2011 was primarily due to a decrease in outstanding payments owed to a third party (which were settled in August 2012) and a decrease in accrued advertising and promotion expenses, which were partially offset by an increase in the deposits we received from some of our major contractors to secure their performance in relation to various construction projects (which were repaid by June 30, 2013). The increase in accruals and other payables as of December 31, 2011 as compared to the amount as of December 31, 2010 was primarily due to an increase in the deposits we received from one of our major contractors to secure its performance in relation to various construction projects, payables to a former shareholder of Changsha Meiguiyuan in relation to a shareholder's loan used as working capital of Changsha Meiguiyuan (which was settled in May 2013) and accrued advertising and promotion expenses.

Our other payables to fellow investors/the non-controlling shareholders as of December 31, 2010 mainly include payables to the former shareholders of Guangzhou Nanying representing the value of certain assets (mainly properties), the economic benefits of which belong to such former shareholders. Guangzhou Nanying became our subsidiary in April 2011, upon our acquisition of a further 29.7% equity interest in the company. The balances as of December 31, 2011 and 2012 and as of June 30, 2013 mainly represented payables in connection with the remaining properties of Guangzhou Nanying owed to one of our non-controlling shareholders, which was one of the former shareholders of Guangzhou Nanying. Our other payables to fellow investors/the non-controlling shareholders also include amounts payable to the non-controlling shareholders of our project companies, including Changsha Meiguiyuan, Guangzhou Tiansi and Zhuhai Guoji. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our other payables to fellow investors/the non-controlling shareholders amounted to RMB149.1 million, RMB99.2 million, RMB106.4 million and RMB160.8 million, respectively.

During the Track Record Period, we did not have any material defaults in the payment of our trade and non-trade payables.

KEY FINANCIAL RATIOS

The following table sets out a summary of certain financial ratios for the periods or as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
Current ratio	1.4	1.5	1.2	1.2
Net debt-to-adjusted equity ratio[1]	72.6%	89.0%	116.2%	163.6%
Gearing ratio	125.6%	143.3%	171.6%	224.2%

	Year ended of December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
Net profit (RMB in millions)	165.3	234.9	353.6	162.7	156.7
Net profit margin	10.7%	9.5%	11.1%	9.0%	6.6%
Return on equity[2]	7.8%	10.5%	13.3%	N/A	N/A

Notes:

(1) Adjusted equity represents equity attributable to owners of our Company and includes the amounts due to a Director, one of the founders of our Company.

(2) Return on equity is our profit attributable to the owners of our Company for a full financial year as a percentage of our equity attributable to the owners of our Company as of the end of such year.

Current Ratio

Our current ratio is derived by dividing our current assets by our current liabilities as of the end of each financial period.

As of the end of each financial period during the Track Record Period, our current ratio consistently ranged between 1.2 and 1.5 times. Our current ratio remained the same as of June 30, 2013 and as of December 31, 2012. Our current ratio decreased from December 31, 2011 to December 31, 2012, primarily due to a greater increase in our current liabilities than in our current assets. Our current liabilities increased as more existing borrowings became due within one year and we borrowed more to finance construction-related activities and the purchase of additional property or other assets. Our current ratio increased from December 31, 2010 to December 31, 2011, primarily due to a greater increase in our current assets than in our current liabilities. The increase in our current assets was driven by increases in properties under development and completed properties held for sale, while the increase in our current liabilities was more modest, largely as a result of our increased utilization of long-term borrowings compared to short-term borrowings for the financing of our property development activities.

Net Debt-to-Adjusted Equity Ratio

Our net debt-to-adjusted equity ratio is our total bank loans and other borrowings less cash and bank balances as a percentage of total adjusted equity as of the end of each year.

The primary reason for the general increase in our net debt-to-adjusted equity ratio in 2010, 2011 and 2012 was an increase in our total bank loans and other borrowings over these years to support the growth of our property development business. Our net debt-to-adjusted equity ratio further increased as of June 30, 2013, mainly due to the decrease in our total equity as a result of the acquisition of non-controlling interests for RMB468.9 million and a dividend distribution of approximately RMB442.4 million, while our total debt remained at a similar level as compared to the amount as of December 31, 2012.

Gearing Ratio

Our gearing ratio is our total bank loans and other borrowings as a percentage of total adjusted equity as of the end of each financial period.

The reasons for the fluctuations in our gearing ratio as of the end of each year during the Track Record Period are similar to those for changes in our net debt-to-adjusted equity ratio as set forth above.

Net Profit and Net Profit Margin

Our net profit generally increased in 2010, 2011 and 2012, which was in line with the increases in our gross profit for the corresponding periods. Our net profit declined in the first half of 2013 as compared to that in the first half of 2012, primarily due to a larger increase in selling and marketing costs, administrative expenses and income tax expenses than the increase in gross profit. See the section entitled "— Results of Operations" above for further details of the reasons for the increases in our net profit.

Our net profit margin is calculated by dividing our profit for the year or period by revenue. Our net profit margin is affected by a number of factors, including, among other things, selling and marketing costs and administrative expenses. When we are expanding into new markets in the PRC or are commencing pre-sales of projects, we increase our staff numbers and strengthen our promotion efforts to enhance our brand awareness in the new markets or to increase our sales of the relevant projects, which results in higher selling and marketing costs and administrative expenses. Our net profit margins in 2011 and the six months ended June 30, 2013 were relatively low compared to the margins in 2010 and 2012, primarily due to our expansion into Panyu, Guangdong Province and Changsha, Hunan Province in 2011 and our commencement of pre-sales of our first project in Qingyuan in the first half of 2013, both of which resulted in higher selling and marketing costs and administrative expenses in the relevant year or period.

Return on Equity

Our return on equity is our profit attributable to the owners of our Company as a percentage of our equity attributable to the owners of our Company for each financial year.

The reasons for the general increase in our return on equity in 2010, 2011 and 2012 are similar to those for the general increase in our profit attributable to our equity owners during the Track Record Period as described in the subsections entitled "— 2012 compared to 2011" and "— 2011 compared to 2010" above.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The table below summarizes our consolidated statements of cash flows for the periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2010	2011	2012	2012	2013
				(unaudited)	
	(RMB in thousands)				
Net cash flows (used in)/generated from operating activities	(261,426)	(363,607)	281,166	(36,989)	(275,523)
Net cash flows used in investing activities	(77,468)	(529,735)	(326,969)	(312,191)	(646,304)
Net cash flows generated from financing activities	520,454	895,706	416,583	179,826	295,340
Net increase/(decrease) in cash and cash equivalents	181,560	2,364	370,780	(169,354)	(626,487)

Cash flows used in or generated from operating activities

Our cash used in operating activities principally comprises payments made in relation to our property development activities and land acquisitions. Our cash generated from operating activities is principally proceeds received from pre-sales and sales of our properties, gross rental income from the leasing of our rental-earning properties, and property management fee income from the property management services we provide.

For the six months ended June 30, 2013, we had cash flows generated from operating activities, before changes in working capital, of RMB279.4 million and net cash flows used in operating activities of RMB275.5 million. The difference of RMB554.9 million was primarily attributable to (i) an increase in properties under development of RMB3,178.9 million in connection with Times King City (Qingyuan), Ocean Times, Times Peanut II, Times Bund, Times Cloud Atlas (Foshan), Times King City (Guangzhou) and Zhuhai Guoji Project, (ii) an increase in restricted bank deposits relating to operating activities of RMB339.4 million (see the subsection entitled "— Restricted Bank Deposits" below for further details of this item), (iii) an increase in completed properties held for sale of RMB284.1 million in connection with Times Sweet House (Jinshazhou) and Times Eolia City (Zhuhai), (iv) interest paid of RMB270.0 million, (v) corporate income tax paid of RMB139.2 million, (vi) a decrease in trade payables of RMB108.8 million, (vii) an increase in prepaid land lease payments of RMB107.4 million, and (viii) the payment of land appreciation tax in an amount of RMB107.4 million, all of which was partially offset by (i) a decrease in prepayments, deposits and other receivables of RMB2,304.6 million, primarily due to the fact that we obtained land use right certificates for six parcels of land in relation to Ocean Times, Times King City (Qingyuan), Times Peanut, Times Cloud Atlas (Foshan), Zhuhai Pingsha Project and Times King City (Guangzhou), and as a result, the balances of the prepayments for these parcels were transferred to properties under development in our consolidated financial statements, and (ii) an increase in other payables and accruals of RMB1,642.1 million in connection with the commencement of pre-sales of phase 2 of Times Bund, the Zhuhai Jingrun Project (phase 4 of Times Eolia City), phase 2 of Times King City (Changsha) and phase 3 of Times City in the first half of 2013.

In 2012, we had cash flows generated from operating activities, before changes in working capital, of RMB553.0 million and net cash flows generated from operating activities of RMB281.2 million. The difference of RMB271.8 million was primarily attributable to (i) an increase in prepayments, deposits and other receivables of RMB1,410.4 million in connection with our acquisition of land for projects mainly including Times Peanut II, Times Cloud Altas (Foshan) and Times King City (Zhuhai), (ii) an increase in properties under development of RMB1,195.1 million in connection with Times Bund and other projects, (iii) interest paid of RMB459.7 million, (iv) an increase in completed properties held for sale of RMB445.8 million in connection with Times Eolia City (Zhuhai) and Times King City (Zengcheng) and (v) LAT paid of RMB141.6 million, all of which was partially offset by an increase in other payables and accruals of RMB2,869.4 million, an increase in trade payables of RMB316.3 million as a result of increased property development activities, and a decrease in restricted bank deposits of RMB140.2 million.

In 2011, we had cash flows generated from operating activities, before changes in working capital, of RMB229.2 million and net cash flows used in operating activities of RMB363.6 million. The difference of RMB592.8 million was primarily attributable to (i) an increase in properties under development of RMB956.1 million in connection with Times City and other projects, (ii) an increase in completed properties held for sale of RMB759.3 million in connection with our projects, mainly Times Mont Blanc (Zhongshan) and Ocean Times, (iii) an increase in restricted bank deposits of RMB428.7 million, (iv) an increase in prepayments,

deposits and other receivables of RMB311.0 million in connection with our acquisition of land for Ocean Times and our advances to one of our contractors and (v) interest paid of RMB304.2 million, all of which were partially offset by an increase in other payables and accruals of RMB1,513.2 million and a decrease in prepaid land lease payments of RMB508.3 million.

In 2010, we had cash flows generated from operating activities, before changes in working capital, of RMB87.5 million and net cash flows used in operating activities of RMB261.4 million. The difference of RMB348.9 million was primarily attributable to (i) an increase in properties under development of RMB1,309.5 million in connection with Times Mont Blanc (Zhongshan), Times King City (Zhongshan), Ocean Times and other projects, (ii) an increase in restricted bank deposits of RMB535.2 million, (iii) an increase in completed properties held for sale of RMB414.0 million in connection with phase 2 of Times Sweet House (Jinshazhou) and other projects and (iv) an increase in prepayments, deposits and other receivables of RMB276.5 million in connection with our acquisition of land for Ocean Times, Times King City (Qingyuan) and other projects, partially offset by an increase in other payables and accruals of RMB1,759.2 million and an increase in trade payables of RMB789.8 million as a result of increased property development activities.

Cash flows used in investing activities

For the six months ended June 30, 2013, our net cash flows used in investing activities were RMB646.3 million, which was primarily attributable to the acquisition of subsidiaries totaling RMB253.5 million, the acquisition of a non-controlling interest in Changsha Meiguiyuan of RMB200.5 million and purchases of items of property, plant and equipment totaling RMB178.3 million in connection with the refurbishment of premises that we leased before sub-leasing them to external tenants.

In 2012, our net cash flows used in investing activities were RMB327.0 million, which was primarily attributable to an increase in the purchase of held-to-maturity investments of RMB305.7 million, and the purchase of property, plant and equipment of RMB17.8 million.

In 2011, our net cash flows used in investing activities were RMB529.7 million, which was primarily attributable to acquisitions of subsidiaries totaling RMB488.1 million and purchases of property, plant and equipment totaling RMB27.7 million.

In 2010, our net cash flows used in investing activities were RMB77.5 million, which was primarily attributable to acquisitions of subsidiaries of RMB50.1 million and purchases of property, plant and equipment totaling RMB35.5 million.

Cash flows generated from financing activities

During the Track Record Period, our cash flows from financing activities were mainly generated from bank loans and other borrowings used to finance our project development activities. Our cash inflows from financing activities were mainly offset by repayments of bank loans and other borrowings.

For the six months ended June 30, 2013, our net cash flows generated from financial activities were RMB295.3 million, which was primarily attributable to new bank loans and other borrowings of RMB1,603.0 million, partially offset by repayments of bank loans and other borrowings of RMB1,269.2 million.

In 2012, our net cash flows generated from financing activities were RMB416.6 million, which was primarily attributable to new bank loans and other borrowings of RMB3,164.6 million, partially offset by repayments of bank loans and other borrowings of RMB2,318.5 million and payments of RMB437.5 million made on behalf of Asiaciti Enterprises, our immediate holding company, which were then owed to us.

In 2011, our net cash flows generated from financing activities were RMB895.7 million, which was primarily attributable to new bank loans and other borrowings of RMB3,085.8 million, partially offset by repayment of bank loans and other borrowings of RMB2,178.5 million.

In 2010, our net cash flows generated from financing activities were RMB520.5 million, which was primarily attributable to new bank loans and other borrowings of RMB1,960.0 million, partially offset by repayment of bank loans and other borrowings of RMB1,442.5 million.

Restricted Bank Deposits

Under relevant PRC laws and regulations, some of our project companies are required to place a certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for construction of the relevant properties. These guarantee deposits may only be used for payments to construction contractors in the project development process and for other construction-related payments, such as the purchase of materials. The remaining guarantee deposits are released when the certificates of completion for the relevant properties have been obtained. In addition, a portion of our bank deposits represented loan proceeds in the monitoring accounts designated by the banks, in which case the use of the restricted bank deposits, subject to the banks' approval, is restricted to the purposes as set out in the relevant loan agreements. As of December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, our restricted bank deposits were RMB608.8 million, RMB1,037.5 million, RMB897.3 million and RMB1,236.7 million, respectively.

CAPITAL RESOURCES

Property developments require substantial capital investment for land acquisition and construction, and it may take many months or years before positive cash flow can be generated. To date, we have funded our growth principally from cash generated from our operations, borrowings from banks, trust financings and capital contributions from shareholders. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies. We recorded negative net cash flows from operating activities of approximately RMB261.4 million, RMB363.6 million and RMB275.5 million, respectively, for the years ended December 31, 2010 and 2011 and the six months ended June 30, 2013. Our negative net cash flows from operating activities were primarily attributable to the long-term and capital-intensive nature of property development, our land acquisitions and our continued business expansion during the Track Record Period. We recorded positive net operating cash flows of RMB281.2 million for the year ended December 31, 2012. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our aggregate cash and bank balances amounted to RMB1,172.2 million, RMB1,603.2 million, RMB1,833.7 million and RMB1,546.6 million, respectively.

We believe that we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this prospectus, and we intend to fund them primarily with proceeds from the following sources of cash inflow:

- *Proceeds from our pre-sale activities* — In 2012, we recorded contracted sales of RMB6,395.6 million. For the nine months ended September 30, 2013, we recorded contracted sales of RMB5,670.5 million. We expect that for the next 12 months from the date of this prospectus, pre-sales will commence at various new property project phases based on our project plans, which will generate additional cash inflow.

- *Proceeds from bank and other borrowings* — As of June 30, 2013, we did not have unutilized bank facilities. From July 1, 2013 to September 30, 2013, we had additional bank loans and other borrowings of approximately RMB3,134.0 million. Depending on our development needs, we may obtain further bank loans and other borrowings going forward to fund the construction of our projects in line with our past practice.

- *Net proceeds from the Global Offering* — We estimate that our net proceeds from the Global Offering will be HK$1,548.2 million (assuming the Over-allotment Option is not exercised and the Offer Price is HK$3.85 per Share, being the mid-point of the Offer Price range stated in this prospectus). For further information, see the section entitled "Future Plans and Use of Proceeds — Use of Proceeds" in this prospectus.

- *Proceeds from our rental income and property management* — We plan to hold our current investment properties and continue our sub-leasing business, which we expect will continue to generate rental income. In addition, we plan to continue to provide property management services to our customers. We expect, however, that consistent with our performance during the Track Record Period, income generated from our rental income and property management services will not constitute major sources of our cash flow.

We carefully consider our position and ability to obtain further financing when making significant capital commitments and arranging payment for land acquisition costs and construction costs. Given suitable conditions, we intend to raise additional funds through debt or equity.

In addition, we seek to manage our future cash flow and reduce our exposure to unexpected adverse changes in economic conditions in a number of ways, including by adjusting our development schedule to ensure that we have available resources to finance our projects, implementing cost control measures, and renegotiating payment terms with counterparties in certain contractual land acquisition arrangements, as necessary. We have conducted a sensitivity analysis relating to our pre-sale proceeds for the period from October 1, 2013 to December 31, 2014 and evaluated the potential effect on our Group's working capital position. Based on our current estimate and consideration of our historical performance and subject to certain assumptions, even if there were a decrease of up to 25% in the estimated contracted average selling price or the estimated contracted GFA for the period from October 1, 2013 to December 31, 2014, barring the occurrence of any exceptional circumstances, such as a material adverse change in macroeconomic or market conditions, introduction of more stringent governmental policies or regulations, or significant delays in the development schedules which, individually or together, are beyond our Directors' control and their current expectations, we believe that we can still maintain a positive cash balance for the next 12 months from the date of this prospectus.

Our ability to obtain adequate financing may be limited by our financial condition and results of operations and the liquidity of international and domestic financial markets. For further information, see the sections entitled "Risk Factors — Risks Relating to Our Businesses — Our business is heavily dependent on the growth of the real estate market in the PRC and, in particular, Guangdong and Hunan provinces" and "Risk Factors — Risks Relating to Our Businesses — Our business is subject to extensive governmental regulations and policies and, in particular, we are susceptible to policy changes in the PRC property industry" in this prospectus.

INDEBTEDNESS AND CONTINGENT LIABILITIES

Borrowings

The following table shows our borrowings as of the dates indicated:

	As of December 31,			As of June 30,	As of September 30,
	2010	2011	2012	2013	2013
					(unaudited)
			(RMB in thousands)		
Current					
Bank loans — unsecured	70,000	159,200	289,284	105,442	105,305
Bank loans — secured	283,689	621,497	2,131,165	1,530,770	1,185,567
Other borrowings — unsecured	–	170,000	76,000	–	–
Other borrowings — secured	180,000	270,000	680,814	1,215,780	454,990
Subtotal	533,689	1,220,697	3,177,263	2,851,992	1,745,862
Non-current					
Bank loans — unsecured	196,060	477,479	123,674	25,000	38,620
Bank loans — secured	1,598,189	2,023,736	1,754,598	2,746,064	4,275,926
Other borrowings — secured	450,456	509,728	621,264	100,000	750,000
Subtotal	2,244,705	3,010,943	2,499,536	2,871,064	5,064,546
Total	**2,778,394**	**4,231,640**	**5,676,799**	**5,723,056**	**6,810,408**

Our total outstanding bank loans amounted to RMB2,147.9 million, RMB3,281.9 million, RMB4,298.7 million and 4,407.3 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. Our total outstanding borrowings from other financial institutions, including trust financing companies, amounted to RMB630.5 million, RMB949.7 million, RMB1,378.1 million and RMB1,315.8 million, respectively, as of December 31, 2010, 2011 and 2012 and June 30, 2013. The increase in our bank loans and other borrowings during the Track Record Period was primarily due to the expansion of our business operations, which in turn increased our financing requirements.

The following table shows the interest rates applicable to our borrowings for the periods indicated:

	Year ended December 31,			Six months ended June 30,	Nine months ended September 30,
	2010	2011	2012	2013	2013
Current					
Bank loans — unsecured .	5.3%-5.8%	6.9%-9.0%	6.5%-6.9%	6.6%-11.0%	6.6%-11.0%
Bank loans — secured . .	5.4%-6.7%	5.3%-9.3%	3.9%-9.3%	5.4%-8.0%	5.4%-8.0%
Other borrowings — unsecured	–	20.0%	5.0%	–	–
Other borrowings — secured	11.0%	4.9%	10.6%-12.9%	10.6%-13.0%	6.9%-13.0%
Non-current					
Bank loans — unsecured .	5.4%	6.9%-7.0%	6.8%-11.0%	6.8%	6.8%
Bank loans — secured . .	5.1%-6.2%	5.3%-9.3%	5.9%-9.3%	5.9%-7.4%	5.9%-7.7%
Other borrowings — secured	4.9%	5.4%-12.8%	10.6%-13.0%	11.5%	11.7%-13.0%

Our subsidiaries have entered into long-term bank loans with a number of PRC commercial banks to finance the development of our projects. As of June 30, 2013, we had bank loans with an aggregate outstanding amount of RMB4,407.3 million, all of which had been utilized. Most of our bank loans will mature within five years.

Under the terms of our loan agreements, we are typically required to use the bank loans only for the purposes for which they were granted, and we are obliged to provide the lending banks with our monthly financial statements and allow them to access information regarding our application for other bank loans, financial activities and business operations from time to time. The terms of our bank loans typically range from two to three years to coincide with our project development cycle. We are typically required under our loan agreements to apply the pre-sale proceeds of the project in relation to which the bank loan was made only towards the settlement of the construction and other costs of that project. We are also required to deposit the pre-sale proceeds into designated bank accounts at the lending bank and make progressive repayments according to the sales progress of the project. Each time we draw down our bank loans, we are required to provide the lending bank with information which evidences our planned use of the money, such as invoices from suppliers and construction contracts. We are normally required to start repaying the loans once we have pre-sold a specific proportion of the GFA under development in the relevant project and to fully repay the loans once we have pre-sold up to a higher proportion of the GFA under development.

As of December 31, 2010, 2011 and 2012 and June 30, 2013, our total outstanding borrowings under trust financing arrangements amounted to RMB630.5 million, RMB779.7 million, RMB1,015.8 million and RMB1,028.4 million, respectively. For information on our trust financing arrangements, see the section entitled "Business — Financing Provided by Trust Financing Companies" in this prospectus.

The table below sets forth the maturity profiles of our bank loans and other borrowings as of the dates indicated:

	As of December 31,			As of June 30,	As of September 30,
	2010	2011	2012	2013	2013
					(unaudited)
	(RMB in thousands)				
Bank loans repayable:					
Within one year . .	353,689	780,697	2,420,449	1,636,212	1,290,871
In the second year	304,500	1,812,638	1,299,553	983,875	1,904,652
In the third to fifth years	1,355,383	597,577	532,719	1,775,689	2,191,894
Beyond five years.	134,366	91,000	46,000	11,500	218,000
Subtotal	2,147,938	3,281,912	4,298,721	4,407,276	5,605,417
Other borrowings repayable:					
Within one year . .	180,000	440,000	756,814	1,215,780	454,991
In the second year	274,631	509,728	621,264	100,000	750,000
In the third to fifth years	175,825	–	–	–	–
Subtotal	630,456	949,728	1,378,078	1,315,780	1,204,991
Total	**2,778,394**	**4,231,640**	**5,676,799**	**5,723,056**	**6,810,408**

Commercial banks and trust financing companies in China typically require guarantees or security for our bank loans and trust financing arrangements. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our outstanding bank loans and trust financing arrangements were secured by our completed properties held for sale, properties under development, investment properties, held-to-maturity investment and prepaid land lease payments with an aggregate carrying value of RMB3,229.4 million, RMB3,006.9 million, RMB3,770.1 million and RMB4,891.4 million, respectively. As of June 30, 2013, certain of our bank loans and other borrowings, amounting to RMB1,218.6 million, were secured by personal guarantees and assets provided by Mr. Shum; certain of our bank loans and other borrowings, amounting to RMB386.9 million, were secured by the shares of Zhongshan Tianyue, our wholly owned subsidiary; certain of our bank loans and other borrowings, amounting to RMB109.9 million, were secured by a personal guarantee provided by Mr. Cen; certain of our bank loans and other borrowings, amounting to RMB20.0 million, were secured by personal assets of Ms. Liang Yuchong, the spouse of Mr. Cen; and certain of our bank loans and other borrowings, amounting to RMB120.0 million, were secured by a personal guarantee provided by Ms. Li. We are required to maintain property damage insurance in respect of the properties secured under

our loan agreement in favor of the lending banks. As we are generally required to repay our bank loans and other borrowings using pre-sale and sale proceeds, we typically fully settle the outstanding amounts of the loans prior to the due date and do not normally roll over our bank loans.

Certain of our bank loans and trust financing arrangements are subject to a number of customary restrictive covenants, such as restrictions on change of control and disposition of material assets, as well as financial ratios, such as the debt ratio, with which we must comply. For further information, see the section entitled "Risk Factors — Risks Relating to Our Businesses — We maintain a certain level of indebtedness and may incur additional indebtedness in the future, and any default under any of our loan or financing arrangements could result in enforcement against the security we have granted, which could materially and adversely affect our ownership of our PRC project companies and our ability to continue our operations" in this prospectus. Our Directors have confirmed that they are not aware of any material breach, during the Track Record Period, of any of the restrictive covenants and financial ratios contained in our bank loans and trust financing arrangements.

Except as described above, we did not have any other outstanding loan capital, debt securities, indebtedness, debentures, bank overdrafts, liabilities under acceptance or acceptance credits of hire purchase commitments as of June 30, 2013.

As of the Latest Practicable Date, all guarantees provided by the Controlling Shareholders had been released.

During the period from July 1, 2013 to September 30, 2013, we had additional bank loans and other borrowings of approximately RMB3,134.0 million. As of September 30, 2013, we had four outstanding trust financing arrangements with an aggregate outstanding amount of approximately RMB1,111.3 million. In October 2013, we entered into an additional trust financing arrangement under which we are required to transfer our equity interests in Guangzhou Zhuorui, pledge our equity interest in Zhuhai Jiayu and provide guarantees to secure the trust financing, in addition to the customary restrictive covenants mentioned above. This trust financing arrangement had not been utilized as of the Latest Practicable Date. In November 2013, we entered into and fully utilized a trust financing arrangement in an aggregate amount of RMB215.2 million under which we are required to pledge our equity interest in Changsha Meiguiyuan and provide guarantees to secure the trust financing. For further information, see the section entitled "Business — Financing Provided by Trust Financing Companies — Trust Financing Arrangements Entered into by Our Group."

We confirm that, other than as disclosed in this prospectus, there has been no material change in our indebtedness from June 30, 2013 up to the Latest Practicable Date.

Contingent Liabilities

We make arrangements with various PRC banks to provide mortgage facilities to purchasers of our properties. In line with industry practice, we are required to provide guarantees to these banks in respect of mortgages provided to our customers. These guarantees are released upon the earlier of (i) the relevant certificates of registration of mortgage or the certificates of other interests with respect to the relevant properties being delivered to the mortgagee banks and (ii) the settlement of mortgage loans between the mortgagee banks and the purchasers of our projects. If a purchaser defaults on a mortgage loan before the relevant guarantee is released, we may be required to repurchase the underlying property by paying off the mortgage loan and any accrued interest. If we fail to do so, the mortgagee bank will auction the underlying property and recover the balance from us if the outstanding loan amount exceeds the net foreclosure sale proceeds from the auction. In line with industry practice, we do not conduct independent credit reviews on our customers but rely on the credit reviews conducted by the mortgagee banks. As of December 31, 2010, 2011, 2012 and June 30, 2013, the outstanding guarantees we had given in relation to mortgage loans of purchasers of our properties were approximately RMB1,217.0 million, RMB1,710.5 million, RMB3,210.2 million and RMB3,548.3 million, respectively.

In connection with this Global Offering, our Controlling Shareholders have agreed to indemnify us against any losses, claims, liabilities and expenses arising out of, or relating to, (i) guarantees entered into by us prior to the date of the Global Offering in respect of indebtedness incurred by affiliates controlled by our Controlling Shareholders that are not part of our Group and (ii) guarantees entered into by us that are not on normal commercial terms or in our ordinary course of business in respect of indebtedness incurred by third parties.

We confirm that, there has been no material change in our contingent liabilities from June 30, 2013 up to the Latest Practicable Date.

Legal Contingencies

In the normal course of business, we may be involved in lawsuits and other proceedings. While the outcomes of the lawsuits or other proceedings currently underway cannot be determined at present, we believe that no liabilities resulting from these proceedings will have a material adverse effect on our financial position, liquidity, or results of operations.

Contractual Obligations

We have various contractual obligations, some of which are required to be recorded as liabilities in our consolidated financial statements, including long-term and short-term loans. Others, specifically operating lease arrangements, capital commitments and contingent liabilities, are not generally required to be recognized as liabilities in our consolidated financial statements.

The following table sets forth our contractual commitments as of the dates indicated:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Contracted, but not provided for:				
Leasehold land	1,162,100	872,100	1,466,291	781,622
Properties under development	2,338,653	3,570,302	2,770,273	4,085,844
Acquisitions of subsidiaries	804,924	–	196,598	–
Acquisitions of non-controlling interests	–	495,580	495,580	21,990
Total	4,305,677	4,937,982	4,928,742	4,889,456

As of December 31, 2010, 2011 and 2012 and June 30, 2013, our total future minimum lease payments under non-cancellable operating leases were payable as follows:

	As of December 31,			As of June 30,
	2010	2011	2012	2013
	(RMB in thousands)			
Within one year	1,824	4,039	81,592	79,759
In the second to fifth years	4,194	2,538	313,311	299,754
After five years	–	–	1,039,002	985,413
	6,018	**6,578**	**1,433,905**	**1,364,926**

We expect to continue to rely on the proceeds from our property sales and pre-sales, as well as new bank loans, as the principal sources of funding to finance our contractual obligations.

Exchangeable Notes and Restructuring Deed

On January 9, 2008, the Investors extended loans to one of our Controlling Shareholders, Asiaciti Enterprises, in an aggregate principal amount of US$200 million (approximately RMB1,440 million). As consideration for these loans, Asiaciti Enterprises issued to the Investors the Exchangeable Notes in an aggregate principal amount of US$200 million. All of the proceeds of the Exchangeable Notes was provided to us for use in our business. See the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus for further details of the Exchangeable Notes and the Restructuring Deed.

On several occasions, we made payments on behalf of Asiaciti Enterprises primarily in connection with the Exchangeable Notes. As of June 30, 2013, these payments totalled RMB460.0 million. To offset the debt owed to us by Asiaciti Enterprises for such payments, we declared a special dividend of approximately RMB442.4 million to Asiaciti Enterprises on June 6, 2013.

Under the terms of the Restructuring Deed, dated July 13, 2013, after the full payment of the first and second installments by the Obligors, we will assume all the remaining portion of the debt owed to the Investors and will make further payments, totalling approximately US$86.0 million, in the following installments: US$24.3 million on January 15, 2014, US$31.7 million on March 15, 2014 and US$30.0 million on May 15, 2014. On September 16, 2013, we declared a further special dividend of approximately US$70.2 million to Asiaciti Enterprises, an amount which, when coupled with the approximately US$15.7 million we owed to Asiaciti Enterprises, offset the amounts that Asiaciti Enterprises owed to us as a result of the novation under the Restructuring Deed. There was no gain or loss recognized by us from the assumption of liability under the novation.

Capital Expenditure

We incurred capital expenditure of RMB35.5 million, RMB27.7 million, RMB17.8 million and RMB349.0 million, respectively, for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013. Our capital expenditure is primarily related to the purchase of property, plant and equipment. The significant increase in our capital expenditure for the six months ended June 30, 2013 was in connection with our refurbishment of the premises that we leased before we sub-leased them to tenants. Our currently planned capital expenditure for the rest of 2013 is RMB102.2 million, which relates principally to the refurbishment of premises that we lease before sub-leasing them to tenants. Generally our capital expenditure does not include equipment used in the construction of our projects, which typically is provided by the contractors we engage to carry out work on the projects.

Off-Balance Sheet Commitments and Arrangements

Except for the contingent liabilities disclosed, we do not have any off-balance sheet arrangements that we believe have, or are reasonably likely to have, a current or future material effect on our financial position, revenue or expenses, results of operations, liquidity, capital expenditure or capital resources.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISKS

We are exposed to various types of market risks in the normal course of our business, including interest rate risk, commodity risk, foreign exchange risk and inflation.

Interest Rate Risk

We are exposed to interest rate risk, primarily in relation to our bank loans bearing floating interest rates, which totaled RMB4,371.3 million as of June 30, 2013. We borrow funds to support our property development and general working capital needs. Upward movements in interest rates increase the cost of our financing. Fluctuations in interest rates can also lead to significant fluctuations in the fair values of our debt obligations. We currently do not use any derivative instruments to hedge our interest rate risk. Please refer to the interest rate risk table in Note 40 to the Accountants' Report in Appendix I to this prospectus for a sensitivity analysis with respect to interest rate fluctuations during the Track Record Period.

An increase in interest rates may also adversely affect our prospective customers' ability and cost to obtain financing, which in turn may depress the overall housing demand in China. Higher interest rates may adversely affect our revenue and profit. The PBOC benchmark one-year lending rate in China (which directly affects the property mortgage rates offered by commercial banks in the PRC) as of December 31, 2010, 2011 and 2012 and June 30, 2013 was 5.81%, 6.56%, 6.00% and 6.00%, respectively.

Commodity Risk

We are exposed to fluctuations in the prices of raw materials for our property developments, particularly steel and cement. We currently do not and do not expect to engage in commodities hedging activities. We purchase most of our supplies of steel and concrete at market prices. As a result, fluctuations in the prices of our construction materials will have an impact on our business, results of operations and financial position.

Foreign Exchange Risk

We mainly operate in the PRC. Our functional currency and the currency in which we denominate and settle substantially all of our transactions is Renminbi. Any depreciation of Renminbi would adversely affect the value of any dividends we pay to our shareholders outside of the PRC. We currently do not engage in hedging activities designed or intended to manage foreign exchange risk. See the section entitled "Risk Factors — Risks Relating to the PRC — Governmental control of currency conversion may affect the value of your investment" in this prospectus. Renminbi is not a freely convertible currency; the conversion of Renminbi into foreign currencies is subject to rules and regulations of foreign currency exchange control promulgated by the PRC government. On July 21, 2005, the PRC government changed its decade-old policy of pegging the value of Renminbi to the U.S. dollar. Under the new policy, Renminbi is permitted to fluctuate within a narrow and managed band against a basket of foreign currencies. The PRC government may take further actions that could cause future exchange rates to vary significantly from current or historical exchange rates.

Inflation

According to the National Bureau of Statistics of China, China's overall national inflation rate, as represented by the general consumer price index, was approximately 3.3%, 5.4% and 2.6%, respectively, for the years ended December 31, 2010, 2011 and 2012. Recent inflation and deflation have not materially affected our business, despite relatively significant increases in inflation since January 2013. Deflation could adversely affect our business, as it might be a disincentive for prospective purchasers to purchase our properties.

DIVIDENDS AND DISTRIBUTABLE RESERVES

As of June 30, 2013, the distributable reserves of our Company amounted to RMB781.9 million.

Subject to the Companies Law, through a general meeting we may declare dividends in any currency, but no dividend may be declared in excess of the amount recommended by our Board. Our Memorandum and Articles of Association provide that dividends may be declared and paid out of our profit, realized or unrealized, or from any reserve set aside from profit 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 can be authorized for this purpose in accordance with the Companies Law and our Memorandum and Articles of Association.

Our Board will declare dividends, if any, in Hong Kong dollars with respect to our Shares on a per-Share basis and 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.

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 certain aspects from the generally accepted accounting principles in other jurisdictions, including IFRS. 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 our bank credit facilities, or other agreements that we or our subsidiaries may enter into in the future.

During the Track Record Period, we did not distribute any dividends to our shareholders. We declared a special dividend of approximately RMB442.4 million to Asiaciti Enterprises on June 6, 2013 to offset the debt owed to us by Asiaciti Enterprises. On September 16, 2013, we declared further dividends out of our distributable reserves in accordance with the applicable laws of the Cayman Islands in favor of Asiaciti Enterprises in the amount of approximately US$70.2 million to offset the amounts owed to us by Asiaciti Enterprises.

Our Board currently intends, subject to the above limitations, and in the absence of any circumstances which might reduce the amount of available distributable reserves, whether by losses or otherwise, to distribute to our Shareholders no less than 20% of any distributable profit (excluding changes in fair value of investment properties and the impact of related deferred tax) for the year ended December 31, 2013 and for each financial year after our Global Offering. However, we will reevaluate our dividend policy annually. There is no assurance that dividends of such amount or any amount will be declared or distributed each year or in any year.

LISTING EXPENSES

We had incurred listing expenses of RMB14.8 million as of September 30, 2013. We expect to incur further listing expenses amounting to RMB72.2 million in 2013. Our Directors do not expect such expenses to have a material adverse impact on our financial results for the year ending December 31, 2013.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of our net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules is set out here to illustrate the effect of the Global Offering on our net tangible assets as of June 30, 2013 as if it had taken place on June 30, 2013.

The unaudited pro forma statement of net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of our consolidated net tangible assets as of June 30, 2013 or any future date following the Global Offering. It is prepared based on our consolidated net assets as of June 30, 2013 as set out in the Accountants' Report in Appendix I to this prospectus and adjusted as described below. The unaudited pro forma statement of net tangible assets does not form part of the Accountants' Report as set out in Appendix I to this prospectus.

	Audited consolidated net tangible assets of our Group attributable to owners of our Company as of June 30, 2013	Estimated net proceeds from the Global Offering	Unaudited adjusted net tangible assets of our Group	Unaudited pro forma adjusted net tangible assets per Share	
	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	(RMB)	(HKD)
Based on an Offer Price of HK$3.20 per Share .	2,437,602	1,001,957	3,439,559	2.00	2.53
Based on an Offer Price of HK$4.50 per Share .	2,437,602	1,444,278	3,881,880	2.25	2.85

Note:

(1) Our audited consolidated net tangible assets as of June 30, 2013, which is extracted from the Accountants' Report set out in Appendix I to this prospectus, is equal to the audited consolidated net tangible assets attributable to owners of our Company of RMB2,437,602,000 as of June 30, 2013. If the dividend declaration as of September 16, 2013 in favor of Asiaciti Enterprises in the amount of US$70,219,919.81 (equivalent to approximately RMB431,485,000) to offset the amounts owed to us by Asiaciti Enterprises (details of which are disclosed in the section entitled "Financial Information — Indebtedness and Contingent Liabilities — Exchangeable Notes and Restructuring Deed") had been made before June 30, 2013, our consolidated net tangible assets attributable to owners of our Company would have been approximately RMB2,006,117,000.

The estimated net proceeds from the Global Offering are based on the number of Offer Shares and the relevant indicative offer price, after deduction of underwriting fees and related expenses payable by us.

We calculated our unaudited pro forma net tangible assets per Share with the adjustments referred to in the preceding paragraph and on the basis that a total of 1,722,960,000 Shares would be in issue immediately following the completion of the Global Offering, and without taking account of any Shares which may be allotted and issued or purchased by us pursuant to the general mandates granted to our Directors for the allotment and issue or purchase of Shares as referred to in the section entitled "Share Capital" in this prospectus.

NO MATERIAL ADVERSE CHANGE

We confirm that there has not been any material adverse change in our financial or trading position or the prospects of our Company from June 30, 2013, being the date of the latest audited consolidated financial statements of our Company as set out in the Accountants' Report in Appendix I to this prospectus up to the date of this prospectus.

RELATED-PARTY TRANSACTIONS

With respect to the related-party transactions set out in the Accountants' Report in Appendix I to this prospectus, our Directors confirm that these transactions were conducted on normal commercial terms and/or on terms not less favorable than terms available from Independent Third Parties, which are considered fair, reasonable and in the interest of our shareholders as a whole.

PROPERTY INTERESTS AND PROPERTY VALUATION

DTZ Debenham Tie Leung Limited, an independent property valuer, has valued our property interests as of September 30, 2013 and is of the opinion that the aggregate value of the property in which we had an interest as of such date was RMB25,745.6 million, and the value attributable to our Group was RMB25,094.7 million. The full text of the letter, summary of valuation and valuation certificates with regard to our property interests are set out in "Appendix III — Property Valuation Report" to this prospectus.

The statement below shows the reconciliation of aggregate amounts of certain properties reflected in the audited consolidated financial information as of June 30, 2013 as set out in "Appendix I — Accountants' Report" to this prospectus with the valuation of these properties as of September 30, 2013 as set out in "Appendix III — Property Valuation Report" to this prospectus.

	(RMB in thousands)
Net book value of the following properties as of June 30, 2013	
— Properties under development	13,064,262
— Completed properties held for sale	2,925,626
— Leasehold land and buildings included in property, plant and equipment	21,005
— Investment property	1,560,000
— Prepaid land lease payments	1,610,335
	19,181,228
Add: Additions during the period from July 1, 2013 to September 30, 2013	2,054,348
Add: Fair value gains on investment property during the period from July 1, 2013 to September 30, 2013	20,000
Less: Disposal during the period from July 1, 2013 to September 30, 2013	(1,039,285)
Less: Depreciation during the period from July 1, 2013 to September 30, 2013	(48)
Net book value of the properties as of September 30, 2013	20,216,243
Net valuation surplus	5,529,357
Market value of properties as of September 30, 2013 as set out in the Property Valuation Report in Appendix III to this prospectus	**25,745,600**

DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would have given rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules had we been required to comply with such rules as of such date.

FUTURE PLANS

See the section entitled "Business — Business Strategies" in this prospectus for a detailed description of our business strategies.

USE OF PROCEEDS

The net proceeds of the Global Offering we expect to receive (after deduction of underwriting fees and estimated expenses payable by us in relation to the Global Offering and assuming that the Over-allotment Option is not exercised) are estimated to be approximately HK$1,268.3 million, assuming an Offer Price of HK$3.20 per Share, or HK$1,828.2 million, assuming an Offer Price of HK$4.50 per Share, (or if the Over-allotment Option is exercised in full, HK$1,475.0 million, assuming an Offer Price of HK$3.20 per Share, or HK$2,119.0 million, assuming an Offer Price of HK$4.50 per Share).

Assuming the Over-allotment Option is not exercised and assuming an Offer Price of HK$3.85 per Offer Share, being the midpoint of the stated Offer Price range of HK$3.20 to HK$4.50 per Offer Share, the net proceeds of the Global Offering would be approximately HK$1,548.2 million, which we presently plan to use as follows:

(a) approximately HK$877.8 million, or 56.7% of the net proceeds for financing new and existing projects, including the land acquisition and construction costs of potential development projects. We will focus on the acquisition of new land and the development of new projects in our existing markets and other cities in Guangdong Province with high growth potential, and will continue to acquire land primarily through government-organized auctions and the listing-for-sale process, by acquiring equity interests in project companies that hold land use rights and by participating in the "Urban Redevelopment" policies. As of the Latest Practicable Date, our Directors confirm that, save as disclosed, we did not identify any target land parcels for development for our use of net proceeds from the Global Offering. For details of our project selection process, see the section entitled "Business — Project Development Management — Times Property Standardized Operational and Management System — Site selection and market evaluation" in this prospectus;

(b) up to approximately HK$515.6 million, or approximately 33.3% of the net proceeds, for settling part of the outstanding installments under the Restructuring Deed; and

(c) approximately HK$154.8 million, or 10% of the net proceeds, for working capital and other general corporate purposes.

Our Directors intend to apply the additional net proceeds we will receive if the Over-allotment Option is exercised in full, assuming an Offer Price of HK$3.85 per Offer Share, being the midpoint of the Offer Price range, on a pro rata basis to the purposes described above.

If the Offer Price is fixed at HK$4.50, being the high end of the stated Offer Price range, our net proceeds will be increased by approximately HK$280.0 million, as compared to the net proceeds that we would receive with the Offer Price fixed at the mid-point of the indicative range. Our Directors currently intend to apply any additional net proceeds on a pro rata basis to the purposes described above.

To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes, we will deposit the net proceeds into short-term demand deposits and/or money market instruments.

HONG KONG UNDERWRITERS

Joint Bookrunners

UBS AG, Hong Kong Branch
Haitong International Securities Company Limited
ABCI Capital Limited

Joint Lead Managers

UBS AG, Hong Kong Branch
Haitong International Securities Company Limited
ABCI Securities Company Limited

Co-Lead Managers

Bright Smart Securities International (H.K.) Limited
Shenyin Wanguo Capital (H.K.) Limited
Tung Shing Securities (Brokers) Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Under the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price, on the terms and subject to the conditions of this prospectus and the Application Forms. Subject to the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally and not jointly to procure subscribers for, or themselves to subscribe for, their respective proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on the terms and subject to the conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to the International Purchase Agreement having been signed and having become unconditional.

Grounds for termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination by notice from the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) to our Company, if, at any time prior to 8:00 a.m. on the Listing Date:

(a) there shall develop, occur, exist or come into effect:

(i) any local, national, regional or international event or circumstance in the nature of force majeure (including, without limitation, any acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, pandemic, outbreak of disease, economic sanctions, strikes, lock-outs, fire, explosion, flooding, earthquake, volcanic eruption, civil commotion, riots, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism); or

(ii) any change, or any development involving a prospective change, or any event or circumstance likely to result in any change or development involving a prospective change, in any local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets); or

(iii) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Singapore Stock Exchange or the Shanghai Stock Exchange; or

(iv) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in any securities of our Company or of any other member of our Group listed or quoted on a stock exchange or an over-the-counter market; or

(v) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), New York (imposed at Federal or New York State level or other competent authority), London, the PRC, the Cayman Islands, the British Virgin Islands, the European Union (or any member thereof), or any other jurisdiction relevant to any member of our Group, or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any of those places or jurisdictions; or

(vi) any new law, or any change or any development involving a prospective change or any event or circumstance likely to result in a change or a development involving a prospective change in (or in the interpretation, implementation or application by any court or other competent authority of) existing laws, in each case, in or affecting Hong Kong, the PRC, the United States, the Cayman Islands, the British Virgin Islands, the United Kingdom, the European Union (or any member thereof), Japan or any other jurisdiction relevant to any member of our Group; or

(vii) the imposition of economic sanctions, in whatever form, directly or indirectly, by, or for, the United States or the European Union (or any member thereof) on the PRC or any other jurisdiction relevant to any member of our Group; or

(viii) a change or development involving a prospective change in or affecting taxation or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the Hong Kong dollar or the Renminbi against any foreign currencies), or the implementation of any exchange control, in Hong Kong, the PRC, the United States, the Cayman Islands, the British Virgin Islands, the United Kingdom, the European Union (or any member thereof), or any other jurisdiction relevant to any member of our Group; or

(ix) any litigation or claim of any third party being threatened or instigated against any member of our Group; or

(x) a Director being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or

(xi) the chairman or chief executive officer of our Company vacating his office; or

(xii) an authority or a political body or organization in any relevant jurisdiction commencing any investigation or other action, or announcing an intention to investigate or take other action, against any Director; or

(xiii) a contravention by any member of our Group of the Listing Rules or applicable laws; or

(xiv) a prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Shares (including the Shares to be issued pursuant to the Over-allotment Option) pursuant to the terms of the Global Offering; or

(xv) non-compliance of this prospectus (or any other documents used in connection with the contemplated offer and sale of the Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(xvi) the issue or requirement to issue by our Company of any supplement or amendment to this prospectus (or to any other documents used in connection with the contemplated offer and sale of the Shares) pursuant to the Companies Ordinance or the Listing Rules or any requirement or request of the Stock Exchange and/or the SFC; or

(xvii) an order or petition for the winding up of any member of our Group or any composition or arrangement made by any member of our Group with its creditors or a scheme of arrangement entered into by any member of our Group or any resolution for the winding-up of any member of our Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of our Group or anything analogous thereto occurring in respect of any member of our Group,

which, individually or in the aggregate, in the sole opinion of the Joint Global Coordinators (1) has or will have or may have a material adverse effect on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Group as a whole; or (2) has or will have or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering; or (3) makes or will make or may make it inadvisable or inexpedient or impracticable for the Global Offering to proceed or to market the Global Offering; or (4) has or will have or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Global Coordinators:

(i) that any statement contained in any of this prospectus, the Application Forms and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect or misleading in any material respect, or that any forecast, estimate, expression of opinion, intention or expectation contained in any of this prospectus, the Application Forms and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) is not fair and honest and based on reasonable assumptions; or

(ii) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission from any of this prospectus, the Application Forms and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto); or

(iii) any breach of any of the obligations imposed upon any party to the Hong Kong Underwriting Agreement or the International Purchase Agreement (other than upon any of the Hong Kong Underwriters or the International Purchasers); or

(iv) any event, act or omission which gives or is likely to give rise to any liability of any of the indemnifying parties under the Hong Kong Underwriting Agreement; or

(v) any material adverse change, or any development involving a prospective material adverse change, in the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of any member of our Group; or

(vi) any breach of, or any event or circumstance rendering untrue or incorrect in any respect, any of the representations, warranties, agreements and undertakings of the Company and the Controlling Shareholders under the Hong Kong Underwriting Agreement; or

(vii) approval by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the Shares to be issued or sold (including any additional Shares that may be issued or sold pursuant to the exercise of the Over-Allotment Option) under the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or

(viii) our Company withdraws this prospectus (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering.

Undertakings

Undertakings to the Stock Exchange under the Listing Rules

(A) Undertaking by us

Under Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that we will not issue any further Shares or securities convertible into our equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months

from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the commencement of dealing), except pursuant to the Capitalization Issue, the Global Offering (including the exercise of the Over-allotment Option), any options which may be granted under the Share Option Scheme or for the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertaking by the Controlling Shareholders

In accordance with Rule 10.07(1) of the Listing Rules, the Controlling Shareholders have undertaken to the Stock Exchange that except for the mortgage of all of the Shares held by Asiaciti Enterprises in favor of the Investors pursuant to the Exchangeable Notes which will be released upon completion of a Qualified Listing (as defined in the section entitled "History and Corporate Structure" in this prospectus) or pursuant to the Global Offering, the Over-allotment Option or, if applicable, the stock borrowing arrangement that may be entered into with the Stabilizing Manager or its agent, (a) they will not, at any time during the period commencing from the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interest or encumbrances in respect of, any of the Shares in respect of which they are shown by this prospectus to be the beneficial owners (whether direct or indirect); and (b) they will not, at any time during the period of six months from the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, they would cease to be the Controlling Shareholders.

Note (2) of Rule 10.07(2) of the Listing Rules provides that the rule does not prevent a controlling shareholder from using the shares owned by it as securities (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan.

The Controlling Shareholders have further undertaken to the Stock Exchange and the Company that they will, within a period commencing on the date of this prospectus and ending on a date which is 12 months from the Listing Date, immediately inform us in writing of:

(a) any pledges or charges of any Shares or securities of our Company beneficially owned by them in favor of any authorized institution as permitted under the Listing Rules, and the number of such Shares or securities of our Company so pledged or charged; and

(b) any indication received by them, either verbal or written, from any pledgee or chargee of any of the Shares or securities of our Company pledged or charged that any of such Shares or securities will be disposed of.

We will also inform the Stock Exchange as soon as we have been informed of any of the above matters (if any) by the Controlling Shareholders and disclose such matters in accordance with the publication requirements under Rule 2.07C of the Listing Rules as soon as possible after being so informed by the Controlling Shareholders.

Undertakings under the Hong Kong Underwriting Agreement

(A) Undertaking by us

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that, except pursuant to the Capitalization Issue, the Global Offering (including pursuant to the Over-allotment Option) and pursuant to exercise of any options which may be granted under the Share Option Scheme, at any time from the date of the Hong Kong Underwriting Agreement up to and including the date falling six months from the Listing Date (the "**First Six Months Period**"), we will not, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements set out in the Listing Rules:

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any Shares), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any Shares); or

(iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above,

in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company, as applicable, or in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-month Period). In the event that, during the period of six months commencing on the date on which the First Six-month Period expires (the "**Second Six-Month Period**"), our

Company enters into any of the transactions specified in (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company. Each of the Controlling Shareholders undertakes to each of the Joint Global Coordinators, the Hong Kong Underwriters and the Joint Sponsors to procure our Company to comply with the above undertakings.

(B) Undertaking by the Controlling Shareholders

Pursuant to the Hong Kong Underwriting Agreement, each of the Controlling Shareholders has undertaken to each of us, the Joint Global Coordinators, the Hong Kong Underwriters and the Joint Sponsors that, except pursuant to the Stock Borrowing Agreement referred to in the section entitled "Structure of the Global Offering — Stock Borrowing Arrangement" in this prospectus or the share mortgage of all of the Shares held by Asiaciti Enterprises in favor of the Investors which shall be released upon the Listing, without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and the Joint Sponsors and unless in compliance with the requirements of the Listing Rules:

(a) it will not, at any time during the First Six-Month Period, (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares), or (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

(b) it will not, during the Second Six-Month Period, enter into any of the transactions specified in (a)(i), (ii) or (iii) above or offer to or agree to or announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it will cease to be a "controlling shareholder" (as the term is defined in the Listing Rules) of our Company; and

(c) until the expiry of the Second Six-Month Period, in the event that it enters into any of the transactions specified in (a)(i), (ii) or (iii) above or offer to or agrees to or announce any intention to effect any such transaction, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company.

Each of the Controlling Shareholders has further undertaken to each of us, the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that within the period commencing on the date of the Hong Kong Underwriting Agreement and ending on the date which is 12 months after the Listing Date, it will immediately inform us, the Joint Global Coordinators and the Joint Sponsors in writing upon:

(a) any pledge or charge in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) of any Shares or other securities of our Company beneficially owned by it for a bona fide commercial loan and the number of such Shares or securities so pledged or charged; and

(b) any indication received by it, either verbal or written, from any pledgee or chargee of any of the pledged or charged Shares or securities or interests in the Shares or securities of our Company will be disposed of.

Indemnity

Each of us and the Controlling Shareholders have jointly and severally undertaken to indemnify the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters for certain losses which they may suffer, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us or the Controlling Shareholders of the Hong Kong Underwriting Agreement.

International Offering

International Purchase Agreement

In connection with the International Offering, we and the Controlling Shareholders, among others, expect to enter into the International Purchase Agreement with the International Underwriters. Under the International Purchase Agreement, the International Underwriters, subject to certain conditions, will agree severally and not jointly to procure purchasers for, or themselves purchase, their respective proportions of the International Offer Shares being offered under the International Offering.

Under the International Purchase Agreement, we expect to grant to the International Underwriters the Over-allotment Option, exercisable by the Stabilizing Manager at any time from the Listing Date up to (and including) the date which is the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require us to allot and issue up to an aggregate of 64,611,000 additional Offer Shares, representing in aggregate 15% of the number of Offer Shares initially available under the Global Offering. These Shares will be issued at the Offer Price and will be solely for the purpose of covering over-allocations, if any, in the International Offering.

It is expected that the International Purchase Agreement may be terminated on similar grounds as those in the Hong Kong Underwriting Agreement. Potential investors shall be reminded that if the International Purchase Agreement is not entered into, the Global Offering will not proceed.

We and the Controlling Shareholders will agree to indemnify the International Underwriters against certain liabilities, including liabilities under the US Securities Act.

Commissions and expenses

UBS AG, Hong Kong Branch will receive a commission of 3% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, provided that the aggregate commission payable to UBS AG, Hong Kong Branch under the Global Offering shall not be less than US$3.0 million. Haitong International Securities Company Limited will receive a commission of 2% of the aggregate Offer Price payable for the Hong Kong Offer Shares as finally allocated to it, the member companies of Haitong International Securities Group Limited and the other Hong Kong Underwriters (excluding UBS AG, Hong Kong Branch and ABCI Securities Company Limited). ABCI Securities Company Limited will receive a commission of 1.5% of the aggregate Offer Price payable for the Hong Kong Offer Shares as finally allocated to it.

For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the International Underwriters and not the Hong Kong Underwriters.

The commissions payable to the Underwriters will be borne by our Company in relation to the new Shares to be issued under the Global Offering. Our Company may also in its sole and absolute discretion pay to UBS an additional incentive fee of 0.5% of the Offer Price multiplied by the total number of the Offer Shares (the "**Incentive Fee**").

The aggregate commissions (inclusive of the Incentive Fee, assuming that our Company will exercise its sole discretion to pay the maximum Incentive Fee), together with listing fees, SFC transaction levy and Stock Exchange trading fee in respect of the new Shares offered by us, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to be approximately HK$110.1 million (assuming an Offer Price of HK$3.85, which is the midpoint of the indicative Offer Price range, and assuming the Over-allotment Option is not exercised) in total and are payable by us.

Activities by syndicate members

We describe below a variety of activities that each of the underwriters of the Hong Kong Public Offering and the International Offering, together referred to as "**Syndicate Members**," may individually undertake, and which do not form part of the underwriting or the stabilizing process. When engaging in any of these activities, it should be noted that the Syndicate Members are subject to restrictions, including the following:

(a) under the agreement among the Syndicate Members, all of them (except for the Stabilizing Manager or its designated affiliate as the stabilizing manager) must not, in connection with the distribution of the Offer Shares, effect any transactions

(including issuing or entering into any option or other derivative transaction relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) all of them must comply with all applicable laws, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the accounts of others. In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have the Shares as their or part of their underlying assets. Those activities may require hedging activity by those entities involving, directly or indirectly, buying and selling the Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All of these activities may occur both during and after the end of the stabilizing period described under the section entitled "Structure of the Global Offering — Stabilization" in this prospectus. These activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares, and the volatility of the Shares' share price, and the extent to which this occurs from day to day cannot be estimated.

Underwriters' interest in our Group

Save for their the obligations under the Hong Kong Underwriting Agreement and the International Purchase Agreement and, if applicable, the stock borrowing arrangement that may be entered into between the Stabilizing Manager or its agent with Asiaciti Enterprises, none of the Underwriters has any shareholding interest in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Joint Sponsors' independence

The Joint Sponsors satisfy the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. UBS Securities Hong Kong Limited and Haitong International Capital Limited are the Joint Sponsors to the Listing, and UBS AG, Hong Kong Branch and Haitong International Securities Company Limited are the Joint Global Coordinators; UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and ABCI Capital Limited are the Joint Bookrunners; UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and ABCI Securities Company Limited are the Joint Lead Managers; and Bright Smart Securities International (H.K.) Limited, Shenyin Wanguo Capital (H.K.) Limited and Tung Shing Securities (Brokers) Limited are the Co-Lead Managers of the Global Offering.

The Global Offering comprises:

- the Hong Kong Public Offering of 43,074,000 Offer Shares (subject to adjustment as mentioned below) in Hong Kong as described below under "Hong Kong Public Offering"; and

- the International Offering of 387,666,000 Offer Shares (subject to adjustment and the Over-allotment Option as mentioned below) in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements under the US Securities Act, and outside the United States (including to professional, institutional and corporate investors and other investors who we anticipate to have a sizeable demand for the Offer Shares in Hong Kong) in offshore transactions in reliance on Regulation S.

Investors may apply for the Hong Kong Offer Shares under the Hong Kong Public Offering or indicate an interest, if qualified to do so, for the International Offer Shares under the International Offering, but may not do both. The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. The International Offering will involve selective marketing of the International Offer Shares to QIBs in the United States in reliance on Rule 144A or another available exemption from the registration requirements under the US Securities Act, as well as to institutional and professional investors and other investors in other jurisdictions outside the United States in reliance on Regulation S. The International Underwriters are soliciting from prospective investors indications of interest in acquiring the International Offer Shares in the International Offering. Prospective investors will be required to specify the number of International Offer Shares they would be prepared to acquire either at different prices or at a particular price.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering respectively may be subject to reallocation as described in the section entitled "— Pricing and Allocation" below.

References in this prospectus to applications, Application Forms, application or subscription monies or the procedure for application relate only to the Hong Kong Public Offering.

PRICING AND ALLOCATION

The Offer Price is expected to be fixed by agreement among the Joint Global Coordinators (on behalf of the Underwriters) and us on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around December 4, 2013 and in any event, no later than on December 9, 2013.

The Offer Price will be not more than HK$4.50 per Offer Share and is expected to be not less than HK$3.20 per Offer Share, unless otherwise announced not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, as explained below. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.

If, based on the level of interest expressed by prospective institutional and professional investors and other investors during the book-building process, the Joint Global Coordinators (on behalf of the Underwriters and with the consent of our Company) consider the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range to be inappropriate, the Joint Global Coordinators (on behalf of the Underwriters) may reduce the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range below that stated in this prospectus at any time on or before the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering on December 4, 2013, cause to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) notices of the reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range. Such notices will also be available at our website at **www.timesgroup.cn** and the website of the Stock Exchange at **www.hkexnews.hk**, and will also include confirmation or revision, as appropriate, of the Global Offering statistics as currently set out in the section entitled "Summary" in this prospectus and any other financial information which may change as a result of such reduction. Before submitting applications for Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Upon the issue of such notices, the revised number of Offer Shares and/or the indicative Offer Price range will be final and conclusive. The Offer Price, if agreed upon, will be fixed within such revised Offer Price range. In the absence of any notice being published of a reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range stated in this prospectus on or before the last day for lodging applications under the Hong Kong Public Offering, the Offer Price, if agreed upon, will under no circumstances be set outside the Offer Price range as stated in this prospectus.

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global Coordinators. Allocation of the International Offer Shares under the International Offering will be determined by the Joint Global Coordinators and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell Offer Shares after the Listing. Such allocation may be made to professional, institutional or corporate investors and is intended to result in a distribution of our Offer Shares on a basis which would lead to the establishment of a solid Shareholder base to the benefit of our Company and our Shareholders as a whole.

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. The allocation of Hong Kong Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

The applicable Offer Price, level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering, the basis of allocations of the Hong Kong Offer Shares and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in the section entitled "How to Apply for Hong Kong Offer Shares — 11. Publication of Results" in this prospectus.

CONDITIONS OF THE HONG KONG PUBLIC OFFERING

Acceptance of all applications for the Hong Kong Offer Shares under the Hong Kong Public Offering will be conditional on:

(a) the granting by the Listing Committee for the listing of, and permission to deal in, the Shares in issue, the Offer Shares (including any Shares which may be issued under the exercise of the Over-allotment Option) (subject only to allotment), Shares to be issued under the Capitalization Issue and Shares which may fall to be issued on the exercise of any options which may be granted under the Share Option Scheme;

(b) the Offer Price being duly determined and the execution and delivery of the Price Determination Agreement on or around the Price Determination Date;

(c) the execution and delivery of the International Purchase Agreement on the Price Determination Date; and

(d) the obligations of the Underwriters under the Hong Kong Underwriting Agreement and the International Purchase Agreement having become unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

If, for any reason, the Offer Price is not agreed on or before December 9, 2013 between the Joint Global Coordinators (on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

If the above conditions are not fulfilled or waived before the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. We will cause a notice of the lapse of the Hong Kong Public Offering to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section entitled "How to Apply for Hong Kong Offer Shares — 13. Refund of Application Monies" in this prospectus. In the meantime, the application monies will be held in separate bank account(s) with the receiving bank(s) or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

Share certificates for the Offer Shares are expected to be issued on December 10, 2013 but will only become valid certificates of title at 8:00 a.m. on the Listing Date, provided that (a) the Global Offering has become unconditional in all respects and (b) neither of the Underwriting Agreements has been terminated in accordance with its terms.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other becoming unconditional and not having been terminated in accordance with its terms.

HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

We are initially offering 43,074,000 Offer Shares at the Offer Price, representing approximately 10% of the 430,740,000 Offer Shares initially available under the Global Offering, for subscription by the public in Hong Kong. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the number of Offer Shares offered under the Hong Kong Public Offering will represent approximately 2.5% of our enlarged issued share capital immediately after completion of the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised.

Allocation

For allocation purposes only, the Hong Kong Offer Shares initially being offered for subscription under the Hong Kong Public Offering (after taking into account any adjustment in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Offering) will be divided equally into two pools (subject to adjustment of odd lot size): Pool A will comprise 21,537,000 Hong Kong Offer Shares and Pool B will comprise 21,537,000 Hong Kong Offer Shares, both of which will be available on an equitable basis to successful applicants. All valid applications that have been received for Hong Kong Offer Shares with a total amount (excluding brokerage, SFC transaction levy and Stock Exchange trading fee) of HK$5 million or less will fall into Pool A and all valid applications that have been received for Hong Kong Offer Shares with a total amount (excluding brokerage, SFC transaction levy and Stock Exchange trading fee) of more than HK$5 million and up to the total value of Pool B will fall into Pool B.

Applicants should be aware that applications in Pool A and Pool B are likely to receive different allocation ratios. If Hong Kong Offer Shares in one pool (but not both pools) are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools and may only apply for Hong Kong Offer Shares in either Pool A or Pool B. In addition, multiple or suspected multiple applications within either pool or in both pools will be rejected. No application will be accepted from applicants for more than 21,537,000 Hong Kong Offer Shares (being 50% of the initial number of Hong Kong Offer Shares).

Reallocation and clawback

Paragraph 4.2 of the Practice Note 18 of the Listing Rules requires a clawback mechanism to be put in place, which would have the effect of increasing the number of Hong Kong Offer Shares to certain percentages of the total number of Offer Shares offering in the Global Offering if certain prescribed total demand levels are reached.

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to adjustment. If the number of Offer Shares validly applied for in the Hong Kong Public Offering represents (a) 15 times or more but less than 50 times, (b) 50 times or more but less than 100 times, and (c) 100 times or more, of the number of Offer Shares initially available under the Hong Kong Public Offering, the total number of Offer Shares available under the Hong Kong Public Offering will be increased to 129,222,000, 172,296,000 and 215,370,000 Offer Shares, representing 30% (in the case of (a)), 40% (in the case of (b)) and 50% (in the case of (c)), respectively, of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). In such cases, the number of Offer Shares allocated to the International Offering will be correspondingly reduced, in such manner as the Joint Global Coordinators deem appropriate, and such additional Offer Shares will be allocated to Pool A and Pool B.

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global Coordinators. Subject to the foregoing paragraph, the Joint Global Coordinators may in their discretion reallocate International Offer Shares from the International Offering to Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. If the Hong Kong Offer Shares are not fully subscribed, the Joint Global Coordinators have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the Joint Global Coordinators deem appropriate.

Applications

The Joint Global Coordinators (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Joint Global Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application for Hong Kong Offer Shares under the Hong Kong Public Offering.

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him that he and any person for whose benefit he is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering, and such applicant's application is liable to be rejected if the undertaking and/or confirmation is breached or untrue (as the case may be) or such applicant has been or will be placed or allocated International Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application, the maximum Offer Price of HK$4.50 per Offer Share plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%. If the Offer Price, as finally determined on the Price Determination Date, is lower than HK$4.50, being the maximum Offer Price, we will refund the respective difference (including brokerage, the SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) to successful applicants, without interest. Furthermore, details are set out in the section entitled "How to Apply for Hong Kong Offer Shares" in this prospectus.

INTERNATIONAL OFFERING

Number of Offer Shares offered

The number of Offer Shares to be initially offered for subscription or sale under the International Offering will be 387,666,000 Offer Shares (subject to adjustment and the Over-allotment Option, representing approximately 90% of the Offer Shares under the Global Offering and approximately 22.5% of our enlarged issued share capital immediately after the Capitalization Issue and the Global Offering, assuming that the Over-allotment Option is not exercised. The International Offering is subject to the Hong Kong Public Offering becoming unconditional.

Allocation

Under the International Offering, the International Underwriters will conditionally place our Offer Shares with QIBs in the United States in reliance on Rule 144A, as well as with professional, institutional and corporate investors and other investors who we anticipate to have a sizeable demand for our Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Allocation of International Offer Shares under the International Offering will be effected in accordance with the "book-building" process described in the section entitled "— Pricing and Allocation" above and based on a number of factors, including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the Listing. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional Shareholder base for the benefit of our Company and our Shareholders as a whole.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and the Offer Shares being offered under the Global Offering (including the additional Offer Shares which may be made available under the exercise of the Over-allotment Option), Shares to be issued under the Capitalization Issue and Shares which may be issued on the exercise of any options which may be granted under the Share Option Scheme.

Save as disclosed in this prospectus, no part of our Shares is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

OVER-ALLOTMENT OPTION

It is expected that we will grant the Over-allotment Option to the International Underwriters, exercisable by the Stabilizing Manager on behalf of the International Underwriters at any time within 30 days from the last date for lodging applications under the Hong Kong Public Offering. Under the Over-allotment Option, the Stabilizing Manager will have the right to require us to allot and issue up to an aggregate of 64,611,000 additional new Shares, representing in aggregate 15% of the Offer Shares initially available under the Global Offering to, among other things, cover over-allocations in the International Offering, if any. If the Over-allotment Option is exercised in full, the additional Offer Shares will represent approximately 3.61% of our enlarged issued share capital following the completion of the Capitalization Issue, the Global Offering and the exercise of the Over-allotment Option. These Offer Shares will be issued at the Offer Price. An announcement will be made if the Over-allotment Option is exercised.

STOCK BORROWING ARRANGEMENT

To facilitate the settlement of over-allocations in connection with the Global Offering, the Stabilizing Manager may choose to borrow, whether on its own or through its affiliates, up to 64,611,000 Shares, representing 15% of the Offer Shares (being the maximum number of Offer Shares which may be issued upon exercise of the Over-allotment Option), from Asiaciti Enterprises to cover over-allocation through the stock borrowing arrangements under the Stock Borrowing Agreement, or acquire Shares from other sources, including the exercising the Over-allotment Option.

If such stock borrowing arrangement with Asiaciti Enterprises is entered into, it will only be effected by the Stabilizing Manager or its agent for settlement of over-allocation in the International Offering and such arrangement is not subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules provided that the requirements set out in Rule 10.07(3) of the Listing Rules are complied with. Such stock borrowing arrangement is fully described in this prospectus and must be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option. The maximum number of Shares to be borrowed from Asiaciti Enterprises by the Stabilizing Manager is the maximum number of Shares that may be issued upon full exercise of the Over-allotment Option. The same number of Offer Shares so borrowed must be returned to Asiaciti Enterprises or its nominees on or before the third Business Day following the earlier of (a) the last day on which the Over-allotment Option may be exercised, or (b) the day on which the Over-allotment Option is exercised in full and the relevant Offer Shares subject to the Over-allotment Option having been issued. The stock borrowing arrangement will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to Asiaciti Enterprises by the Stabilizing Manager or its agent in relation to such stock borrowing arrangement.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent, any decline in the market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong and certain other jurisdictions, the price at which stabilization is effected is not permitted to exceed the Offer Price.

In connection with the Global Offering, UBS AG, Hong Kong Branch, as stabilizing manager (the "**Stabilizing Manager**"), its affiliates or any person acting for it, on behalf of the Underwriters, may over-allocate Shares or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of our Shares at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilizing Manager of a greater number of Shares than the Underwriters are required to purchase in the Global Offering. "Covered" short sales are sales made in an amount not greater than the Over-allotment Option.

The Stabilizing Manager may close out any covered short position by either exercising the Over-allotment Option to purchase additional Shares or purchasing Shares in the open market. In determining the source of the Shares to close out the covered short position, the Stabilizing Manager will consider, among other things, the price of Shares in the open market as compared to the price at which they may purchase additional Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Shares while the Global Offering is in progress. Any market purchases of our Shares may be effected on any stock exchange, including the Stock Exchange, any over-the counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Stabilizing Manager and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering. The number of our Shares that may be over-allocated will not exceed the number of our Shares that may be issued under the Over-allotment Option, namely, 64,611,000 Shares, which is 15% of the number of Offer Shares initially available under the Global Offering, in the event that the whole or part of the Over-allotment Option is exercised.

The Stabilizing Manager, its affiliates or any person acting for it, may take all or any of the following stabilizing actions in Hong Kong during the stabilization period:

(i) purchase, or agree to purchase, any of the Shares or offer or attempt to do so for the sole purpose of preventing or minimising any reduction in the market price of the Shares;

(ii) in connection with any action described in paragraph (i) above:

(A) (1) over-allocate the Shares; or

(2) sell or agree to sell the Shares so as to establish a short position in them,

for the sole purpose of preventing or minimising any reduction in the market price of the Shares;

(B) exercise the Over-allotment Option and purchase or subscribe for or agree to purchase or subscribe for the Shares in order to close out any position established under paragraph (A) above;

(C) sell or agree to sell any of the Shares acquired by it in the course of the stabilizing action referred to in paragraph (i) above in order to liquidate any position that has been established by such action; or

(D) offer or attempt to do anything as described in paragraph (ii)(A)(2), (ii)(B) or (ii)(C) above.

The Stabilizing Manager, its affiliates or any person acting for it, may, in connection with the stabilizing action, maintain a long position in the Shares, and there is no certainty as to the extent to which and the time period for which it will maintain such a position. Investors should be warned of the possible impact of any liquidation of the long position by the Stabilizing Manager, its affiliates or any person acting for it, which may include a decline in the market price of the Shares.

Stabilization cannot be used to support the price of the Shares for longer than the stabilization period, which begins on the Listing Date and ends on the thirtieth day after the last day for lodging applications under the Hong Kong Public Offering. The stabilizing period is expected to end on January 3, 2014, after which an announcement will be made pursuant to section 9 and schedule 3 of the Securities and Futures (Price Stabilization) Rules made under the SFO. After this date, no further stabilizing action may be taken, demand for the Shares, and therefore then market price, could fall.

Any stabilizing action taken by the Stabilizing Manager, its affiliates or any person acting for it, may not necessarily result in the market price of our Shares staying at or above the Offer Price either during or after the stabilizing period. Stabilizing bids for or market purchases of our Shares by the Stabilizing Manager, or any person acting for it, may be made at a price at the Offer Price.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on December 11, 2013, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on December 11, 2013.

The Shares will be traded in board lots of 1,000 Shares each.

UNDERWRITING ARRANGEMENTS

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement, subject to, among other conditions, agreement on the Offer Price between the Joint Global Coordinators (on behalf of the Underwriters) and us on the Price Determination Date.

We expect that we will, on or about December 4, 2013, shortly after determination of the Offer Price, enter into the International Purchase Agreement relating to the International Offering.

The terms of the underwriting arrangements, the Hong Kong Underwriting Agreement and the International Purchase Agreement are summarized in the section entitled "Underwriting" in this prospectus.

1. HOW TO APPLY

If you apply for Hong Kong Offer Shares, then you may not apply for or indicate an interest for International Offer Shares.

To apply for Hong Kong Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form;
- apply online via the **White Form eIPO** service at **www.eipo.com.hk**; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

The Company, the Joint Global Coordinators, the White Form eIPO Service Provider and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2. WHO CAN APPLY

You can apply for Hong Kong Offer Shares on a **WHITE** or **YELLOW** Application Form if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;
- have a Hong Kong address;
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act); and
- are not a legal or natural person of the PRC.

If you apply online through the **White Form eIPO** service, in addition to the above, you must also: (i) have a valid Hong Kong identity card number; and (ii) provide a valid e-mail address and a contact telephone number.

If you are a firm, the application must be in the individual members' names. If you are a body corporate, the Application Form must be signed by a duly authorized officer, who must state his representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, the Joint Global Coordinators may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

The number of joint applicants may not exceed four and they may not apply by means of **White Form eIPO** service for the Hong Kong Offer Shares.

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if you are:

- an existing beneficial owner of Shares in the Company and/or any its subsidiaries;
- a Director or chief executive officer of the Company and/or any of its subsidiaries;
- an associate (as defined in the Listing Rules) of any of the above;
- a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon completion of the Global Offering; and
- have been allocated or have applied for or indicated an interest in any Offer Shares under the International Offering.

3. APPLYING FOR HONG KONG OFFER SHARES

Which Application Channel to Use

For Hong Kong Offer Shares to be issued in your own name, use a **WHITE** Application Form or apply online through **www.eipo.com.hk**.

For Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, use a **YELLOW** Application Form or electronically instruct HKSCC via CCASS to cause HKSCC Nominees to apply for you.

Where to Collect the Application Forms

You can collect a **WHITE** Application Form and a prospectus during normal business hours from 9:00 a.m. on Friday, November 29, 2013 until 12:00 noon on Wednesday, December 4, 2013 from:

(i) the following address of the Hong Kong Underwriters:

UBS AG, Hong Kong Branch
52nd Floor, Two International Finance Center
8 Finance Street
Central
Hong Kong

Haitong International Securities Company Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road
Central
Hong Kong

ABCI Securities Company Limited
Room 701, 7/F
One Pacific Place
88 Queensway
Hong Kong

Bright Smart Securities International (H.K.) Limited
10/F Wing On House
71 Des Voeux Road Central
Hong Kong

Shenyin Wanguo Capital (H.K.) Limited
28/F., Citibank Tower, Citibank Plaza
3 Garden Road
Hong Kong

Tung Shing Securities (Brokers) Limited
22nd Floor, China Overseas Building
139 Hennessy Road
Wanchai
Hong Kong

(ii) any of the branches of Bank of China (Hong Kong) Limited:

	Branch Name	Address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Central District (Wing On House) Branch	71 Des Voeux Road Central
	409 Hennessy Road Branch	409-415 Hennessy Road Wan Chai
	North Point (King's Centre) Branch	193-209 King's Road North Point
Kowloon.	Shanghai Street (Mong Kok) Branch	611-617 Shanghai Street Mong Kok
	Kwun Tong Branch	20-24 Yue Man Square Kwun Tong
	Kowloon Plaza Branch	Unit 1, Kowloon Plaza 485 Castle Peak Road
New Territories	Lucky Plaza Branch	Lucky Plaza, Wang Pok Street Sha Tin
	Tuen Mun San Hui Branch	G13-G14 Eldo Court Heung Sze Wui Road Tuen Mun
	Sheung Shui Branch Securities Services Centre	136 San Fung Avenue Sheung Shui

You can collect a **YELLOW** Application Form and a prospectus during normal business hours from 9:00 a.m. on Friday, November 29, 2013 until 12:00 noon on Wednesday, December 4, 2013 from:

- the Depository Counter of HKSCC at 2nd Floor, Infinitus Plaza, 199 Des Voeux Central, Hong Kong; or

- your stockbroker.

Time for Lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a check or a banker's cashier order attached and marked payable to "Bank of China (Hong Kong) Nominees Limited – Times Property Public Offer" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

Friday, November 29, 2013 – 9:00 am to 5:00 p.m.
Monday, December 2, 2013 – 9:00 am to 5:00 p.m.
Tuesday, December 3, 2013 – 9:00 am to 5:00 p.m.
Wednesday, December 4, 2013 – 9:00 am to 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on December 4, 2013, the last application day or such later time as described in "Effect of Bad Weather on the Opening of the Application Lists" in this section.

4. TERMS AND CONDITIONS OF AN APPLICATION

Follow the detailed instructions in the Application Form carefully; otherwise, your application may be rejected.

By submitting an Application Form or applying through the **White Form eIPO** service, among other things, you:

(i) undertake to execute all relevant documents and instruct and authorized the Company and/or the Joint Global Coordinators (or their agents or nominees), as agents of the Company, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association;

(ii) agree to comply with the Companies Ordinance and the Articles of Association;

(iii) confirm that you have read the terms and conditions and application procedures set out in this prospectus and in the Application Form and agree to be bound by them;

(iv) confirm that you have received and read this prospectus and have only relied on the information and representations contained in this prospectus in making your application and will not rely on any other information or representations except those in any supplement to this prospectus;

(v) confirm that you are aware of the restrictions on the Global Offering in this prospectus;

(vi) agree that none of the Company, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering is or will be liable for any information and representations not in this prospectus (and any supplement to it);

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering nor participated in the International Offering;

(viii) agree to disclose to the Company, the Hong Kong Share Registrar, receiving bank, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or their respective advisers and agents any personal data which they may require about you and the person(s) for whose benefit you have made the application;

(ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of the Company, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers and the Underwriters nor any of their respective officers or advisers will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus and the Application Form;

(x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;

(xi) agree that your application will be governed by the laws of Hong Kong;

(xii) represent, warrant and undertake that (i) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Hong Kong Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(xiii) warrant that the information you have provided is true and accurate;

(xiv) agree to accept the Hong Kong Offer Shares applied for, or any lesser number allocated to you under the application;

(xv) authorize the Company to place your name(s) or the name of the HKSCC Nominees, on the Company's register of members as the holder(s) of any Hong Kong Offer Shares allocated to you, and the Company and/or its agents to send any share certificate(s) and/or any e-Refund payment instructions and/or any refund check(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you have chosen to collect the share certificate(s) and/or refund check(s) in person;

(xvi) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xvii) understand that the Company and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider by you or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (i) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC; and (ii) you have due authority to sign the Application Form or give **electronic application instructions** on behalf of that other person as their agent.

Additional Instructions for YELLOW Application Form

You may refer to the **YELLOW** Application Form for details.

5. APPLYING THROUGH WHITE FORM eIPO SERVICE

General

Individuals who meet the criteria in "Who can apply" in this section, may apply through the **White Form eIPO** service for the Offer Shares to be allotted and registered in their own names through the designated website at **www.eipo.com.hk**.

Detailed instructions for application through the **White Form eIPO** service are on the designated website. If you do not follow the instructions, your application may be rejected and may not be submitted to the Company. If you apply through the designated website, you authorize the White Form eIPO Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **White Form eIPO** service.

Time for Submitting Applications under the White Form eIPO

You may submit your application to the White Form eIPO Service Provider at **www.eipo.com.hk** (24 hours daily, except on the last application day) from 9.00 a.m on Friday, November 29, 2013 until 11:30 a.m. on Wednesday, December 4, 2013 and the

latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Wednesday, December 4, 2013 or such later time under "Effect of Bad Weather on the Opening of the Application Lists" in this section.

No Multiple Applications

If you apply by means of **White Form eIPO**, once you complete payment in respect of any **electronic application instruction** given by you or for your benefit through the **White Form eIPO** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an **electronic application instruction** under **White Form eIPO** more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you are suspected of submitting more than one application through the **White Form eIPO** service or by any other means, all of your applications are liable to be rejected.

Section 40 of the Companies Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each applicant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies Ordinance (as applied by Section 342E of the Companies Ordinance).

Environmental Protection

The obvious advantage of White Form eIPO is to save the use of papers via the self-serviced and electronic application process. Computershare Hong Kong Investor Services Limited, being the designated White Form eIPO Service Provider, will contribute HK$2 per each "**TIMES PROPERTY HOLDINGS LIMITED**" White Form eIPO application submitted via **www.eipo.com.hk** to support the funding of "Source of DongJiang — Hong Kong Forest" project initiated by Friends of the Earth (HK).

6. APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give **electronic application instructions** to apply for the Hong Kong Offer Shares and to arrange payment of the money due on application and payment of refunds under their participant agreements with HKSCC and the General Rules of CCASS and the CCASS Operational Procedures.

If you are a CCASS Investor Participant, you may give these **electronic application instructions** through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (https://ip.ccass.com) (using the procedures in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time).

HKSCC can also input **electronic application instructions** for you if you go to:

Hong Kong Securities Clearing Company Limited

Customer Service Center
2nd Floor, Infinitus Plaza
199 Des Voeux Road Central
Hong Kong

and complete an input request form.

You can also collect a prospectus from this address.

If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf.

You will be deemed to have authorized HKSCC and/or HKSCC Nominees to transfer the details of your application to the Company, the Joint Global Coordinators and our Hong Kong Share Registrar.

Giving Electronic Application Instructions to HKSCC via CCASS

Where you have given **electronic application instructions** to apply for the Hong Kong Offer Shares and a **WHITE** Application Form is signed by HKSCC Nominees on your behalf:

(i) HKSCC Nominees will only be acting as a nominee for you and is not liable for any breach of the terms and conditions of the **WHITE** Application Form or this prospectus;

(ii) HKSCC Nominees will do the following things on your behalf:

- agree that the Hong Kong Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant's stock account on your behalf or your CCASS Investor Participant's stock account;

- agree to accept the Hong Kong Offer Shares applied for or any lesser number allocated;

- undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering;

- declare that only one set of **electronic application instructions** has been given for your benefit;

- (if you are an agent for another person) declare that you have only given one set of **electronic application instructions** for the other person's benefit and are duly authorized to give those instructions as their agent;

- confirm that you understand that the Company, the Directors and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Hong Kong Offer Shares to you and that you may be prosecuted if you make a false declaration;

- authorize the Company to place HKSCC Nominees' name on the Company's register of members as the holder of the Hong Kong Offer Shares allocated to you and to send share certificate(s) and/or refund monies under the arrangements separately agreed between us and HKSCC;

- confirm that you have read the terms and conditions and application procedures set out in this prospectus and agree to be bound by them;

- confirm that you have received and/or read a copy of this prospectus and have relied only on the information and representations in this prospectus in causing the application to be made, save as set out in any supplement to this prospectus;

- agree that none of the Company, the Joint Global Coordinators, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering, is or will be liable for any information and representations not contained in this prospectus (and any supplement to it);

- agree to disclose your personal data to the Company, our Hong Kong Share Registrar, receiving bank, the Joint Global Coordinators, the Underwriters and/or its respective advisers and agents;

- agree (without prejudice to any other rights which you may have) that once HKSCC Nominees' application has been accepted, it cannot be rescinded for innocent misrepresentation;

- agree that any application made by HKSCC Nominees on your behalf is irrevocable before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral

contract with us and to become binding when you give the instructions and such collateral contract to be in consideration of the Company agreeing that it will not offer any Hong Kong Offer Shares to any person before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this prospectus. However, HKSCC Nominees may revoke the application before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Companies Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this prospectus;

- agree that once HKSCC Nominees' application is accepted, neither that application nor your **electronic application instructions** can be revoked, and that acceptance of that application will be evidenced by the Company's announcement of the Hong Kong Public Offering results;

- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with the General Rules of CCASS and the CCASS Operational Procedures, for the giving **electronic application instructions** to apply for Hong Kong Offer Shares;

- agree with the Company, for itself and for the benefit of each Shareholder (and so that the Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving **electronic application instructions**) to observe and comply with the Companies Ordinance and the Articles of Association; and

- agree that your application, any acceptance of it and the resulting contract will be governed by the Laws of Hong Kong.

Effect of Giving Electronic Application Instructions to HKSCC via CCASS

By giving **electronic application instructions** to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to the Company or any other person in respect of the things mentioned below:

- instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Hong Kong Offer Shares on your behalf;

- instructed and authorized HKSCC to arrange payment of the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the Stock Exchange trading fee) by crediting your designated bank account; and

- instructed and authorized HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in the **WHITE** Application Form and in this prospectus.

Minimum Purchase Amount and Permitted Numbers

You may give or cause your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** for a minimum of 1,000 Hong Kong Offer Shares. Instructions for more than 1,000 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Forms. No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Friday, November 29, 2013 – 9:00 a.m. to 8:30 p.m.(1)
Monday, December 2, 2013 – 8:00 a.m. to 8:30 p.m.(1)
Tuesday, December 3, 2013 – 8:00 a.m. to 8:30 p.m.(1)
Wednesday, December 4, 2013 – 8:00 a.m.(1) to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Friday, November 29, 2013 until 12:00 noon on Wednesday, December 4, 2013 (24 hours daily, except on the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Wednesday, December 4, 2013, the last application day or such later time as described in "Effect of Bad Weather on the Opening of the Application Lists" in this section.

No Multiple Applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Hong Kong Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Hong Kong Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit. Any **electronic application instructions** to make an application for the Hong Kong Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Companies Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each CCASS Participant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies Ordinance (as applied by Section 342E of the Companies Ordinance).

Personal Data

The section of the Application Form headed "Personal Data" applies to any personal data held by the Company, the Hong Kong Share Registrar, the receiving bankers, the Joint Global Coordinators, the Underwriters and any of their respective advisers and agents about you in the same way as it applies to personal data about applicants other than HKSCC Nominees.

7. WARNING FOR ELECTRONIC APPLICATIONS

The subscription of the Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC is only a facility provided to CCASS Participants. Similarly, the application for Hong Kong Offer Shares through the **White Form eIPO** service is also only a facility provided by the White Form eIPO Service Provider to public investors. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last application day in making your electronic applications. The Company, the Directors, the Joint Bookrunners, the Joint Sponsors, the Joint Global Coordinators and the Underwriters take no responsibility for such applications and provide no assurance that any CCASS Participant or person applying through the **White Form eIPO** service will be allotted any Hong Kong Offer Shares.

To ensure that CCASS Investor Participants can give their **electronic application instructions**, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems in the connection to CCASS Phone System/CASS Internet System for submission of **electronic application instructions**, they should either (i) submit a **WHITE** or **YELLOW** Application Form, or (ii) go to HKSCC's Customer Service Center to complete an input request form for **electronic application instructions** before 12:00 noon on Wednesday, December 4, 2013.

8. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Hong Kong Offer Shares are not allowed except by nominees. If you are a nominee, in the box on the Application Form marked "For nominees" you must include:

- an account number; or
- some other identification code,

for each beneficial owner or, in the case of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

All of your applications will be rejected if more than one application on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or through **White Form eIPO** service, is made for your benefit (including the part of the application made by HKSCC Nominees acting on **electronic application instructions**). If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

9. HOW MUCH ARE THE HONG KONG OFFER SHARES

The **WHITE** and **YELLOW** Application Forms have tables showing the exact amount payable for Shares.

You must pay the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee in full upon application for Shares under the terms set out in the Application Forms.

You may submit an application using a **WHITE** or **YELLOW** Application Form or through the **White Form eIPO** service in respect of a minimum of 1,000 Hong Kong Public Offer Shares. Each application or **electronic application instruction** in respect of more than 1,000 Hong Kong Public Offer Shares must be in one of the numbers set out in the table in the Application Form, or as otherwise specified on the designated website at **www.eipo.com.hk**.

If your application is successful, brokerage will be paid to the Exchange Participants, and the SFC transaction levy and the Stock Exchange trading fee are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC).

For further details on the Offer Price, see the section entitled "Structure of the Global Offering — Pricing and Allocation".

10. EFFECT OF BAD WEATHER ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warming signal number 8 or above; or
- a "black" rainstorm warning,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, December 4, 2013. Instead they will open between 11:45 a.m. and 12:00 noon on the next Business Day which does not have either of those warnings in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Wednesday, December 4, 2013 or if there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal in force in Hong Kong that may affect the dates mentioned in the section entitled "Expected Timetable", an announcement will be made in such event.

11. PUBLICATION OF RESULTS

The Company expects to announce the final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on Tuesday, December 10, 2013 in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on the Company's website at **www.timesgroup.cn** and the website of the Stock Exchange at **www.hkexnews.hk**.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at **www.timesgroup.cn** and the Stock Exchange's website at **www.hkexnews.hk** by no later than 9:00 a.m., Tuesday, December 10, 2013;

- from the designated results of allocations website at **www.iporesults.com.hk** with a "search by **ID"** function on a 24-hour basis from Tuesday, December 10, 2013 to Monday, December 16, 2013;

- by telephone enquiry line by calling (852) 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, December 10, 2013 to Friday, December 13, 2013;

- in the special allocation results booklets which will be available for inspection during opening hours from Tuesday, December 10, 2013 to Thursday, December 12, 2013 at all the receiving bank branches and sub-branches.

If the Company accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Hong Kong Offer Shares if the conditions of the Global Offering are satisfied and the Global Offering is not otherwise terminated. Further details are contained in the section entitled "Structure of the Global Offering".

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

12. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED OFFER SHARES

You should note the following situations in which the Hong Kong Offer shares will not be allotted to you:

(i) If your application is revoked:

By completing and submitting an Application Form or giving **electronic application instructions** to HKSCC or to White Form eIPO Service Provider, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with the Company.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this prospectus under Section 40 of the Companies Ordinance (as applied by Section 342E of the Companies Ordinance) gives a public notice under that section which excludes or limits that person's responsibility for this prospectus.

If any supplement to this prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

(ii) If the Company or its agents exercise their discretion to reject your application:

The Company, the Joint Global Coordinators, the White Form eIPO Service Provider and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allotment of Hong Kong Offer Shares is void:

The allotment of Hong Kong Offer Shares will be void if the Listing Committee of the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies the Company of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or suspected multiple applications;
- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Hong Kong Offer Shares and International Offer Shares;
- your Application Form is not completed in accordance with the stated instructions;
- your **electronic application instructions** through the **White Form eIPO** service are not completed in accordance with the instructions, terms and conditions on the designated website;
- your payment is not made correctly or the check or banker's cashier order paid by you is dishonored upon its first presentation;
- the Underwriting Agreements do not become unconditional or are terminated;
- the Company or the Joint Global Coordinators believe that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations; or
- your application is for more than 50% of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering.

13. REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK$4.50 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering are not fulfilled in accordance with "Structure of the Global Offering — Conditions of the Hong Kong Public Offering" in this prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the check or banker's cashier order will not be cleared.

Any refund of your application monies will be made on Tuesday, December 10, 2013.

14. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

You will receive one share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made on **YELLOW** Application Forms or by **electronic application instructions** to HKSCC via CCASS where the share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application. If you apply by **WHITE** or **YELLOW** Application Form, subject to personal collection as mentioned below, the following will be sent to you (or, in the case of joint applicants, to the first-named applicant) by ordinary post, at your own risk, to the address specified on the Application Form:

- share certificate(s) for all the Hong Kong Offer Shares allotted to you (for **YELLOW** Application Forms, share certificates will be deposited into CCASS as described below); and

- refund check(s) crossed "Account Payee Only" in favor of the applicant (or, in the case of joint applicants, the first-named applicant) for (i) all or the surplus application monies for the Hong Kong Offer Shares, wholly or partially unsuccessfully applied for; and/or (ii) the difference between the Offer Price and the maximum Offer Price per Offer Share paid on application in the event that the Offer Price is less than the maximum Offer Price (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest). Part of the Hong Kong identity card number/passport number, provided by you or the first-named applicant (if you are joint applicants), may be printed on your refund check, if any. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund check(s). Inaccurate completion of your Hong Kong identity card number/passport number may invalidate or delay encashment of your refund check(s).

Subject to arrangement on dispatch/collection of share certificates and refund monies as mentioned below, any refund checks and share certificates are expected to be posted on or around Tuesday, December 10, 2013. The right is reserved to retain any share certificate(s) and any surplus application monies pending clearance of check(s) or banker's cashier's order(s).

Share certificates will only become valid at 8:00 a.m. on Wednesday, December 11, 2013 provided that the Global Offering has become unconditional and the right of termination described in the section entitled "Underwriting" in this prospectus has not been exercised. Investors who trade shares prior to the receipt of Share certificates or the Share certificates becoming valid do so at their own risk.

Personal Collection

(i) If you apply using a WHITE Application Form

If you apply for 1,000,000 or more Hong Kong Offer Shares and have provided all information required by your Application Form, you may collect your refund check(s) and/or share certificate(s) from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, December 10, 2013 or such other date as notified by us in the newspapers.

If you are an individual who is eligible for personal collection, you must not authorize any other person to collect for you. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.

If you do not collect your refund check(s) and/or share certificate(s) personally within the time specified for collection, they will be despatched promptly to the address specified in your Application Form by ordinary post at your own risk.

If you apply for less than 1,000,000 Hong Kong Offer Shares, your refund check(s) and/or share certificate(s) will be sent to the address on the relevant Application Form on Tuesday, December 10, 2013, by ordinary post and at your own risk.

(ii) If you apply using a YELLOW Application Form

If you apply for 1,000,000 Hong Kong Offer Shares or more, please follow the same instructions as described above. If you have applied for less than 1,000,000 Hong Kong Offer Shares, your refund check(s) will be sent to the address on the relevant Application Form on Tuesday, December 10, 2013, by ordinary post and at your own risk.

If you apply by using a **YELLOW** Application Form and your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to your or the designated CCASS Participant's stock account as stated in your Application Form on Tuesday, December 10, 2013, or upon contingency, on any other date determined by HKSCC or HKSCC Nominees.

- **If you apply through a designated CCASS participant (other than a CCASS investor participant)**

For Hong Kong Offer Shares credited to your designated CCASS participant's stock account (other than CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allotted to you with that CCASS participant.

- **If you are applying as a CCASS Investor Participant**

The Company will publish the results of CCASS Investor Participants' applications together with the results of the Hong Kong Public Offering in the manner described in "Publication of Results" above. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m., Tuesday, December 10, 2013 or any other date as determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Hong Kong Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System.

(iii) If you apply through the White Form eIPO Service

If you apply for 1,000,000 Hong Kong Offer Shares or more and your application is wholly or partially successful, you may collect your Share certificate(s) from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, December 10, 2013, or such other date as notified by the Company in the newspapers as the date of despatch/collection of Share certificates/e-Refund payment instructions/refund checks.

If you do not collect your Share certificate(s) personally within the time specified for collection, they will be sent to the address specified in your application instructions by ordinary post at your own risk.

If you apply for less than 1,000,000 Hong Kong Offer Shares, your Share certificate(s) (where applicable) will be sent to the address specified in your application instructions on Tuesday, December 10, 2013 by ordinary post at your own risk.

If you apply and pay the application monies from a single bank account, any refund monies will be despatched to that bank account in the form of e-Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be despatched to the address as specified in your application instructions in the form of refund check(s) by ordinary post at your own risk.

(iv) If you apply via Electronic Application Instructions to HKSCC

Allocation of Hong Kong Offer Shares

For the purposes of allocating Hong Kong Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.

Deposit of Share Certificates into CCASS and Refund of Application Monies

- If your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Tuesday, December 10, 2013, or, on any other date determined by HKSCC or HKSCC Nominees.

- The Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, the Company will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Hong Kong Public Offering in the manner specified in "Publication of Results" above on Tuesday, December 10, 2013. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Tuesday, December 10, 2013 or such other date as determined by HKSCC or HKSCC Nominees.

- If you have instructed your broker or custodian to give **electronic application instructions** on your behalf, you can also check the number of Hong Kong Offer Shares allotted to you and the amount of refund monies (if any) payable to you with that broker or custodian.

- If you have applied as a CCASS Investor Participant, you can also check the number of Hong Kong Offer Shares allotted to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Tuesday, December 10, 2013. Immediately following the credit of the Hong Kong Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.

- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on Tuesday, December 10, 2013.

15. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second Business Day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

The following is the text of a report on Times Property Holdings Limited, prepared for inclusion in this prospectus, received from the independent reporting accountants of our Company, Ernst & Young, Certified Public Accountants, Hong Kong

22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

29 November 2013

The Directors
Times Property Holdings Limited
UBS Securities Hong Kong Limited
Haitong International Capital Limited

Dear Sirs,

We set out below our report on the financial information of Times Property Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") comprising the consolidated income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2010, 2011 and 2012, and the six months ended 30 June 2013 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2010, 2011 and 2012 and 30 June 2013, together with the notes thereto (the "Financial Information"), and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the six months ended 30 June 2012 (the "Interim Comparative Information"), prepared on the basis of preparation set out in note 2.1 of Section II below, for inclusion in the prospectus of the Company dated 29 November 2013 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 14 November 2007. The Company is the holding company of other companies, as set out in note 1 of Section II, comprising the Group. The Group is principally engaged in property development, property leasing and property management in Mainland China.

As at the date of this report, no statutory financial statements have been prepared for the Company, as it is not subject to statutory audit requirements under the relevant rules and regulations in its jurisdiction of incorporation.

As at the date of this report, the Company has direct and indirect interests in the subsidiaries as set out in note 1 of Section II below. All companies now comprising the Group have adopted 31 December as their financial year end date. The statutory financial statements of the subsidiaries incorporated in the British Virgin Islands were not prepared as they are not

subject to statutory audit requirements under the relevant rules and regulations in their jurisdiction of incorporation. The statutory financial statements of the companies established or incorporated in Mainland China and Hong Kong were prepared in accordance with the relevant accounting principles applicable to these companies in the countries in which they were incorporated and/or established. Details of their statutory auditors during the Relevant Periods are set out in note 1 of Section II below.

For the purpose of this report, the directors of the Company (the "Directors") have prepared the consolidated financial statements of the Group (the "Underlying Financial Statements") in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB"). The Underlying Financial Statements for each of the years ended 31 December 2010, 2011 and 2012, and the six months ended 30 June 2013 were audited by us in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Financial Information set out in this report has been prepared from the Underlying Financial Statements with no adjustments made thereon.

Directors' responsibility

The Directors are responsible for the preparation of the Underlying Financial Statements, the Financial Information and the Interim Comparative Information that give a true and fair view in accordance with IFRSs, and for such internal control as the Directors determine is necessary to enable the preparation of the Underlying Financial Statements, the Financial Information and the Interim Comparative Information that are free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

It is our responsibility to form an independent opinion and a review conclusion on the Financial Information and the Interim Comparative Information, respectively, and to report our opinion and review conclusion thereon to you.

For the purpose of this report, we have carried out procedures on the Financial Information in accordance with Auditing Guideline 3.340 *Prospectuses and the Reporting Accountant* issued by the HKICPA.

We have also performed a review of the Interim Comparative Information in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets and liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an opinion on the Interim Comparative Information.

Opinion in respect of the Financial Information

In our opinion, for the purpose of this report, the Financial Information gives a true and fair view of the state of affairs of the Group and the Company as at 31 December 2010, 2011 and 2012 and 30 June 2013 and of the consolidated results and cash flows of the Group for each of the Relevant Periods.

Review conclusion in respect of the Interim Comparative Information

Based on our review which does not constitute an audit, for the purpose of this report, nothing has come to our attention that causes us to believe that the Interim Comparative Information is not prepared, in all material respects, in accordance with the same basis adopted in respect of the Financial Information.

I. FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENTS

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
REVENUE	5	1,547,206	2,466,811	3,197,142	1,817,102	2,362,705
Cost of sales		(1,156,369)	(1,781,257)	(2,288,184)	(1,419,129)	(1,814,642)
GROSS PROFIT		390,837	685,554	908,958	397,973	548,063
Other income and gains	5	196,025	208,908	138,269	69,811	47,442
Selling and marketing costs		(172,925)	(259,226)	(204,279)	(134,886)	(169,488)
Administrative expenses		(111,425)	(182,227)	(145,098)	(67,875)	(130,801)
Other expenses		(27,006)	(84,069)	(34,377)	(3,427)	(8,985)
Finance costs	7	(33,110)	(39,662)	(42,055)	(20,695)	(34,411)
Share of profits and losses of associates		3,212	6,440	5	(13)	105
PROFIT BEFORE TAX	6	245,608	335,718	621,423	240,888	251,925
Income tax expense	10	(80,264)	(100,847)	(267,775)	(78,231)	(95,232)
PROFIT FOR THE YEAR/PERIOD		165,344	234,871	353,648	162,657	156,693
Attributable to:						
Owners of the Company	12	165,347	247,169	362,916	167,599	165,946
Non-controlling interests		(3)	(12,298)	(9,268)	(4,942)	(9,253)
		165,344	234,871	353,648	162,657	156,693
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	11	N/A	N/A	N/A	N/A	N/A

Details of the dividend declared by the Company to its immediate holding company during the Relevant Periods are disclosed in note 31(b) of Section II below.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit for the year/period	165,344	234,871	353,648	162,657	156,693
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	3,061	1,551	(3,005)	228	(6,423)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD	3,061	1,551	(3,005)	228	(6,423)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	168,405	236,422	350,643	162,885	150,270
Attributable to:					
Owners of the Company	168,408	248,720	359,911	167,827	159,523
Non-controlling interests	(3)	(12,298)	(9,268)	(4,942)	(9,253)
	168,405	236,422	350,643	162,885	150,270

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	59,996	72,873	432,936	749,372
Prepaid land lease payments	14	383,245	1,266,111	1,229,089	1,610,335
Investment properties	15	1,290,000	1,430,000	1,540,000	1,560,000
Investments in associates	16	539,079	3,247	42,934	43,039
Deferred tax assets	17	48,798	94,163	83,504	94,368
Total non-current assets		2,321,118	2,866,394	3,328,463	4,057,114
CURRENT ASSETS					
Inventories		–	–	4,642	–
Prepaid land lease payments	14	563,210	363,019	265,813	–
Properties under development	18	3,859,424	6,924,604	9,350,228	13,064,262
Completed properties held for sale	19	1,205,795	2,195,714	2,641,554	2,925,626
Trade receivables	20	12,576	18,872	32,546	17,813
Prepayments, deposits and other receivables	21	874,819	1,562,773	3,580,567	1,487,586
Held-to-maturity investments	22	–	–	305,700	–
Amount due from the immediate holding company	38(c)(ii)	–	11,408	437,507	22,282
Amount due from the ultimate holding company	38(c)(ii)	6	5	16	16
Amounts due from associates	23	72,631	60,180	63,880	56,480
Amounts due from directors	24	11,048	4,000	3,438	–
Available-for-sale investments		4,100	3,100	3,100	12,900
Tax prepayments	25	110,944	154,116	234,409	319,254
Restricted bank deposits	26	608,813	1,037,539	897,299	1,236,706
Cash and cash equivalents	26	563,389	565,700	936,446	309,909
Total current assets		7,886,755	12,901,030	18,757,145	19,452,834
CURRENT LIABILITIES					
Trade payables	27	1,564,997	2,039,031	2,872,646	2,930,841
Other payables and accruals	28	3,382,706	5,202,549	8,718,085	10,839,631
Interest-bearing bank loans and other borrowings	29	533,689	1,220,697	3,177,263	2,851,992
Amount due to a director	24	95,588	101,489	101,478	96,885
Tax payable	25	81,552	97,087	207,061	146,497
Total current liabilities		5,658,532	8,660,853	15,076,533	16,865,846
NET CURRENT ASSETS		2,228,223	4,240,177	3,680,612	2,586,988
TOTAL ASSETS LESS CURRENT LIABILITIES		4,549,341	7,106,571	7,009,075	6,644,102

	Notes	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
TOTAL ASSETS LESS CURRENT LIABILITIES		4,549,341	7,106,571	7,009,075	6,644,102
NON-CURRENT LIABILITIES					
Interest-bearing bank loans and other borrowings	29	2,244,705	3,010,943	2,499,536	2,871,064
Deferred tax liabilities	17	187,669	1,244,591	1,303,426	1,316,803
Total non-current liabilities		2,432,374	4,255,534	3,802,962	4,187,867
Net assets		2,116,967	2,851,037	3,206,113	2,456,235
EQUITY					
Equity attributable to owners of the Company					
Issued capital	30	–	–	–	–
Reserves	31	2,111,095	2,359,815	2,719,726	2,437,602
		2,111,095	2,359,815	2,719,726	2,437,602
Non-controlling interests		5,872	491,222	486,387	18,633
Total equity		2,116,967	2,851,037	3,206,113	2,456,235

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company									
	Issued capital	Share premium account	Contributed surplus	Capital reserve	Statutory surplus funds	Exchange translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000 (note 31(b))	RMB'000 (note 31(c))	RMB'000 (note 31(d))	RMB'000 (note 31(e))	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2010	–	1,452,565	8,113	31,295	63,607	(18,578)	405,685	1,942,687	4,073	1,946,760
Total comprehensive income/(loss) for the year	–	–	–	–	–	3,061	165,347	168,408	(3)	168,405
Transfer to reserve funds *(note 31(e))*	–	–	–	–	22,936	–	(22,936)	–	–	–
Establishment of a subsidiary	–	–	–	–	–	–	–	–	3,003	3,003
Deregistration of subsidiaries	–	–	–	–	–	–	–	–	(1,201)	(1,201)
At 31 December 2010 and 1 January 2011	–	1,452,565*	8,113*	31,295*	86,543*	(15,517)*	548,096*	2,111,095	5,872	2,116,967
Total Comprehensive income/(loss) for the year	–	–	–	–	–	1,551	247,169	248,720	(12,298)	236,422
Transfer to reserve funds *(note 31(e))*	–	–	–	–	7,761	–	(7,761)	–	–	–
Acquisition of subsidiaries *(note 32(iii)(iv)(xi))*	–	–	–	–	–	–	–	–	497,648	497,648
At 31 December 2011	–	1,452,565*	8,113*	31,295*	94,304*	(13,966)*	787,504*	2,359,815	491,222	2,851,037

	Attributable to owners of the Company									
	Issued capital	Share premium account	Contributed surplus	Capital reserve	Statutory surplus funds	Exchange translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000 (note 31(b))	RMB'000 (note 31(c))	RMB'000 (note 31(d))	RMB'000 (note 31(e))	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2012	–	1,452,565*	8,113*	31,295*	94,304*	(13,966)*	787,504*	2,359,815	491,222	2,851,037
Total comprehensive income/(loss) for the year	–	–	–	–	–	(3,005)	362,916	359,911	(9,268)	350,643
Transfer to reserve funds *(note 31(e))*	–	–	–	–	32,191	–	(32,191)	–	–	–
Establishment of a subsidiary	–	–	–	–	–	–	–	–	2,000	2,000
Acquisition of a subsidiary *(note 32(vi))*	–	–	–	–	–	–	–	–	2,433	2,433
At 31 December 2012	–	1,452,565*	8,113*	31,295*	126,495*	(16,971)*	1,118,229*	2,719,726	486,387	3,206,113

	Attributable to owners of the Company									
	Issued capital	Share premium account	Contributed surplus	Capital reserve	Statutory surplus funds	Exchange translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000 (note 31(b))	RMB'000 (note 31(c))	RMB'000 (note 31(d))	RMB'000 (note 31(e))	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2013	–	1,452,565*	8,113*	31,295*	126,495*	(16,971)*	1,118,229*	2,719,726	486,387	3,206,113
Total comprehensive income/(loss) for the period	–	–	–	–	–	(6,423)	165,946	159,523	(9,253)	150,270
Deregistration of a subsidiary	–	–	–	–	(2,807)	–	2,807	–	–	–
Acquisition of subsidiaries *(note 32(vi)(xii))*	–	–	–	–	–	–	–	–	10,353	10,353
Acquisition of non-controlling interests	–	–	–	781	–	–	–	781	(468,854)	(468,073)
Dividend declared *(note 31(b))*	–	(442,428)	–	–	–	–	–	(442,428)	–	(442,428)
At 30 June 2013	–	1,010,137*	8,113*	32,076*	123,688*	(23,394)*	1,286,982*	2,437,602	18,633	2,456,235

	Attributable to owners of the Company									
	Issued capital	Share premium account	Contributed surplus	Capital reserve	Statutory surplus funds	Exchange translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000 (note 31(b))	RMB'000 (note 31(c))	RMB'000 (note 31(d))	RMB'000 (note 31(e))	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)										
At 1 January 2012	–	1,452,565	8,113	31,295	94,304	(13,966)	787,504	2,359,815	491,222	2,851,037
Total comprehensive income/(loss) for the period	–	–	–	–	–	228	167,599	167,827	(4,942)	162,885
At 30 June 2012	–	1,452,565	8,113	31,295	94,304	(13,738)	955,103	2,527,642	486,280	3,013,922

* These reserve accounts comprise the consolidated reserves in the consolidated statements of financial position.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		245,608	335,718	621,423	240,888	251,925
Adjustments for:						
Finance costs	7	33,110	39,662	42,055	20,695	34,411
Share of profits and losses of associates		(3,212)	(6,440)	(5)	13	(105)
Bank and other interest income	5	(10,340)	(7,795)	(21,376)	(10,075)	(6,590)
Depreciation	6	9,271	14,957	16,454	7,350	29,816
Changes in fair value of investment properties	5	(142,000)	(140,000)	(110,000)	(57,000)	(20,000)
Changes in fair value of certain other payables to fellow investors/non-controlling shareholder	5	(18,173)	2,538	2,144	–	–
Impairment/(reversal of impairment) of completed properties held for sale	6	–	–	1,665	1,665	(14)
(Reversal of impairment)/impairment of prepayments, deposits and other receivables	6	(5,000)	1,000	–	–	(1,000)
Loss/(gain) on disposal of items of property, plant and equipment	6	17	229	658	(31)	11
Re-measurement of previously-held equity interest	6	–	47,378	–	–	–
Gains on deregistration/disposal of subsidiaries	5	(1,672)	–	–	–	(1,414)
Gains on acquisition of subsidiaries	5	(20,134)	(58,073)	–	–	(7,685)
		87,475	229,174	553,018	203,505	279,355
Decrease/(increase) in prepaid land lease payments		–	508,268	134,229	58,490	(107,398)
Decrease in inventories		–	–	–	–	1,032
Increase in properties under development		(1,309,462)	(956,118)	(1,195,138)	(1,950,120)	(3,178,877)
(Increase)/decrease in completed properties held for sale		(413,981)	(759,287)	(445,840)	1,171,586	(284,058)
Decrease/(increase) in trade receivables		2,157	34,909	(13,382)	(6,962)	14,732
(Increase)/decrease in prepayments, deposits and other receivables		(276,480)	(311,008)	(1,410,402)	(1,253,584)	2,304,579
(Increase)/decrease in an amount due from the ultimate holding company		(6)	1	(11)	(11)	–
(Increase)/decrease in amounts due from associates		(69,250)	12,451	(3,700)	(1,000)	7,400
(Increase)/decrease in amounts due from directors		(5,687)	7,000	561	(749)	3,435
Increase/(decrease) in trade payables		789,752	243,604	316,308	392,153	(108,796)
Increase in other payables and accruals		1,759,243	1,513,247	2,869,426	1,915,079	1,642,141
(Decrease)/increase in an amount due to a director		(131)	7,660	2,439	1,415	263
(Increase)/decrease in restricted bank deposits relating to operating activities	26	(535,208)	(428,726)	140,240	(223,719)	(339,407)
Cash generated from operations		28,422	101,175	947,748	306,083	234,401
Interest received		3,372	7,795	9,055	5,510	6,590
Interest paid		(159,644)	(304,178)	(459,716)	(234,063)	(269,964)
Corporate income tax paid		(92,236)	(85,379)	(74,332)	(52,138)	(139,195)
Land appreciation tax paid		(41,340)	(83,020)	(141,589)	(62,381)	(107,355)
Net cash flows (used in)/generated from operating activities		(261,426)	(363,607)	281,166	(36,989)	(275,523)

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)	
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(35,495)	(27,682)	(17,791)	(6,549)	(178,264)
Purchases of available-for-sale investments		(1,000)	–	–	–	(9,800)
Proceeds from sale of available-for-sale investments		10,000	1,000	–	–	–
Purchase of held-to-maturity investments		–	–	(305,700)	(305,700)	–
Proceeds from disposal of items of property, plant and equipment		120	2,357	66	58	(550)
Acquisition of subsidiaries	32	(50,095)	(488,147)	(3,544)	–	(2,500)
Acquisition of subsidiaries that are not a business	32	(998)	(13,963)	–	–	(251,004)
Acquisition of non-controlling interests		–	–	–	–	(200,504)
Disposal of subsidiaries	33	–	–	–	–	(3,682)
Investment in an associate		–	(3,300)	–	–	–
Net cash flows used in investing activities		(77,468)	(529,735)	(326,969)	(312,191)	(646,304)
CASH FLOWS FROM FINANCING ACTIVITIES						
Contribution from non-controlling interests		3,003	–	2,000	–	–
Increase in an amount due from the immediate holding company		–	(11,511)	(431,519)	(283,011)	(38,461)
New bank loans and other borrowings		1,960,000	3,085,760	3,164,552	2,033,168	1,603,000
Repayment of bank loans and other borrowings		(1,442,549)	(2,178,543)	(2,318,450)	(1,570,331)	(1,269,199)
Net cash flows generated from financing activities		520,454	895,706	416,583	179,826	295,340
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		181,560	2,364	370,780	(169,354)	(626,487)
Cash and cash equivalents at beginning of the year		381,882	563,389	565,700	565,700	936,446
Effect of foreign exchange rate changes, net		(53)	(53)	(34)	(1)	(50)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD		563,389	565,700	936,446	396,345	309,909
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	26	1,172,202	1,603,239	1,833,745	1,657,603	1,546,615
Less: Restricted bank deposits	26	(608,813)	(1,037,539)	(897,299)	(1,261,258)	(1,236,706)
Cash and cash equivalents	26	563,389	565,700	936,446	396,345	309,909

STATEMENTS OF FINANCIAL POSITION

	Notes	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	–	474	375	321
Investment in subsidiaries	1	–	–	–	–
Total non-current assets		–	474	375	321
CURRENT ASSETS					
Prepayments, deposits and other receivables		–	4	12	2,388
Amount due from the immediate holding company	38(c)(ii)	–	11,408	437,507	22,282
Amount due from the ultimate holding company	38(c)(ii)	6	5	10	10
Amounts due from subsidiaries		1,321,209	1,259,720	922,852	909,793
Amounts due from directors	24	5,354	–	–	–
Cash and cash equivalents	26	124	262	7,356	1,023
Total current assets		1,326,693	1,271,399	1,367,737	935,496
CURRENT LIABILITIES					
Other payables and accruals		–	–	–	5,881
Amounts due to subsidiaries		10,960	11,240	117,867	140,071
Amount due to a director	24	–	10,348	11,029	7,959
Total current liabilities		10,960	21,588	128,896	153,911
NET CURRENT ASSETS		1,315,733	1,249,811	1,238,841	781,585
TOTAL ASSETS LESS CURRENT LIABILITIES		1,315,733	1,250,285	1,239,216	781,906
Net assets		1,315,733	1,250,285	1,239,216	781,906
EQUITY					
Issued capital	30	–	–	–	–
Reserves	31	1,315,733	1,250,285	1,239,216	781,906
		1,315,733	1,250,285	1,239,216	781,906

II. NOTES TO THE FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 14 November 2007 under the name of Times Property (Holdings) Co., Limited as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. Pursuant to a special resolution passed on 24 January 2008, the Company's name was changed from Times Property (Holdings) Co., Limited to Times Property Holdings Limited. The registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. During the Relevant Periods, the Company's subsidiaries were mainly involved in property development, property leasing and property management in the People's Republic of China (the "PRC").

In the opinion of the Directors, the immediate holding company of the Company is Asiaciti Enterprises Ltd. ("Asiaciti"), which was incorporated in the British Virgin Islands ("BVI") and the ultimate holding company is Renowned Brand Investments Limited ("Renowned Brand"), which was incorporated in the BVI. Renowned Brand is wholly owned by Mr. Shum Chiuhung ("Mr. Shum"), the Founder of the Group.

As at 30 June 2013, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are set out below:

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
Subsidiaries:					
Wisdom Sharp Investments Limited *(note (a))*	BVI 22 March 2006	US$3	100	–	Investment holding
Million Sensor Management Limited *(note (a))*	BVI 25 May 2007	US$1	–	100	Investment holding
Grand Highway International Ltd. *(note (a))*	BVI 13 September 2007	US$1	–	100	Investment holding
Venus Tower Limited *(note (a))*	BVI 21 September 2007	US$1	–	100	Investment holding
Wah Tai (H.K.) Development Limited ("Wah Tai") *(note (b))*	Hong Kong 28 May 1992	HK$900,000	–	100	Investment holding
Hong Kong Times Investments Limited ("Hong Kong Times Investments") *(note (b))*	Hong Kong 24 March 2000	HK$10,000	–	100	Investment holding
Steelmine Minerals (H.K.) Development Limited ("Steelmine Minerals") *(note (b))*	Hong Kong 4 October 2000	HK$10,000	–	100	Investment holding
Profit City Investment Limited ("Profit City") *(note (b))*	Hong Kong 23 April 1992	HK$61,782,691	–	100	Investment holding
廣州市時代地產集團有限公司 Guangzhou Times Property Group Co., Ltd. ("Times Group") *(note (c))*	PRC/ Mainland China 9 May 2001	US$83,000,000	–	100	Property development and investment holding
廣州市時代企業地產投資有限公司 Guangzhou Times Enterprise Real Estate Investment Co., Ltd. ("Times Real Estate") *(note (c))*	PRC/ Mainland China 17 March 2005	RMB250,000,000	–	100	Investment holding

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
廣州市時代勝譽投資有限公司 Guangzhou Times Shengyu Investment Co., Ltd. ("Guangzhou Shengyu") *(note (c))*	PRC/ Mainland China 30 April 2005	RMB120,000,000	–	100	Property development and investment holding
廣東時代勝譽房地產開發有限公司 Guangdong Times Shengyu Real Estate Development Co., Ltd. ("Guangdong Shengyu") *(note (c))*	PRC/ Mainland China 19 June 2006	RMB80,000,000	–	100	Property development
珠海中珠世紀投資有限公司 Zhuhai Zhongzhu Century Investment Co., Ltd. ("Zhuhai Zhongzhu") *(note (d))*	PRC/ Mainland China 28 March 2006	RMB10,000,000	–	100	Property development
佛岡冠亨投資有限公司 Fogang Guanheng Investment Co., Ltd. ("Fogang Guanheng") *(note (e))*	PRC/ Mainland China 19 January 2007	RMB5,000,000	–	100	Property development
佛山市裕東龍房地產發展有限公司 Foshan Yudonglong Real Estate Development Co., Ltd. ("Foshan Yudonglong") *(note (c))*	PRC/ Mainland China 22 January 2002	RMB32,000,000	–	100	Property development
廣州市民華房地產有限公司 Guangzhou Minhua Real Estate Co., Ltd. ("Guangzhou Minhua") *(note (c))*	PRC/ Mainland China 5 April 1994	RMB364,307,750	–	100	Property development
佛岡盛欣水電園林工程有限公司 Fogang Shengxin Water and Electricity Garden Engineering Co., Ltd. ("Fogang Shengxin") *(note (e))*	PRC/ Mainland China 13 September 2007	RMB3,000,000	–	100	Landscape virescence and property decoration
佛岡柏瑞裝飾工程有限公司 Fogang Bairui Decoration Engineering Co., Ltd. ("Fogang Bairui") *(note (e))*	PRC/ Mainland China 28 September 2007	RMB3,000,000	–	100	Property decoration
中山市時代凱旋置業有限公司 Zhongshan Times Kaixuan Asset Co., Ltd. ("Zhongshan Kaixuan") *(note (h))*	PRC/ Mainland China 15 May 2007	RMB10,000,000	–	100	Property development
佛山市南海時代盛譽房地產開發有限公司 Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd. ("Foshan Nanhai Shengyu") *(note (c))*	PRC/ Mainland China 6 July 2007	RMB30,000,000	–	100	Property development

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
佛岡時代地產開發有限公司 Fogang Times Real Estate Development Co., Ltd. ("Fogang Real Estate") *(note (e))*	PRC/ Mainland China 31 March 2004	RMB30,000,000	–	100	Property development
廣州東和房地產開發有限公司 Guangzhou Donghe Real Estate Development Co., Ltd. ("Guangzhou Donghe") *(note (i))*	PRC/ Mainland China 31 December 1993	RMB111,075,800	–	100	Property leasing
廣州市瑞賢園林綠化有限公司 Guangzhou Ruixian Landscaping Co., Ltd ("Guangzhou Ruixian") *(note (c))*	PRC/ Mainland China 5 January 2007	RMB3,500,000	–	100	Landscape architecture
珠海市時代豐卓投資有限公司 Zhuhai Times Fengzhuo Investment Co., Ltd. ("Zhuhai Fengzhuo") *(note (d))*	PRC/ Mainland China 11 July 2007	RMB50,000,000	–	100	Property development
佛岡時代永盛投資有限公司 Fogang Times Yongsheng Investment Co., Ltd ("Fogang Yongsheng") *(note (e))*	PRC/ Mainland China 11 January 2008	RMB10,000,000	–	100	Property development
佛岡中意置業有限責任公司 Fogang Zhongyi Asset Development Limited Liability Company ("Fogang Zhongyi") *(note (e))*	PRC/ Mainland China 29 December 2007	RMB8,000,000	–	100	Property development
佛山市三水裕華房地產發展有限公司 Foshan Sanshui Yuhua Real Estate Development Co., Ltd. ("Foshan Yuhua") *(note (c))*	PRC/ Mainland China 4 August 2005	RMB48,000,000	–	100	Property development
廣州市時代物業管理有限公司 Guangzhou Times Property Management Co., Ltd. ("Times Property Management") *(note (j))*	PRC/ Mainland China 18 December 1998	RMB5,500,000	–	100	Property management
廣州時代恒德投資有限公司 Guangzhou Times Hengde Investment Co., Ltd. ("Times Hengde") *(note (c))*	PRC/ Mainland China 13 July 2009	RMB10,010,000	–	70	Property development
廣州市時代天怡諮詢有限公司 Guangzhou Times Tianyi Consulting Co., Ltd. ("Guangzhou Tianyi") *(note (c))*	PRC/ Mainland China 2 June 2009	RMB10,010,000	–	100	Investment holding
廣州市華亞投資有限公司 Guangzhou Huaya Investment Co., Ltd. ("Guangzhou Huaya") *(note (c))*	PRC/ Mainland China 31 August 2009	RMB11,000,000	–	100	Property development
佛岡縣信隆投資諮詢服務有限公司 Fogang Xinlong Investment Consulting Services Co., Ltd. ("Fogang Xinlong") *(note (e))*	PRC/ Mainland China 27 June 2007	RMB100,000	–	100	Dormant

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
佛岡縣潤信投資諮詢服務有限公司 Fogang Runxin Investment Consulting Services Co., Ltd. ("Fogang Runxin") *(note (e))*	PRC/ Mainland China 17 September 2007	RMB100,000	–	100	Dormant
廣州市時代宏泰投資有限公司 Guangzhou Times Hongtai Investment Co., Ltd. ("Guangzhou Hongtai") *(note (f))*	PRC/ Mainland China 14 January 2010	RMB35,000,000	–	100	Property development
廣州市富杰投資有限公司 Guangzhou Fujie Investment Co., Ltd. ("Guangzhou Fujie") *(note (c))*	PRC/ Mainland China 27 October 2009	RMB10,000,000	–	100	Property development
清遠市榮景投資有限公司 Qingyuan Rongjing Investment Co., Ltd. ("Qingyuan Rongjing") *(note (g))*	PRC/ Mainland China 10 February 2010	RMB30,000,000	–	100	Property development
清遠市喜龍房地產開發公司 Qingyuan Xilong Real Estate Development Co., Ltd. ("Qingyuan Xilong") *(note (g))*	PRC/ Mainland China 12 March 2010	RMB5,000,000	–	100	Property development
中山市萬聯房地產開發有限公司 Zhongshan Wanlian Real Estate Development Co., Ltd. ("Zhongshan Wanlian") *(note (h))*	PRC/ Mainland China 19 June 2007	RMB45,000,000	–	100	Property development
中山市天悅房地產投資有限公司 Zhongshan Tianyue Real Estate Investment Co., Ltd. ("Zhongshan Tianyue") *(note (k))*[#]	PRC/ Mainland China 10 March 2010	RMB10,000,000	–	100	Property development
廣州市駿寶投資有限公司 Guangzhou Junbao Investment Co., Ltd. ("Guangzhou Junbao") *(note (f))*	PRC/ Mainland China 8 July 2010	RMB10,010,000	–	70	Investment holding
廣州市浩榮貿易有限公司 Guangzhou Haorong Trading Co., Ltd. ("Guangzhou Haorong") *(note (f))*	PRC/ Mainland China 21 October 2010	RMB1,000,000	–	70	Dormant
廣州天朗商貿有限公司 Guangzhou Tianlang Trading Co., Ltd. ("Guangzhou Tianlang") *(note (f))*	PRC/ Mainland China 15 July 2010	RMB50,000,000	–	70	Property development
廣州市番禺南英房地產有限公司 Guangzhou Panyu Nanying Real Estate Co., Ltd. ("Guangzhou Nanying") *(note (c))*	PRC/ Mainland China 6 August 1992	RMB350,000,000	–	99	Property development
廣州市時代永泰投資有限公司 Guangzhou Times Yongtai Investment Co., Ltd. ("Guangzhou Yongtai") *(note (l))*	PRC/ Mainland China 22 June 2011	RMB11,000,000	–	100	Investment holding

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
廣州市天合建材有限公司 Guangzhou Tianhe Construction Material Co., Ltd. ("Guangzhou Tianhe") *(note (m))*	PRC/ Mainland China 3 August 2010	RMB51,000,000	–	99	Property development
廣州市豐都貿易有限公司 Guangzhou Fengdu Trading Co., Ltd. ("Guangzhou Fengdu") *(note (n))*	PRC/ Mainland China 21 November 2011	RMB10,000,000	–	100	Dormant
廣州市卓瑞貿易有限公司 Guangzhou Zhuorui Trading Co., Ltd. ("Guangzhou Zhuorui") *(note (n))*	PRC/ Mainland China 21 November 2011	RMB10,000,000	–	100	Dormant
廣州市時代紫宸投資有限公司 Guangzhou Times Zichen Investment Co., Ltd. ("Guangzhou Zichen") *(note (o))*	PRC/ Mainland China 3 July 2012	RMB10,000,000	–	100	Property development
廣東廣昌實業發展有限公司 Guangdong Guangchang Industrial Development Co., Ltd. ("Guangdong Guangchang") *(note (p))*	PRC/ Mainland China 19 June 1985	RMB42,300,000	–	100	Property development
珠海景潤房地產開發有限公司 Zhuhai Jingrun Real Estate Development Co., Ltd. ("Zhuhai Jingrun") *(note (d))*	PRC/ Mainland China 4 June 2007	RMB43,800,000	–	100	Property development
珠海市佳譽房地產開發有限公司 Zhuhai Jiayu Real Estate Development Co., Ltd. ("Zhuhai Jiayu") *(note (q))*	PRC/ Mainland China 2 November 2012	RMB10,000,000	–	100	Property development
珠海市勝輝房地產開發有限公司 Zhuhai Shenghui Real Estate Development Co., Ltd. ("Zhuhai Shenghui") *(note (q))*	PRC/ Mainland China 6 December 2012	RMB10,000,000	–	100	Property development
長沙玫瑰園房地產開發有限公司 Changsha Meiguiyuan Real Estate Development Co., Ltd. ("Changsha Meiguiyuan") *(note (r))*	PRC/ Mainland China 30 September 2002	RMB50,000,000	–	100	Property development
深圳市金海地投資有限公司 Shenzhen Jinhaidi Investment Co., Ltd. ("Shenzhen Jinhaidi") *(note (c))*	PRC/ Mainland China 9 February 2002	RMB10,000,000	–	100	Investment holding
佛山市捷豐力投資策劃有限公司 Foshan Jiefengli Investment Planning Co., Ltd. ("Foshan Jiefengli") *(note (f))*	PRC/ Mainland China 15 November 2010	RMB2,200,000	–	100	Investment holding

Name	Place and date of incorporation/ establishment and operations	Nominal value of issued/registered share capital	Percentage of equity attributable to the owners of the Company		Principal activities
			Direct	Indirect	
佛山市時代永亨投資有限公司 Foshan Times Yongheng Investment Co., Ltd. ("Foshan Yongheng") *(note (o))*	PRC/ Mainland China 22 August 2012	RMB35,000,000	–	100	Investment holding
廣州市至德商業管理有限公司 Guangzhou Zhide Commercial Management Co., Ltd. ("Guangzhou Zhide") *(note (s))*	PRC/ Mainland China 10 May 2001	RMB30,000,000	–	100	Property leasing and management
佛山市至德正興物業管理有限公司 Foshan Zhide Zhengxing Property Management Co., Ltd. ("Zhide Zhengxing") *(note (t))*	PRC/ Mainland China 28 April 2011	RMB5,000,000	–	100	Property management
廣州市至德酒店有限公司 Guangzhou Zhide Hotel Co., Ltd. ("Zhide Hotel") *(note (u))*	PRC/ Mainland China 30 September 2009	RMB100,000	–	100	Hotel management
廣州市至德科技企業孵化器有限公司 Guangzhou Zhide Technology Business Incubator Co., Ltd. ("Zhide Technology") *(note (s))*	PRC/ Mainland China 31 August 2009	RMB10,100,000	–	100	Property leasing and management
廣州市廣德昌商業管理服務有限公司 Guangzhou Guangdechang Commercial Management Service Co., Ltd. ("Guangzhou Guangdechang") *(note (v))*	PRC/ Mainland China 25 March 2010	RMB30,000,000	–	55	Property leasing and management
珠海國基房地產開發有限公司 Zhuhai Guoji Real Estate Development Co., Ltd. ("Zhuhai Guoji") *(note (w))*	PRC/ Mainland China 18 March 2011	RMB5,000,000	–	50	Property development
珠海市斗門區金屋房地產發展有限公司 Zhuhai Doumen District Jinwu Real Estate Development Co., Ltd. ("Zhuhai Jinwu") *(note (x))*	PRC/ Mainland China 9 July 1992	RMB1,000,000	–	51	Property development
廣州市天斯物業管理有限公司 Guangzhou Tiansi Property Management Co., Ltd. ("Guangzhou Tiansi") *(note (y))*	PRC/ Mainland China 30 August 2010	RMB1,000,000	–	70	Property management
佛山市玫瑰華業投資有限公司 Foshan Meigui Huaye Investment Co., Ltd. ("Foshan Meigui Huaye") *(note (z))*	PRC/ Mainland China 15 November 2010	RMB6,600,000	–	100	Investment holding
佛山玫瑰園商業投資有限公司 Foshan Meiguiyuan Commercial Investment Co., Ltd. ("Foshan Meiguiyuan") *(note (z))*	PRC/ Mainland China 15 November 2010	RMB4,400,000	–	100	Investment holding

* *The English names of certain group companies registered in the PRC represent management's best effort to translate their Chinese names as they do not have an official English names.*

Notes:

(a) No audited financial statements have been prepared for these entities as they were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdiction of their incorporation.

(b) The statutory financial statements for the years ended 31 December 2010, 2011 and 2012 prepared in accordance with Hong Kong Financial Reporting Standards and the Hong Kong Companies Ordinance have been audited by CCP C. P. A. Limited incorporated in Hong Kong.

(c) The statutory financial statements for the years ended 31 December 2010, 2011 and 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(d) The statutory financial statements for the years ended 31 December 2010 and 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangdong Zhongtuozhengtai Certified Public Accountants Co., Ltd. (廣東中拓正泰會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Union Power Certified Public Accountants Co., Ltd Zhuhai Branch (眾環海華會計師事務所有限公司珠海分所), a certified public accounting firm registered in the PRC.

(e) The statutory financial statements for the year ended 31 December 2010 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC. The statutory financial statements for the years ended 31 December 2011 and 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangdong Golden Bridge Certified Public Accountants Co., Ltd. (廣東金橋會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(f) The statutory financial statements for the period from the date of establishment to 31 December 2010 and the years ended 31 December 2011 and 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(g) The statutory financial statements for the period from the date of establishment to 31 December 2010 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2011 and 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangdong Golden Bridge Certified Public Accountants Co., Ltd. (廣東金橋會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(h) The statutory financial statements for the years ended 31 December 2010 and 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Zhongshan Yongxin Certified Public Accountants Co., Ltd. (中山市永信會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Beijing Yongtuo Certified Public Accountants Co., Ltd. Guangdong Branch (北京永拓會計師事務所有限責任公司廣東分公司), a certified public accounting firm registered in the PRC.

(i) The statutory financial statements for the year ended 31 December 2010 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Huaxin Certified Public Accountants Co., Ltd. (廣州華信會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Haizheng Certified Public Accountants Co., Ltd. (廣州海正會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Licheng Certified Public Accountants Co., Ltd. (廣州立誠會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(j) The statutory financial statements for the years ended 31 December 2010 and 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou New Suidong Certified Public Accountants Co., Ltd. (廣州新穗東會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangdong SuiDongRedSun Certified Public Accountants Co., Ltd. (廣東穗東紅日會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(k) The statutory financial statements for the period from the date of establishment to 31 December 2010 and the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Zhongshan Yongxin Certified Public Accountants Co., Ltd. (中山市永信會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Beijing Yongtuo Certified Public Accountants Co., Ltd. (北京永拓會計師事務所有限公司廣東分公司), a certified public accounting firm registered in the PRC.

(l) The statutory financial statements for the period from the date of establishment to 31 December 2011 and the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(m) No audited financial statements have been prepared and issued for this entity since the date of its establishment as business of the entity has not yet commenced.

(n) The statutory financial statements for the period from the date of establishment to 31 December 2011 and the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(o) The statutory financial statements for the period from the date of establishment to 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(p) No audited financial statements have been prepared for this entity for the years ended 31 December 2010 and 2011. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Erxiang Certified Public Accountants Co., Ltd. (廣州而翔會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(q) The statutory financial statements for the period from the date of establishment to 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Union Power Certified Public Accountants Co., Ltd. Zhuhai Branch (眾環海華會計師事務所有限公司珠海分所), a certified public accounting firm registered in the PRC.

(r) No audited financial statements have been prepared and issued for this entity since the date of its establishment to 31 December 2010. The statutory financial statements for the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Hunan Lixin Certified Public Accountants Co., Ltd. Guangdong Branch (湖南力信聯合會計師事務所), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Hunan Zhichao United Certified Public Accountants Co., Ltd. Guangdong Branch (湖南智超聯合會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(s) The statutory financial statements for the years ended 31 December 2010 and 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Huasui Certified Public Accountants Co., Ltd. (廣州市華穗會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Pan-China Certified Public Accountants Co., Ltd. Guangdong Branch (天健會計師事務所(特殊普通合夥)廣東分所), a certified public accounting firm registered in the PRC.

(t) The statutory financial statements for the period from the date of establishment to 31 December 2010 and the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Huasui Certified Public Accountants Co., Ltd. (廣州市華穗會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Pan-China Certified Public Accountants Co., Ltd. Guangdong Branch (天健會計師事務所(特殊普通合夥)廣東分所), a certified public accounting firm registered in the PRC.

(u) The statutory financial statements for the years ended 31 December 2010 and 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Huatuo Certified Public Accountants Co., Ltd. (廣州華拓會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Pan-China Certified Public Accountants Co., Ltd. Guangdong Branch (天健會計師事務所(特殊普通合夥)廣東分所), a certified public accounting firm registered in the PRC.

(v) The statutory financial statements for the period from the date of establishment to 31 December 2010 and the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Guangzhou Huatuo Certified Public Accountants Co., Ltd. (廣州華拓會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Pan-China Certified Public Accountants Co., Ltd. Guangdong Branch (天健會計師事務所(特殊普通合夥)廣東分所), a certified public accounting firm registered in the PRC.

(w) No audited financial statements have been prepared for this entity since the date of its establishment to 31 December 2011. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Zhuhai Zhengde Certified Public Accountants (珠海正德合夥會計師事務所(普通合夥)), a certified public accounting firm registered in the PRC.

(x) No audited financial statements have been prepared for this entity for the years ended 31 December 2010 and 2011. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Union Power Certified Public Accountants Co., Ltd. Zhuhai Branch (眾環海華會計師事務所有限公司珠海分所), a certified public accounting firm registered in the PRC.

(y) The statutory financial statements for the year ended 31 December 2010 prepared in accordance with the PRC accounting principles and regulations were audited by Grant Thornton China (京都天華會計師事務所有限公司廣東分所), a certified public accounting firm registered in the PRC. The statutory financial statements for the years ended 31 December 2011 and 2012 prepared in accordance with the PRC accounting principles and regulations were audited by SHU LUN PAN Certified Public Accountants LLP Guangdong Branch (立信會計師事務所(特殊普通合夥)廣東分所), a certified public accounting firm registered in the PRC.

(z) The statutory financial statements for the year ended 31 December 2010 prepared in accordance with the PRC accounting principles and regulations were audited by Foshan Jinanda Certified Public Accountants (佛山市金安達會計師事務所), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2011 prepared in accordance with the PRC accounting principles and regulations were audited by Foshan Zhonglian Certified Public Accountants (佛山市眾聯會計師事務所有限公司), a certified public accounting firm registered in the PRC. The statutory financial statements for the year ended 31 December 2012 prepared in accordance with the PRC accounting principles and regulations were audited by Crowe Horwath Certified Public Accountants (國富浩華會計師事務所(特殊普通合夥)廣東佛山分所), a certified public accounting firm registered in the PRC.

Pursuant to certain financing arrangements entered into between the Group and certain independent alternative financing companies during the year 2012, the entire equity interest of Zhongshan Tianyue was legally transferred to those alternative financing companies so as to secure the relevant borrowings amounting to RMB386,852,000 as at 30 June 2013 and RMB384,924,000 as at 31 December 2012 (note 29(e)) provided to Guangzhou Hongtai. Prior to the equity transfer, Guangzhou Shengyu and Zhongshan Tianyue respectively held 60% and 40% equity interest of Guangzhou Hongtai.

Under the afore-stated arrangements, the Group was endowed with a repurchase obligation at a fixed amount on a future date upon repayment of those borrowings. Further, the Group retains the power to operate and manage Zhongshan Tianyue and Guangzhou Hongtai in the ordinary of business and the day-to-day operation.

In this regard, considering the facts that the substance of the financing arrangements is to collateralise the borrowings for project development and the Group retains the practical ability to govern the financial and operating policies of Zhongshan Tianyue and Guangzhou Hongtai so as to obtain benefits from the operating activities of these project companies, the Directors of the Company are of the view that the financial position and operating results of Zhongshan Tianyue and Guangzhou Hongtai should be consolidated into the Group's financial statements in full, irrespective of the equity transfer from legal perspective.

2.1 BASIS OF PREPARATION

The Financial Information has been prepared in accordance with IFRSs, which comprise all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations issued by the International Accounting Standards Boards Committee. All IFRSs effective for the accounting period commencing from 1 January 2013, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Financial Information throughout the Relevant Periods and the period covered by the Interim Comparative Information.

The Financial Information has been prepared under the historical cost convention, except for investment properties, certain payables included in "other payables and accruals" and available-for-sale investments, which have been measured at fair value. The Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the Relevant Periods. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in the Financial Information:

IFRS 9	*Financial Instruments*[2]
IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) – Investment Entities[1]
IAS 32 Amendments	Amendments to IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*[2]
IAS 36 Amendments	Amendments to IAS 36 *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*[1]
IAS 39 Amendments	Financial Instruments: *Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*[1]
IFRIC 21	*Levies*[1]

1 Effective for annual periods beginning on or after 1 January 2014
2 Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that these new and revised IFRSs may result in changes in accounting policies but are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity (including a structured entity) controlled by the Company and/or its other subsidiaries.

The Group controls an investee when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., the existing rights that give the Group the current ability to direct the relevant activities of the investee).

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control described above.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with IFRS 5 are stated at cost less any impairment losses.

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates are accounted for using the equity method.

Under the equity method, the investments in associates are initially recognised at cost. The carrying amount of the investments are adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associates is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in the other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the investment in the associates.

The aggregate of the Group's share of profit or loss of associates are shown on the face of the consolidated statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associates.

The financial statements of the associates are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in its associates. At each reporting date, the Group determines whether there is objective evidence that the investments in the associates are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value, then recognises the loss as 'Share of profits or losses of associates' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associates, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRSs. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, properties under development, completed properties held for sale, prepaid land lease payments, financial assets, investment properties and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated income statements in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made as at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated income statements in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

  (iii) the entity and the Group are joint ventures of the same third party;

  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

  (vi) the entity is controlled or jointly controlled by a person identified in (a); and

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated income statements in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	4.75%
Leasehold improvements	Over the shorter of the lease terms and 20%
Furniture, fixtures and office equipment	19%
Motor vehicles	19%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated income statements in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents leasehold improvements under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interest in land and buildings held for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statements in the year/period in which they arise.

Any gains or losses on the retirement or disposal of investment properties are recognised in the consolidated income statements in the year/period of the retirement or disposal.

Leases

Leases, including subleases, where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, for those assets owned by the Group under operating leases, they are included in the non-current assets and, rentals receivable under

the operating leases derived from lease and sublease arrangement are credited to the consolidated income statements on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated income statements on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial investments, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group only had financial assets classified as "loans and receivables", "held-to-maturity investments" and "available-for-sale financial investments" during the Relevant Periods.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the consolidated income statements. The loss arising from impairment is recognised in the consolidated income statements in finance costs for loans and in other expenses for receivables.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the consolidated income statements. The loss arising from impairment is recognised in the consolidated income statements in other expenses.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the consolidated income statements in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the consolidated income statements in other expense. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the consolidated income statements as other income in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. Reclassification to the held-to-maturity category is permitted only when the Group has the ability and intent to hold until the maturity date of the financial assets.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated income statements.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses as at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the consolidated income statements. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to administrative expenses in the consolidated income statements.

Assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the consolidated income statements, is removed from other comprehensive income and recognised in the consolidated income statements.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is "significant" or "prolonged" requires judgement. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated income statements – is removed from other comprehensive income and recognised in the consolidated income statements.

Impairment losses on equity instruments classified as available for sale are not reversed through the consolidated income statements. Increases in their fair value after impairment are recognised directly in other comprehensive income.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss or loans and other borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and other borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, an amount due to a director and interest-bearing bank loans and other borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss represent financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated as at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

Loans and other borrowings

After initial recognition, interest-bearing loans and other borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated income statements when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated income statements.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated income statements.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Prepaid land lease payments

Prepaid land lease payments, representing prepayments for leasehold land for development for future sale in the ordinary course of business, are stated at lower of cost and net realisable value, of which those within normal operating cycle are classified as current assets, while those out of the normal operating cycle are classified as non-current assets.

Properties under development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost and net realisable value and comprise land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period.

Properties under development are classified as current assets unless the construction period of the relevant property development project is expected to be beyond the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Completed properties held for sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total land and buildings costs attributable to unsold properties. Net realisable value takes into account the price ultimately expected to be realised, less estimated costs to be incurred in selling the properties.

Cash and cash equivalents

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated income statements.

Retirement benefit scheme

The employees of the Group's subsidiaries in Mainland China are required to participate in a central pension scheme operated by the local municipal government. The PRC subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the consolidated income statements as they become payable in accordance with the rules of the central pension scheme.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

Revenue from the sale of properties in the ordinary course of business is recognised when all the following criteria are met:

(a) the significant risks and rewards of ownership of the properties are transferred to purchasers;

(b) neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the properties are retained;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Group; and

(e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

For the Group, revenue from the sale of completed properties is recognised upon the signing of the property handover letter, which is taken to be the point in time when the risks and rewards of ownership of the property have been passed to the buyer.

Deposits and instalments received in respect of properties sold prior to the date of revenue recognition are included in the consolidated statements of financial position under current liabilities.

Rental income is recognised on a time proportion basis over the lease terms.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Property management fee income is recognised when the services are rendered and the inflow of economic benefits is probable.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends proposed by the Directors are classified as a separate allocation of retained profits within the equity section of the consolidated statements of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in RMB, which is the Group's presentation currency. The functional currency of the Company is Hong Kong dollars while RMB is used as the presentation currency of the financial statements of the Company for the purpose of aligning with the presentation currency of the Group. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated income statements.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain subsidiaries operating outside the Mainland China are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of comprehensive income are translated into RMB at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated income statements.

For the purpose of the consolidated statements of cash flows, the cash flows of non-PRC entities are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of non-PRC entities which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Financial Information:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment properties portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment properties are properties held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the management of the Group has reviewed the Group's investment properties and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation on investment properties, the Directors have determined that the presumption that investment properties measured using the fair value model are recovered through sale is rebutted.

Accordingly, the Group recognises deferred tax in respect of the changes in fair value of the investment properties based on management's best estimate assuming future tax consequences through usage of such properties for rental purpose, rather than through sale. The final tax outcome could be different from the deferred tax liabilities recognised of in the Financial Information should the investment properties are subsequently disposed by the Group, rather than consumed substantially all of the economic benefits embodied in the investment properties by leasing over time. In the event the investment properties are being disposed of, the Group may be liable to higher tax upon disposal considering the impact of corporate income tax and land appreciation tax.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) PRC corporate income tax

The Group is subject to corporate income taxes in Mainland China. Due to the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provision in the period in which the differences realise. Further details are given in notes 10 and 25 to the Financial Information.

(b) PRC land appreciation tax

The Group is subject to land appreciation tax in Mainland China. The provision for land appreciation tax is based on management's best estimates according to its understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual land appreciation tax liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its land appreciation tax calculations and payments with the tax authorities for certain property development projects.

The final outcome could be different from the amounts that were initially recorded, and any differences will impact the land appreciation tax expenses and the related provision in the period in which the differences realise. Further details are given in notes 10 and 25 to the Financial Information.

(c) Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(d) Recognition and allocation of construction cost on properties under development

Development costs of properties are recorded as properties under development during the construction stage and will be transferred to completed properties held for sale upon completion. Apportionment of these costs will be recognised in the consolidated income statements upon the recognition of the sale of the properties. Before the final settlement of the development costs and other costs relating to the sale of the properties, these costs are accrued by the Group based on management's best estimate.

When developing properties, the Group may divide the development projects into phases. Specific costs directly related to the development of a phase are recorded as the cost of such phase. Costs that are common to phases are allocated to individual phases based on the estimated saleable area of the entire project.

Where the final settlement of costs and the related cost allocation is different from the initial estimates, any increase or decrease in the development costs and other costs would affect the profit or loss in future years.

(e) Estimation of fair value of investment properties

Investment properties represented completed investment properties which are revalued at the end of each reporting period based on the appraised market value provided by independent professionally qualified valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of each reporting period are used.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following reportable operating segments:

(a)	Property development:	Development and sale of properties
(b)	Property leasing:	Property leasing (including lease of self-owned properties and sublease of leased properties)
(c)	Property management:	Provision of property and hotel management services
(d)	Others:	Supermarket operation, an incidental and non-core business of the Group[#]

[#] Foshan Zhide Wangu, the subsidiary of the Group operating the supermarket, was disposed of in the first quarter of 2013. Details of the disposal are set out in note 33 of Section II below.

The property development projects undertaken by the Group during the Relevant Periods are all located in the PRC.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, share of profits and losses of associates, as well as head office and corporate income and expenses are excluded from this measurement.

The Group's revenue from external customers is derived solely from its operations in the PRC, and no non-current assets of the Group are located outside the PRC.

Segment assets exclude deferred tax assets, tax prepayments, restricted bank deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities, interest-bearing bank loans and other borrowings, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

During the Relevant Periods, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

Year ended 31 December 2010	Property development	Property leasing	Property management	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue					
Sales to external customers	1,466,334	39,505	41,367	–	1,547,206
Segment results	111,950	168,882	(1,815)	–	279,017
Reconciliation:					
Interest income					10,340
Unallocated corporate expense					(13,851)
Finance costs					(33,110)
Share of profits and losses of associates					3,212
Profit before tax					245,608
Segment assets	6,948,986	1,294,135	5,944	–	8,249,065
Reconciliation:					
Unallocated assets					1,958,808
Total assets					10,207,873
Segment liabilities	4,897,686	17,599	32,418	–	4,947,703
Unallocated liabilities					3,143,203
Total liabilities					8,090,906
Other segment information					
Depreciation	(9,102)	(163)	(6)	–	(9,271)
Fair value gains on investment properties	–	142,000	–	–	142,000

Year ended 31 December 2011	Property development	Property leasing	Property management	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue					
Sales to external customers	2,369,563	37,881	59,367	–	2,466,811
Segment results	225,743	162,739	(9,188)	–	379,294
Reconciliation:					
Interest income					7,795
Unallocated corporate expense					(18,149)
Finance costs					(39,662)
Share of profits and losses of associates					6,440
Profit before tax					335,718
Segment assets	12,393,020	1,433,059	7,887	–	13,833,966
Reconciliation:					
Unallocated assets					1,933,458
Total assets					15,767,424
Segment liabilities	7,187,769	21,500	32,311	–	7,241,580

Year ended 31 December 2011	Property development	Property leasing	Property management	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Unallocated liabilities. .					5,674,807
Total liabilities					12,916,387
Other segment information					
Depreciation	(14,737)	(200)	(20)	–	(14,957)
Fair value gains on investment properties.	–	140,000	–	–	140,000

Year ended 31 December 2012	Property development	Property leasing	Property management	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue					
Sales to external customers.	3,090,787	38,423	67,932	–	3,197,142
Segment results	528,405	133,296	(7,996)	–	653,705
Reconciliation:					
Interest income.					21,376
Unallocated corporate expense					(11,608)
Finance costs					(42,055)
Share of profits and losses of associates. .					5
Profit before tax					621,423
Segment assets	17,153,558	1,903,369	10,419	10,028	19,077,374
Reconciliation:					
Unallocated assets					3,008,234
Total assets					22,085,608
Segment liabilities . . .	11,437,046	112,922	34,603	6,161	11,590,732
Unallocated liabilities. .					7,288,763
Total liabilities					18,879,495
Other segment information					
Depreciation	(16,142)	(217)	(95)	–	(16,454)
Fair value gains on investment properties.	–	110,000	–	–	110,000

Six months ended 30 June 2012	Property development	Property leasing	Property management	Others	Total
(Unaudited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue					
Sales to external customers	1,767,709	18,585	30,808	–	1,817,102
Segment results	193,983	68,238	(5,355)	–	256,866
Reconciliation:					
Interest income					10,075
Unallocated corporate expense					(5,345)
Finance costs					(20,695)
Share of profits and losses of associates					(13)
Profit before tax					240,888
Other segment information					
Depreciation	(7,201)	(109)	(40)	–	(7,350)
Fair value gains on investment properties	–	57,000	–	–	57,000

Six months ended 30 June 2013	Property development	Property leasing	Property management	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue					
Sales to external customers	2,251,179	71,670	39,856	–	2,362,705
Segment results	299,182	3,240	(3,842)	676	299,256
Reconciliation:					
Interest income					6,590
Unallocated corporate expense					(19,615)
Finance costs					(34,411)
Share of profits and losses of associates					105
Profit before tax					251,925
Segment assets	19,131,338	2,273,311	10,345	–	21,414,994
Reconciliation:					
Unallocated assets					2,094,954
Total assets					23,509,948
Segment liabilities	13,327,722	407,332	35,418	–	13,770,472
Unallocated liabilities					7,283,241
Total liabilities					21,053,713
Other segment information					
Depreciation	(29,044)	(653)	(119)	–	(29,816)
Fair value gains on investment properties	–	20,000	–	–	20,000

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the gross proceeds from the sale of properties, gross rental income received and receivables and property management fee income, net of business tax and surcharges during the Relevant Periods.

An analysis of the Group's revenue, other income and gains is as follows:

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue						
Sale of properties		1,466,334	2,369,563	3,090,787	1,767,709	2,251,179
Gross rental income from:						
lease of self-owned properties		39,505	37,881	38,423	18,585	21,222
sublease of leased properties		–	–	–	–	50,448
Property management fee income		41,367	59,367	67,932	30,808	39,856
		1,547,206	2,466,811	3,197,142	1,817,102	2,362,705
Other income						
Bank interest income		3,372	7,795	9,055	5,510	3,451
Other interest income		6,968	–	12,321	4,565	3,139
Others		3,706	5,578	9,037	2,736	11,753
		14,046	13,373	30,413	12,811	18,343
Gains, net						
Gains on acquisition of subsidiaries	32(i)(ii) (iv)(vii)	20,134	58,073	–	–	7,685
Gains on deregistration/ disposal of subsidiaries	33	1,672	–	–	–	1,414
Fair value gains on investment properties	15	142,000	140,000	110,000	57,000	20,000
Fair value changes in certain other payables to fellow investors/ the non-controlling shareholder	28(b)	18,173	(2,538)	(2,144)	–	–
		181,979	195,535	107,856	57,000	29,099
		196,025	208,908	138,269	69,811	47,442

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of properties sold		1,113,032	1,712,693	2,212,941	1,383,939	1,734,439
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties		2,199	3,998	4,084	1,921	2,431
Direct operating expenses (including rental and depreciation of leasehold improvements) arising on the subleasing business		–	–	–	–	37,946
Cost of property management service provided		41,138	64,566	69,494	33,269	39,826
Depreciation	13	9,271	14,957	16,454	7,350	29,816
Changes in fair value of investment properties	15	(142,000)	(140,000)	(110,000)	(57,000)	(20,000)
Changes in fair value of certain other payables to fellow investors/ the non-controlling shareholder	28(b)	(18,173)	2,538	2,144	–	–
Auditors' remuneration		2,321	729	2,348	1,247	1,595
Employee benefit expense (excluding directors' remuneration *(note 8)*)						
Wages and salaries		51,723	97,174	96,210	44,600	71,235
Pension scheme contributions		3,857	7,106	9,690	4,771	5,852
Less: Amount capitalised in properties under development		(19,527)	(41,080)	(50,523)	(21,135)	(33,773)
		36,053	63,200	55,377	28,236	43,314
Minimum lease payments under operating leases regarding office premises and leased properties for the subleasing business		2,526	2,143	3,893	1,842	46,863

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Impairment/(reversal of impairment) of completed properties held for sale	19	–	–	1,665	1,665	(14)
(Reversal of impairment)/impairment of prepayments, deposits and other receivables		(5,000)	1,000	–	–	(1,000)
Loss/(gain) on disposal of items of property, plant and equipment		17	229	658	(31)	11
Re-measurement of previously-held equity interest*	16	–	47,378	–	–	–
Gains on acquisition of subsidiaries	32(i)(ii)(iv)	20,134	58,073	–	–	7,685

* Included in "other expenses" in the consolidated income statements.

7. FINANCE COSTS

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest expense	162,017	310,243	488,296	241,452	273,712
Less: Interest capitalised	(128,907)	(270,581)	(446,241)	(220,757)	(239,301)
	33,110	39,662	42,055	20,695	34,411

8. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange of Hong Kong Limited and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Fees	–	–	–	–	–
Other emoluments:					
Salaries, allowances and benefits in kind	3,554	6,356	6,629	3,301	3,328
Performance-related bonuses	447	534	571	–	–
Pension scheme contributions	37	48	49	25	30
	4,038	6,938	7,249	3,326	3,358

(a) Independent non-executive directors

There were no fees or other emoluments payable to the independent non-executive directors during the Relevant Periods.

(b) Executive directors

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2010				
Mr. Shum	1,057	153	6	1,216
Mr. Guan Jianhui	795	107	7	909
Mr. Bai Xihong	795	108	7	910
Mr. Li Qiang	629	79	10	718
Mr. Cen Zhaoxiong	278	–	7	285
	3,554	447	37	4,038

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2011				
Mr. Shum	1,948	160	–	2,108
Mr. Guan Jianhui	1,265	108	10	1,383
Mr. Bai Xihong	1,296	108	10	1,414
Mr. Li Qiang	917	78	10	1,005
Mr. Cen Zhaoxiong	582	48	10	640
Mr. Niu Jimin *(note b)*	348	32	8	388
	6,356	534	48	6,938

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2012				
Mr. Shum	1,864	160	4	2,028
Mr. Guan Jianhui	1,260	108	9	1,377
Mr. Bai Xihong	1,278	108	9	1,395
Mr. Li Qiang	900	78	9	987
Mr. Cen Zhaoxiong	895	78	9	982
Mr. Niu Jimin *(note b)*	432	39	9	480
	6,629	571	49	7,249

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2013				
Mr. Shum	956	–	5	961
Mr. Guan Jianhui	628	–	5	633
Mr. Bai Xihong	634	–	5	639
Mr. Li Qiang	448	–	5	453
Mr. Cen Zhaoxiong	448	–	5	453
Mr. Niu Jimin *(note b)*	214	–	5	219
	3,328	–	30	3,358

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Six months ended 30 June 2012 (Unaudited)				
Mr. Shum	907	–	–	907
Mr. Guan Jianhui	630	–	5	635
Mr. Bai Xihong	643	–	5	648
Mr. Li Qiang	450	–	5	455
Mr. Cen Zhaoxiong	455	–	5	460
Mr. Niu Jimin *(note b)*	216	–	5	221
	3,301	–	25	3,326

Notes:

(a) There was no arrangement under which a director waived or agreed to waive any remuneration during the Relevant Periods.

(b) Mr. Niu Jimin joined the Group since March 2011.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid individuals during the Relevant Periods included three directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two non-director, highest paid employees during the Relevant Periods, respectively, are as follows:

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, allowances and benefits in kind	3,967	2,827	1,847	1,002	924
Performance-related bonuses	97	238	156	–	–
Pension scheme contributions	17	20	18	10	10
	4,081	3,085	2,021	1,012	934

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
				(Unaudited)	
RMB Nil to RMB1,000,000	1	–	–	2	2
RMB1,000,001 to RMB1,500,000	–	1	2	–	–
RMB1,500,001 to RMB2,000,000	–	1	–	–	–
RMB3,000,000 to RMB3,500,000	1	–	–	–	–
	2	2	2	2	2

10. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and BVI, the entities of the Group which incorporated in the Cayman Islands and BVI are not subject to any income tax. The Group was not liable for income tax in Hong Kong as the Group did not have any assessable income currently arising in Hong Kong during the Relevant Periods.

PRC corporate income tax

The PRC corporate income tax ("CIT") in respect of operations in Mainland China has been calculated at the applicable tax rate on the estimated assessable profits for each of the Relevant Periods, based on the existing legislation, interpretations and practices in respect thereof.

Except for Zhuhai Zhongzhu, Guangzhou Ruixian, Fogang Shengxin and Fogang Bairui, other subsidiaries of the Group operating in Mainland China are subject to the PRC corporate income tax rate of 25%.

Zhuhai Zhongzhu previously enjoyed a preferential tax rate of 15% prior to 1 January 2008. With the effect of the PRC Corporate Income Tax Law from then on, the tax rate would be transitioned to 25% over five years. As such, applicable tax rates for Zhuhai Zhongzhu were 22%, 24%, 25% and 25% for the years ended 31 December 2010, 2011, 2012 and for the six months ended 30 June 2013, respectively.

Corporate income tax for Guangzhou Ruixian, Fogang Shengxin and Fogang Bairui are levied on a deemed basis which are based on a rate of 2.5% of their respective revenue amounts.

PRC land appreciation tax

According to the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax ("LAT") (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994 and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights and buildings in the PRC (being the proceeds of sales of properties less deductible expenditures including borrowing costs and property development expenditures) is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation values do not exceed 20% of the sum of the total deductible items.

During the Relevant Periods, the Group estimated and made provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the LAT determined by the tax authorities might be different from the basis on which the provision for LAT is calculated.

	Note	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current:						
PRC CIT		50,962	95,052	118,185	36,456	73,435
LAT		3,633	18,183	123,168	12,087	27,706
Deferred	17	25,669	(12,388)	26,422	29,688	(5,909)
Total tax charge for the year/period		80,264	100,847	267,775	78,231	95,232

A reconciliation of the tax expense applicable to profit before tax using the statutory tax rate to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

	Year ended 31 December						Six months ended 30 June			
	2010		2011		2012		2012		2013	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Profit before tax	245,608		335,718		621,423		240,888		251,925	
Tax at the PRC statutory tax rate	61,402	25.0	83,930	25.0	155,356	25.0	60,222	25.0	62,981	25.0
Effect of different income tax regime of certain companies	(1,009)	(0.4)	925	0.3	15	–	–	–	115	–
Income not subject to tax	(5,034)	(2.0)	(14,518)	(4.3)	–	–	–	–	(1,921)	(0.7)
Expenses not deductible for tax	16,088	6.5	14,944	4.4	14,359	2.3	2,607	1.1	3,144	1.2
Provision for LAT	3,633	1.5	18,183	5.4	123,168	19.8	12,087	5.0	27,706	11.0
Tax effect of LAT	(908)	(0.4)	(4,546)	(1.4)	(30,792)	(5.0)	(3,022)	(1.3)	(6,927)	(2.7)
Tax losses not recognised	6,453	2.6	3,214	1.0	3,632	0.6	4,902	2.0	9,556	3.8
Profits and losses attributable to associates	(803)	(0.3)	(1,610)	(0.5)	(1)	–	3	–	(26)	–
Withholding taxes on undistributed profits of the subsidiaries in the PRC	442	0.2	325	0.1	2,038	0.3	1,432	0.6	604	0.2
Tax charge at the Group's effective rate	80,264	32.7	100,847	30.0	267,775	43.0	78,231	32.4	95,232	37.8

11. EARNINGS PER SHARE

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful.

12. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated profit attributable to owners of the Company includes a loss of RMB3,297,000, RMB3,868,000 and RMB1,844,000 for the years ended 31 December 2010, 2011 and 2012, respectively, and a profit of RMB4,999,000 for the six months ended 30 June 2013, which have been dealt with in the financial statements of the Company.

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold land and buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2010						
Cost:						
At 1 January 2010	5,985	12,617	24,139	7,877	–	50,618
Additions	16,875	1,893	8,196	8,531	–	35,495
Disposals	–	–	(345)	(190)	–	(535)
At 31 December 2010	22,860	14,510	31,990	16,218	–	85,578
Accumulated depreciation:						
At 1 January 2010	898	4,960	7,554	3,297	–	16,709
Depreciation provided during the year	189	3,469	3,758	1,855	–	9,271
Disposals	–	–	(284)	(114)	–	(398)
At 31 December 2010	1,087	8,429	11,028	5,038	–	25,582
Net carrying amount	21,773	6,081	20,962	11,180	–	59,996
31 December 2011						
Cost:						
At 1 January 2011	22,860	14,510	31,990	16,218	–	85,578
Additions	3,008	3,013	13,600	8,061	–	27,682
Acquisition of a subsidiary *(note 32(iv))*	719	–	1,005	3,514	–	5,238
Disposals	–	–	(272)	(3,372)	–	(3,644)
At 31 December 2011	26,587	17,523	46,323	24,421	–	114,854
Accumulated depreciation:						
At 1 January 2011	1,087	8,429	11,028	5,038	–	25,582
Depreciation provided during the year	2,177	3,529	6,583	2,668	–	14,957
Acquisition of a subsidiary *(note 32(iv))*	47	–	765	1,688	–	2,500
Disposals	–	–	(151)	(907)	–	(1,058)
At 31 December 2011	3,311	11,958	18,225	8,487	–	41,981
Net carrying amount	23,276	5,565	28,098	15,934	–	72,873
31 December 2012						
Cost:						
At 1 January 2012	26,587	17,523	46,323	24,421	–	114,854
Additions	–	6,137	8,020	3,634	–	17,791
Acquisition of subsidiaries *(note 32(vi))*	–	105,094	6,670	2,748	248,762	363,274
Disposals	–	–	(62)	(1,447)	–	(1,509)
At 31 December 2012	26,587	128,754	60,951	29,356	248,762	494,410

	Leasehold land and buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Accumulated depreciation:						
At 1 January 2012	3,311	11,958	18,225	8,487	–	41,981
Depreciation provided during the year	2,177	2,741	7,872	3,664	–	16,454
Acquisition of subsidiaries *(note 32(vi))*	–	–	2,091	1,733	–	3,824
Disposals	–	–	(54)	(731)	–	(785)
At 31 December 2012	5,488	14,699	28,134	13,153	–	61,474
Net carrying amount	21,099	114,055	32,817	16,203	248,762	432,936
30 June 2013						
Cost:						
At 1 January 2013	26,587	128,754	60,951	29,356	248,762	494,410
Additions	–	339,806	7,644	–	1,574	349,024
Disposal of subsidiaries *(note 33)*	–	–	(4,499)	(122)	–	(4,621)
Disposals	–	(1,525)	(447)	(123)	–	(2,095)
Transfer		210,225	–	–	(210,225)	–
At 30 June 2013	26,587	677,260	63,649	29,111	40,111	836,718
Accumulated depreciation:						
At 1 January 2013	5,488	14,699	28,134	13,153	–	61,474
Depreciation provided during the year	94	22,540	5,140	2,042	–	29,816
Disposal of subsidiaries *(note 33)*	–	–	(1,275)	(35)	–	(1,310)
Disposals	–	(2,291)	(289)	(54)	–	(2,634)
At 30 June 2013	5,582	34,948	31,710	15,106	–	87,346
Net carrying amount	21,005	642,312	31,939	14,005	40,111	749,372

Company

	Motor vehicles
	RMB'000
31 December 2011	
Cost:	
Additions and at 31 December 2011	498
Accumulated depreciation:	
Depreciation provided during the year and at 31 December 2011	24
Net carrying amount	474
31 December 2012	
Cost:	
At 1 January 2012	498
Disposals	(5)
At 31 December 2012	493

	Motor vehicles
	RMB'000
Accumulated depreciation:	
At 1 January 2012	24
Depreciation provided during the year	95
Disposals	(1)
At 31 December 2012	118
Net carrying amount	375
30 June 2013	
Cost:	
At 1 January 2013	493
Disposals	(7)
At 30 June 2013	486
Accumulated depreciation:	
At 1 January 2013	118
Depreciation provided during the period	47
Disposals	–
At 30 June 2013	165
Net carrying amount	321

14. PREPAID LAND LEASE PAYMENTS

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at beginning of year/period	445,550	946,455	1,629,130	1,494,902
Additions during the year/period	–	54,941	228,791	74,983
Acquisition of subsidiaries *(note 32)*	500,905	1,190,944	–	306,263
Transferred to properties under development	–	(563,210)	(363,019)	(265,813)
Carrying amount at end of year/period	946,455	1,629,130	1,494,902	1,610,335
Less: Current portion	563,210	363,019	265,813	–
Non-Current portion	383,245	1,266,111	1,229,089	1,610,335

The leasehold land is situated in Mainland China and is held under a long term lease, construction on which has not yet commenced. Balances will be transferred to properties under development when construction commences.

Certain parcels of the Group's leasehold land with aggregate carrying amounts of approximately RMB309,540,000, RMB177,908,000 and RMB228,640,000 as at 31 December 2010, 2011 and 2012, respectively, have been pledged to secure bank loans granted to the Group (note 29(c)). No leasehold land has been pledged as at 30 June 2013.

15. INVESTMENT PROPERTIES

	Note	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at beginning of year/period		1,148,000	1,290,000	1,430,000	1,540,000
Net gain from a fair value adjustment	5	142,000	140,000	110,000	20,000
Carrying amount at end of year/period		1,290,000	1,430,000	1,540,000	1,560,000

The Group's investment properties are situated in Mainland China and held under medium term. The investment properties are mainly leased to third parties under operating lease arrangements, further details of which are included in note 36(a) to the Financial Information.

The Group's investment properties were revalued on 31 December 2010, 2011 and 2012 and 30 June 2013 at RMB1,290,000,000, RMB1,430,000,000, RMB1,540,000,000 and RMB1,560,000, by DTZ Debenham Tie Leung Limited, an independent firm of professionally qualified valuers, on an open market, existing use basis. At 31 December 2010, 2011 and 2012 and 30 June 2013, the investment properties of the Group were pledged to secure the bank loans and other borrowings granted to the Group (note 29(c)).

16. INVESTMENTS IN ASSOCIATES

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Share of net assets	539,079	3,247	42,934	43,039

The Group's balances with its associates as at 31 December 2010, 2011 and 2012 and 30 June 2013 are disclosed in note 23 to the Financial Information.

Particulars of the Group's associates are as follows:

Name	Place and date of registration	Nominal value of registered/ paid-up capital	Percentage of equity interests attributable to the Group				Principal activities
			31 December			30 June	
			2010	2011	2012	2013	
		RMB'000					
廣州市番禺南英房地產有限公司 Guangzhou Panyu Nanying Real Estate Co., Ltd.^ ("Guangzhou Nanying")*	PRC/ Mainland China 6 August 1992	356,400	69.3^^	–	–	–	Property development
廣州市時代紅衛投資有限公司 Guangzhou Times Hongwei Investment Company Limited^ ("Guangzhou Times Hongwei")*	PRC/ Mainland China 10 March 2011	11,000	–	30	30	30	Property development

Name	Place and date of registration	Nominal value of registered/ paid-up capital	Percentage of equity interests attributable to the Group				Principal activities
			31 December			30 June	
			2010	2011	2012	2013	
		RMB'000					
廣州市白雲合銀泰富小額貸款股份有限公司 Guangzhou Baiyun Heyintaifu Micro-credit Co., Ltd.^ ("Guangzhou Baiyun")*	PRC/ Mainland China 3 December 2012	200,000	–	–	20	20	Money lending

* The financial statements of these companies for the Relevant Periods were not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

^ The English names of these companies represent the best effort made by the Directors of the Company to directly translate their Chinese names as they do not register any official English names.

^^ Effective interest of the Group in Guangzhou Nanying was 69.3% which was accounted for as an associate by virtue of the investment agreements with the then investors whereby the Group exercised significant influence therein.

The following tables illustrates the summarised financial information of the Group's associates extracted from their management accounts or financial statements:

Guangzhou Nanying

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Assets	1,184,201	–	–	–
Liabilities	(918,738)	–	–	–
Revenue	54,210	97,739	–	–
Profit/(loss) for the year/period	4,635	(21,538)	–	–

Since 2009, the Group effectively held 69.3% equity interest in Guangzhou Nanying. In April 2011, the Group acquired another 29.7% equity interest in Guangzhou Nanying which became a subsidiary of the Group. Details of the acquisition are set out in note 32(iv) to the Financial Information. As it is a business combination achieved in stages, the Group remeasured the fair value of previously held equity interests in Guangzhou Nanying at acquisition date and recognised the resulting loss amounting to RMB47,378,000 (note 6).

Revenue and profit for the period from 1 January 2011 to the acquisition date of Guangzhou Nanying was RMB45,976,000 and RMB9,369,000, respectively.

Guangzhou Times Hongwei

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Assets	–	71,004	74,120	67,774
Liabilities	–	(60,180)	(63,280)	(56,955)
Revenue	–	–	–	–
Profit/(loss) for the year/period	–	(176)	17	(20)

Guangzhou Baiyun

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Assets	–	–	200,561	200,631
Liabilities	–	–	(2,150)	(1,664)
Revenue	–	–	367	4,699
Profit/(loss) for the year/period	–	–	(1,590)	556

17. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets

The movements in deferred tax assets during the Relevant Periods are as follows:

	Tax losses	Provision for LAT	Accruals and other deductible temporary difference	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2010	13,564	12,339	5,780	14	31,697
Acquisition of a subsidiary *(note 32(viii))*	2,288	–	–	–	2,288
Credited/(debited) to the consolidated income statement during the year *(note 10)*	15,035	(2,508)	2,267	19	14,813
At 31 December 2010 and at 1 January 2011	30,887	9,831	8,047	33	48,798
Acquisition of a subsidiary *(note 32(iv))*	7,379	1,220	–	–	8,599
Credited/(debited) to the consolidated income statement during the year *(note 10)*	7,938	(1,399)	29,592	635	36,766
At 31 December 2011 and at 1 January 2012	46,204	9,652	37,639	668	94,163
Credited/(debited) to the consolidated income statement during the year *(note 10)*	(1,305)	12,293	(22,598)	951	(10,659)
At 31 December 2012 and at 1 January 2013	44,899	21,945	15,041	1,619	83,504
Credited/(debited) to the consolidated income statement during the period *(note 10)*	6,792	(4,380)	8,448	4	10,864
At 30 June 2013	51,691	17,565	23,489	1,623	94,368

Deferred tax liabilities

The movements in deferred tax liabilities during the Relevant Periods are as follows:

	Fair value adjustment arising from acquisition of subsidiaries	Revaluation of investment properties	Taxes on undistributed profits of the subsidiaries in the PRC	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2010	(47,244)	(89,625)	(232)	(3,304)	(140,405)
Acquisition of subsidiaries *(notes 32(i) and (ii))*	(6,782)	–	–	–	(6,782)
Credited/(debited) to the consolidated income statement during the year *(note 10)*	290	(35,500)	(442)	(4,830)	(40,482)
At 31 December 2010 and at 1 January 2011	(53,736)	(125,125)	(674)	(8,134)	(187,669)
Acquisition of subsidiaries *(notes 32(iii) and (iv))*	(1,032,544)	–	–	–	(1,032,544)
Credited/(debited) to the consolidated income statement during the year *(note 10)*	3,047	(35,000)	(325)	7,900	(24,378)
At 31 December 2011 and at 1 January 2012	(1,083,233)	(160,125)	(999)	(234)	(1,244,591)
Acquisition of a subsidiary *(note 32(v))*	(43,072)	–	–	–	(43,072)
Credited/(debited) to the consolidated income statement during the year *(note 10)*	13,541	(27,500)	(2,038)	234	(15,763)
At 31 December 2012 and at 1 January 2013	(1,112,764)	(187,625)	(3,037)	–	(1,303,426)
Acquisition of a subsidiary *(note 32 (vii))*	(8,422)	–	–	–	(8,422)
Credited/(debited) to the consolidated income statement during the period *(note 10)*	649	(5,000)	(604)	–	(4,955)
At 30 June 2013	(1,120,537)	(192,625)	(3,641)	–	(1,316,803)

Partial tax losses of the Group of RMB124,849,000, RMB128,355,000, RMB133,294,000 and RMB131,686,000 as at 31 December 2010, 2011 and 2012 and 30 June 2013, respectively, mainly arose in Mainland China, which can be carried forward for an definite period from the year in which the losses arose for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

No deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of RMB60,635,000, RMB89,927,000, RMB273,373,000 and RMB327,699,000 as at 31 December 2010, 2011 and 2012 and 30 June 2013, respectively, that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

18. PROPERTIES UNDER DEVELOPMENT

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Properties under development expected to be recovered:				
Within one year	2,759,535	1,835,835	3,467,265	3,845,106
After one year	1,099,889	5,088,769	5,882,963	9,219,156
	3,859,424	6,924,604	9,350,228	13,064,262

The Group's properties under development are all located in Mainland China and situated on leasehold lands with long term leases.

At 31 December 2010, 2011 and 2012 and 30 June 2013, certain of the Group's properties under development were pledged to banks and other lenders to secure the bank loans and borrowings granted to the Group (note 29(c)).

19. COMPLETED PROPERTIES HELD FOR SALE

The Group's completed properties held for sale are located in Mainland China. All completed properties held for sale are stated at the lower of cost and net realisable value.

The movements in the provision for impairment of completed properties held for sale are as follows:

	Note	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period		–	–	–	1,665
Impairment losses recognised/(reversed)	6	–	–	1,665	(14)
At end of year/period		–	–	1,665	1,651

At 31 December 2010, 2011 and 2012 and 30 June 2013, certain of the Group's completed properties held for sale with aggregate carrying amounts of approximately RMB188,350,000, RMB202,812,000, RMB289,250,000 and RMB303,447,000 were pledged to banks and other lenders to secure the bank loans and other borrowings granted to the Group (note 29(c)).

20. TRADE RECEIVABLES

The Group's trade receivables mainly arise from the sale of properties. Considerations in respect of the properties sold are payable by the purchasers in accordance with the terms of the related sale and purchase agreements. Trade receivables are non-interest-bearing. The carrying amounts of trade receivables approximate to their fair values due to their short-term maturity.

An aged analysis of the trade receivables as at the end of each of the Relevant Periods is as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Within 3 months	3,198	17,037	21,327	13,826
4 to 6 months	810	390	9,752	2,127
7 to 12 months	8,568	1,445	1,467	1,860
	12,576	18,872	32,546	17,813

The balances of the trade receivables as at 31 December 2010, 2011 and 2012 and 30 June 2013 were neither past due nor impaired and related to a large number of diversified customers for whom there was no recent history of default.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Group

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments for leasehold land	426,734	471,761	1,730,780	432,641
Deposits and other receivables	279,705	816,503	1,210,453	405,269
Other prepayments	168,380	275,509	640,334	649,676
	874,819	1,563,773	3,581,567	1,487,586
Impairment	–	(1,000)	(1,000)	–
	874,819	1,562,773	3,580,567	1,487,586

Prepayments, deposits and other receivables are unsecured, non-interest-bearing and have no fixed term of repayment.

Prepayments for leasehold land represent the prepayment for leasehold land with the application of land use right certificates being processed.

22. HELD-TO-MATURITY INVESTMENTS

The Group's held-to-maturity investments represented short-term investments in certain financial products sold by a reputable bank in Mainland China with a determinable expected interest rate and a maturity period within one year. Such short-term investments were pledged to the same bank as a security to certain bank loans (note 29(c)).

In April 2013, as set out in the relevant financing arrangements, the bank loans were settled by the Group through offsetting with the short-term investments upon its maturity.

23. AMOUNTS DUE FROM ASSOCIATES

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Due from associates:				
– Guangzhou Nanying	72,631	–	–	–
– Guangzhou Times Hongwei	–	60,180	63,880	56,480
	72,631	60,180	63,880	56,480

The amounts due from associates are non-trade in nature, unsecured, interest-free and repayable on demand. The carrying amounts of the amounts due from associates approximate to their fair values. None of these receivables is either past due or impaired.

Guangzhou Nanying became a subsidiary of the Group in April 2011 with details set out in note 32 (iv) to the Financial Information.

24. AMOUNTS DUE FROM/TO DIRECTORS

Group

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Due from directors:				
– Mr. Shum	6,208	–	1,438	–
– Mr. Guan Jianhui	4,790	2,000	–	–
– Mr. Li Qiang	50	2,000	2,000	–
	11,048	4,000	3,438	–
Due to a director:				
– Mr. Shum	95,588	101,489	101,478	96,885

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Maximum amount outstanding during the year					
– Mr. Shum	6,208	6,208	1,438	6,208	1,438
– Mr. Guan Jianhui	4,790	2,000	2,000	2,000	2,000
– Mr. Li Qiang	50	2,000	2,000	2,000	2,000

Company

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Due from a director:				
– Mr. Shum	5,354	–	–	–
Due to a director:				
– Mr. Shum	–	10,348	11,029	7,959

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Maximum amount outstanding during the year					
– Mr. Shum	5,354	5,354	–	–	–

The amounts due from/to directors arose from non-trade activities, and they are unsecured, interest-free and repayable on demand.

25. TAX PREPAYMENTS/TAX PAYABLE

(a) Tax prepayments

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Prepaid CIT	60,060	38,662	51,885	74,619
Prepaid LAT	50,884	115,454	182,524	244,635
	110,944	154,116	234,409	319,254

(b) Tax payable

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
CIT payable	42,142	57,944	119,267	76,241
LAT payable	39,410	39,143	87,794	70,256
	81,552	97,087	207,061	146,497

26. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

Group

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	1,172,202	1,603,239	1,833,745	1,546,615
Less: Restricted bank deposits *(note (a))*	(608,813)	(1,037,539)	(897,299)	(1,236,706)
Cash and cash equivalents	563,389	565,700	936,446	309,909
Denominated in RMB *(note (b))*	562,621	565,209	928,863	308,610
Denominated in other currencies	768	491	7,583	1,299
	563,389	565,700	936,446	309,909

Company

	As at 31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	124	262	7,356	1,023
Denominated in other currencies	124	262	7,356	1,023

Notes:

(a) Pursuant to the relevant regulations in the PRC, certain property development companies of the Group are required to place certain amounts of pre-sale proceeds received in designated bank accounts for specific use. As at 31 December 2010, 2011 and 2012 and 30 June 2013, such restricted cash amounted to RMB366,183,000, RMB564,807,000, RMB767,713,000 and RMB882,407,000, respectively.

Remaining restricted deposits as at 31 December 2010, 2011 and 2012 amounting to RMB242,630,000, RMB472,732,000 and RMB129,586,000, respectively, and certain restricted deposit as at 30 June 2013 amounting to RMB284,299,000 represented the loan proceeds in the monitoring accounts designated by the banks, in which case the use of the restricted bank deposit is subject to the banks' approval. The remaining restricted deposit of RMB70,000,000 as at 30 June 2013 represented the time deposit pledged for bank borrowings (note 29 (c)).

(b) The RMB is not freely convertible into other currencies, however, subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest income at floating rates based on daily bank deposit rates. The carrying amounts of the cash and cash equivalents and the restricted bank deposits approximate to their fair values. The bank balances and restricted bank deposits are deposited with creditworthy banks with no recent history of default.

27. TRADE PAYABLES

An aged analysis of the trade payables as at the end of each of the Relevant Periods, based on invoice date is as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	1,258,799	1,264,802	2,185,743	2,415,516
Over 1 year	306,198	774,229	686,903	515,325
	1,564,997	2,039,031	2,872,646	2,930,841

The trade payables are unsecured, non-interest-bearing and repayable within the normal operating cycle or on demand.

The fair values of trade payables at the end of each of the Relevant Periods approximated to their corresponding carrying amounts due to their relatively short maturity terms.

28. OTHER PAYABLES AND ACCRUALS

	Notes	31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
Deposits received and receipts in advance	(a)	2,556,446	4,097,526	7,342,131	9,385,631
Payables for acquisition of project companies		307,878	239,894	528,262	1,015,985
Accruals and other payables		369,315	765,930	741,341	277,208
Other payables to fellow investors/ the non-controlling shareholders	(b)	149,067	99,199	106,351	160,807
		3,382,706	5,202,549	8,718,085	10,839,631

Notes:

(a) Deposits received and receipts in advance mainly represent sales proceeds received from buyers in connection with the Group's pre-sale of properties as at the end of each of the Relevant Periods.

(b) Details of other payables with fellow investors/the non-controlling shareholders as at 31 December 2010, 2011 and 2012 and 30 June 2013 are set out by project company as follows:

		As at 31 December			30 June
		2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
Guangzhou Nanying . .	(i)	149,067	62,665	62,778	62,778
Changsha Meiguiyuan .	(ii)	–	36,534	11,052	–
Guangzhou Tiansi	(ii)	–	–	32,521	47,626
Zhuhai Guoji	(ii)	–	–	–	50,403
		149,067	99,199	106,351	160,807

(i) Balance as at 31 December 2010 represented payables to the then investors of Guangzhou Nanying, which was an associate of the Group (note 16) in connection with certain assets (mainly properties) and liabilities, the economic benefits of which solely attributable to those investors. With the Group's further acquisition of 29.7% equity interest of Guangzhou Nanying in year 2011, Guangzhou Nanying became a subsidiary of the Group from April 2011 onwards. The balances as at 31 December 2011 and 2012 mainly represented the payables in connection with the remaining properties to the remaining non-controlling shareholder, which was one of the then investors as at 31 December 2010.

Such payable balances were measured by reference to the market value of the associating asset and liability balances, where appropriate, reflecting the Group's obligation to other contractual parties. Changes in the fair values of those payables are credited/charged to the consolidated income statements.

Details of the Group's acquisition of Guangzhou Nanying and the arrangements among the contractual parties pertinent to the properties stated above are set out in note 32 (iv) to the Financial Information.

(ii) Balances represented the balances with the non-controlling shareholders of the project companies which were interest free, non-secured and with no fixed term of repayment.

29. INTEREST-BEARING BANK LOANS AND OTHER BORROWINGS

	As at 31 December 2010			As at 31 December 2011			As at 31 December 2012			As at 30 June 2013		
	Effective interest rate	Maturity	Amount	Effective interest rate	Maturity	Amount	Effective interest rate	Maturity	Amount	Effective interest rate	Maturity	Amount
	(%)		RMB'000	(%)		RMB'000	(%)		RMB'000	(%)		RMB'000
Current												
Bank loans — unsecured	5.3-5.8	2011	70,000	6.9-9.0	2012	159,200	6.5-6.9	2013	289,284	6.6-11.0	2014	105,442
Bank loans — secured	5.4-6.7	2011	283,689	5.3-9.3	2012	621,497	3.9-9.3	2013	2,131,165	5.4-8.0	2014	1,530,770
Other borrowings — unsecured . .	–	–	–	20.0	2012	170,000	5.0	2013	76,000	–	–	–
Other borrowings — secured. . .	11.0	2011	180,000	4.9	2012	270,000	10.6-12.9	2013	680,814	10.6-13.0	2013	1,215,780
			533,689			1,220,697			3,177,263			2,851,992
Non-current												
Bank loans — unsecured	5.4	2013	196,060	6.9-7.0	2013	477,479	6.8-11.0	2014	123,674	6.8	2014	25,000
Bank loans — secured	5.1–6.2	2019	1,598,189	5.3-9.3	2019	2,023,736	5.9-9.3	2019	1,754,598	5.9-7.4	2019	2,746,064
Other borrowings — secured. . .	4.9	2013	450,456	5.4-12.8	2013	509,728	10.6-13.0	2014	621,264	11.5	2015	100,000
			2,244,705			3,010,943			2,499,536			2,871,064
			2,778,394			4,231,640			5,676,799			5,723,056

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank loans repayable:				
Within one year	353,689	780,697	2,420,449	1,636,212
In the second year	304,500	1,812,638	1,299,553	983,875
In the third to fifth years, inclusive	1,355,383	597,577	532,719	1,775,689
Beyond five years	134,366	91,000	46,000	11,500
	2,147,938	3,281,912	4,298,721	4,407,276
Other borrowings repayable:				
Within one year	180,000	440,000	756,814	1,215,780
In the second year	274,631	509,728	621,264	100,000
In the third to fifth years, inclusive	175,825	–	–	–
	630,456	949,728	1,378,078	1,315,780
	2,778,394	4,231,640	5,676,799	5,723,056

Notes:

(a) Except for certain non-current other borrowings amounting to RMB450 million, RMB510 million, RMB621 million and RMB100 million as at 31 December 2010, 2011 and 2012 and 30 June 2013, respectively, and certain current bank and other borrowings amounting to RMB180 million, RMB569 million, RMB1,116 million and RMB1,308 million as at 31 December 2010, 2011 and 2012 and 30 June 2013, respectively, bearing fixed interest rates, the remaining bank and other borrowings bear interest at floating rates. The carrying amounts of the Group's bank and other borrowings approximate to their fair values.

(b) Except for certain secured bank loans, amounting to RMB218,091,000 and RMB51,451,000, as at 31 December 2012 which were denominated in United States dollars and Hong Kong dollars, respectively, all the Group's bank loans and other borrowings are denominated in RMB as at the end of each of the Relevant Periods.

(c) As at the end of each of the Relevant Periods, certain of the Group's assets were pledged to banks and other lenders for securing the bank loans and other borrowings granted to the Group:

The carrying values of these assets are:

		31 December			30 June
	Notes	2010	2011	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000
Investment properties	15	1,290,000	1,430,000	1,540,000	1,560,000
Properties under development	18	1,441,531	1,196,222	1,406,532	2,957,977
Completed properties held for sale	19	188,350	202,812	289,250	303,447
Prepaid land lease payments	14	309,540	177,908	228,640	–
Held-to-maturity investments	22	–	–	305,700	–
Pledged time deposit	26	–	–	–	70,000
		3,229,421	3,006,942	3,770,122	4,891,424

(d) In addition to the pledged assets stated in note (c) above, corporate and personal guarantees and asset security provided by the Group's related parties related to the Group's bank and other borrowings are set out as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Corporate and personal guarantees:				
– Guangzhou Times Development Enterprise Group Company Limited	87,700	–	–	–
– Guangzhou Zhide	–	300,000	–	–
– Mr. Shum	667,700	1,079,115	2,169,955	1,218,651
– Mr. Cen Zhaoxiong	–	613,300	123,950	109,900
– Ms. Liang Yuchong	–	–	34,000	20,000
Personal asset security:				
– Ms. Li Yiping	–	–	20,000	120,000

Guangzhou Times Development Enterprise Group Company Limited is a limited liability company controlled by Mr. Shum, the Founder of the Group in year 2010 and by Mr. Cen Jiancai, father of Mr. Shum, from year 2011 onwards.

Guangzhou Zhide is a limited liability company held by certain close family members of Mr. Shum, which was acquired by the Group in year 2012 (note 32 (vi)).

Mr. Cen Zhaoxiong is the younger brother of Mr. Shum and one of the executive directors of the Company.

Ms. Li Yiping is the spouse of Mr. Shum.

Ms. Liang Yuchong is the spouse of Mr. Cen Zhaoxiong.

(e) At 30 June 2013 and 31 December 2012, out of the Group's total bank and other borrowings, a borrowing of RMB386,852,000 and RMB384,924,000 included in the current and non-current liability, respectively, was secured by way of transferring the entire ordinary shares of Zhongshan Tianyue, a wholly-owned subsidiary of the Group with details set out in note 1 to the Financial Information.

(f) At 31 December 2012, out of the Group's total bank and other borrowings, a borrowing of RMB253,620,000 included in the non-current liability, was secured by the pledge of the ordinary shares of Foshan Yudonglong, a wholly-owed subsidiary of the Group.

(g) At 31 December 2011 and 2012, out of the Group's total bank and other borrowings, a borrowing of RMB169,200,000 and RMB69,200,000 included in the current liability, was secured by the pledge of the ordinary shares of Zhongshan Kaixuan, a wholly-owned subsidiary of the Group.

(h) As at 30 June 2013, 70% equity interest of Guangzhou Tiansi and 30% equity interest of Guangzhou Hongtai, which are the wholly-owned subsidiaries of the Group, were pledged as security for certain borrowings with an aggregate amount of RMB268,397,000.

30. ISSUED CAPITAL

	30 June 2013
	HK$
Authorised:	
3,800,000 ordinary shares of HK$0.10 each	380,000
Issued:	
201 ordinary of HK$0.10 each	20.1
Equivalent to RMB'000	–
Fully paid:	
201 ordinary shares of HK$0.10 each	20.1

There was no movement in the Company's share capital during the Relevant Periods.

The Company was incorporated in Cayman Islands on 14 November 2007 with an authorised share capital of HK$380,000 divided into 3,800,000 shares at a par value of HK$0.10 each.

Pursuant to the written resolution dated 19 November 2013, authorized share capital of the Company was increased from HK$380,000 to HK$1,000,000,000.

31. RESERVES

Group

(a) The amounts of the Group's reserves and the movements therein for each of the Relevant Periods are presented in the consolidated statements of changes in equity of the Group.

(b) On 8 January 2008, the Company issued and allotted one fully-paid ordinary share of HK$0.10 to Asiaciti, the immediate holding company of the Company, for a total cash consideration of US$200 million. The excess of the cash consideration over the nominal value of the one share issued, which amounted to approximately RMB1,452,565,000, was credited to the share premium account of the Company.

On 6 June 2013, the Company distributed a dividend of RMB442,428,000 to Asiaciti out of the share premium account. The dividend payable was subsequently offset with the then current account balance of Asiaciti owing to the Company.

Details of the dividend distribution arrangements are set out in note 34(b) of Section II below.

(c) Contributed surplus

The contributed surplus of the Group represents the difference between the aggregate of the nominal value of the paid-up capital of the subsidiaries acquired pursuant to the Reorganisation over the nominal value of the Company's shares issued in exchange therefore during the year ended 31 December 2008.

(d) Capital reserve

Capital reserve represents the difference between the cost of acquisition and the non-controlling interests acquired in the case of acquisition of additional non-controlling interests of subsidiaries, or, the difference between the proceeds from disposal and the non-controlling interests disposed of in the case of disposal of partial equity interests in subsidiaries to non-controlling shareholders.

(e) Statutory surplus funds

Pursuant to the relevant laws and regulations in the PRC, the companies now comprising the Group which are registered in the PRC shall appropriate a certain percentage of their net profit after tax (after offsetting any prior years' losses) calculated under the accounting principles generally applicable to the PRC enterprises to reserve funds. When the balances of this reserve fund reaches 50% of the entity's capital, any further appropriation is optional. The statutory surplus reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory surplus reserve must be maintained at a minimum of 25% of the capital after these usages.

Company

The changes in equity of the Company for the Relevant Periods are set out as follows:

	Issued capital	Share premium account	Exchange fluctuation reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2010	–	1,452,565	(81,305)	(4,606)	1,366,654
Total comprehensive loss for the year	–	–	(47,624)	(3,297)	(50,921)
At 31 December 2010 and 1 January 2011	–	1,452,565	(128,929)	(7,903)	1,315,733
Total comprehensive loss for the year	–	–	(61,580)	(3,868)	(65,448)
At 31 December 2011 and 1 January 2012	–	1,452,565	(190,509)	(11,771)	1,250,285
Total comprehensive loss for the year	–	–	(9,225)	(1,844)	(11,069)
At 31 December 2012 and 1 January 2013	–	1,452,565	(199,734)	(13,615)	1,239,216
Dividend declared (b)	–	(442,428)	–	–	(442,428)
Total comprehensive loss for the period	–	–	(19,881)	4,999	(14,882)
At 30 June 2013	–	1,010,137	(219,615)	(8,616)	781,906

32. ACQUISITION OF SUBSIDIARIES

(A) Business combinations

Year ended 31 December 2010

(i) Acquisition of Guangzhou Fujie

Pursuant to a sale and purchase agreement entered into by the Group and the then shareholder of Guangzhou Fujie on 4 February 2010, Times Real Estate, a wholly-owned subsidiary of the Group, acquired the entire interest in Guangzhou Fujie at a cash consideration of RMB10,000,000. The Group was able to realize a gain on acquisition of business amounting to RMB15,326,000 as a result of the then current market conditions and the seller's desire to exit the business. The gain on acquisition of business is recorded in the consolidated income statements in other income and gains. Guangzhou Fujie is a property development company established in the PRC with limited liability.

The fair values of the identifiable assets and liabilities of Guangzhou Fujie as at the date of acquisition were as follows:

	Notes	Fair value recognised on acquisition
		RMB'000
Properties under development		64,921
Prepayments, deposits and other receivables		115,303
Cash and bank balances		187
Other payables and accruals		(149,906)
Deferred tax liabilities	17	(5,179)
Fair value of net assets acquired		25,326
Gain on acquisition	5	(15,326)
Satisfied by cash		10,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Fujie is as follows:

	RMB'000
Cash consideration	(10,000)
Cash and bank balances acquired	187
Net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Fujie	(9,813)

The results of Guangzhou Fujie acquired in the year ended 31 December 2010 had no significant impact on the Group's consolidated revenue or profit for that year.

(ii) Acquisition of Zhuhai Jingrun

Pursuant to a sale and purchase agreement entered into by the Group, through an independent third party, Guangzhou Bolang Investment Company Limited ("Guangzhou Bolang"), and the then shareholder of Zhuhai Jingrun on 5 November 2010, Guangzhou Shengyu, a wholly-owned subsidiary of the Group, acquired the entire equity interest in Zhuhai Jingrun at a cash consideration of RMB40,284,680. The Group was able to realize a gain on acquisition of business amounting to RMB4,808,000 as a result of the then current market conditions and the seller's desire to exit the business. The gain on acquisition of business is recorded in the consolidated income statements in other income and gains. Pursuant to a trust agreement entered into between Guangzhou Shengyu and Guangzhou Bolang on 19 November 2010, Guangzhou Bolang held the entire equity interest in Zhuhai Jingrun on trust for Guangzhou Shengyu. Zhuhai Jingrun is a property development company established in the PRC with limited liability.

The fair values of the identifiable assets and liabilities of Zhuhai Jingrun as at the date of acquisition were as follows:

	Notes	Fair value recognised on acquisition
		RMB'000
Properties under development		225,689
Prepayments, deposits and other receivables		10,234
Cash and bank balances		3
Trade payable		(189,230)
Deferred tax liabilities	17	(1,603)
Fair value of net assets acquired		45,093
Gain on acquisition	5	(4,808)
Satisfied by cash		40,285

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Zhuhai Jingrun is as follows:

	RMB'000
Cash consideration	(40,285)
Cash and bank balances acquired	3
Net outflow of cash and cash equivalents in respect of the acquisition of Zhuhai Jingrun	(40,282)

The results of Zhuhai Jingrun acquired in the year ended 31 December 2010 had no significant impact on the Group's consolidated revenue or profit for that year.

Year ended 31 December 2011

(iii) Acquisition of Foshan Jiefengli, Shenzhen Jinhaidi and Changsha Meiguiyuan

Pursuant to the respective equity transfer agreements entered into by the Group and the then shareholders of Foshan Jiefengli and Shenzhen Jinhaidi on 17 December 2010, the Group acquired 50% equity interest of Changsha Meiguiyuan through the acquisition of the entire equity interests of Foshan Jiefengli and Shenzhen Jinhaidi (collectively the "Meiguiyuan Group") at a total cash consideration of RMB495,580,000. The relevant equity transfer registration arrangement was completed in January 2011, from which entities under Meiguiyuan Group became the subsidiaries of the Group.

Foshan Jiefengli and Shenzhen Jinhaidi are investment holding companies established in the PRC with limited liability which had a 10% and 40% equity interest in Changsha Meiguiyuan, respectively. Changsha Meiguiyuan is a property development company established in the PRC with limited liability.

The Directors had assessed the Group's ability of control over Changsha Meiguiyuan. Although, through Foshan Jiefengli and Shenzhen Jinhaidi, the Group holds 50% equity interest in Changsha Meiguiyuan, the Group retains control over Changsha Meiguiyuan, and is entitled to majority beneficiary interests and bear risks of Changsha Meiguiyuan. Accordingly, all the three entities under Meiguiyuan Group are consolidated into the Group's financial statements.

The aggregate fair values of the identifiable assets and liabilities of Foshan Jiefengli, Shenzhen Jinhaidi and Changsha Meiguiyuan as at the date of acquisition were as follows:

	Note	Fair value recognised on acquisition
		RMB'000
Prepaid land lease payments	14	1,154,558
Properties under development		574,583
Prepayments, deposits and other receivables		598
Trade receivables		41,204
Cash and bank balances		46,975
Trade payable		(4,374)
Other payables and accruals		(176,591)
Tax payable		(22,644)
Deferred tax liabilities	17	(628,811)
		985,498
Non-controlling interests		(489,918)
Fair value of net assets acquired		495,580
Satisfied by cash		495,580

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of these subsidiaries is as follows:

	RMB'000
Cash consideration	(495,580)
Cash and bank balances acquired	46,975
Net outflow of cash and cash equivalents in respect of the acquisition of these subsidiaries	(448,605)

Since the acquisition, there were no active operating activities carried out by Meiguiyuan Group and incurred an operating loss of RMB23,979,000 which was included the consolidated income statement of the Group for the year ended 31 December 2011.

On 27 May 2013, the Group acquired the remaining 50% non-controlling interests of Changsha Meiguiyuan through the acquisitions of 100% equity interests in Foshan Meigui Huaye and Foshan Meiguiyuan. Foshan Meigui Huaye and Foshan Meiguiyuan are investment holding companies established in the PRC with limited liability, which held 30% and 20% equity interests in Changsha Meiguiyuan, respectively. The total cash consideration was RMB537,970,000. Upon completion of the acquisitions, Foshan Meigui Huaye, Foshan Meiguiyuan and Changsha Meiguiyuan became wholly-owned subsidiaries of the Group.

(iv) Acquisition of Guangzhou Nanying

Before 2010, 99% equity interest of Guangzhou Nanying was held by Times Hengde, a subsidiary of the Group. Equity interest of Times Hengde was held by the Group and Guangzhou Hengde Investment Co., Ltd, ("Guangzhou Hengde"), an independent party, at 70% and 30%, respectively. In this regard, the Group effectively held 69.3% equity interest in Guangzhou Nanying which was accounted for as an associate of the Group (note 16), as assessed by the Group based on the investment agreements with the then investors whereby the Group exercised significant influence therein.

In April 2011, the Group acquired another 29.7% equity interest in Guangzhou Nanying through transfer of the entire investment held by Times Hengde to Guangzhou Shengyu, a wholly-owned subsidiary of the Company at a total of consideration of RMB596,040,000. Upon completion of the equity transfer, Guangzhou Nanying became a subsidiary of the Group. Guangzhou Nanying is engaged in property development business. The Group was able to realize a gain on acquisition of business amounting to RMB58,073,000 as a result of the then current market conditions and the seller's desire to exit the business. The gain on acquisition of business is recorded in the consolidated income statements in other income and gains.

By virtue of the relevant investment agreements in year 2009 in connection with the Group's investment in Guangzhou Nanying, although the Group effectively held 69.3% equity interest of Guangzhou Nanying, certain designated assets (mainly properties) and liabilities held under the name of Guangzhou Nanying, as agreed among the shareholders, were solely for the benefit of the then investors, Guangzhou Hengde and Zhuhai Special Economic Zone Nanying Industrial Co., Ltd. ("Zhuhai Nanying"), an independent party of the Group, which held equity interest of 29.7% and 1% in Guangzhou Nanying. In this regard, obligation of the Group in connection with those designated assets as a result of sharing the net assets of Guangzhou Nanying based on its investment portion was recorded as other payables to those investors.

Part of those assets (mainly properties) and liabilities were further acquired by the Group in the acquisition of 2011 from Guangzhou Hengde, the associating obligation of the Group to Guangzhou Hengde was accordingly eliminated. The remainder, mainly properties was mainly attributable to Zhuhai Nanying, which was the non-controlling shareholder of Guangzhou Nanying since the 2011 acquisition.

The Directors of the Company were of the view that the arrangement with the then shareholders was solely for the purpose to enhance the Group's land reserve and in the best interest of the Group's prospect. The outstanding obligation was measured at fair value by reference to the market value of the pertinent assets and liabilities, where appropriate, taking into account the Group's position at Guangzhou Nanying, and included in "Other payables and accruals" in the consolidated statements of financial position (note 28).

The fair values of the identifiable assets and liabilities of Guangzhou Nanying as at the date of acquisition were as follows:

	Notes	Fair value recognised on acquisition
		RMB'000
Property, plant and equipment	13	2,738
Deferred tax assets	17	8,599
Properties under development		1,347,502
Completed properties held for sale		230,632
Prepayments, deposits and other receivables		471,278
Cash and bank balances		28,838
Trade payables		(226,057)
Interest-bearing bank loans and other borrowings		(629,632)
Other payables and accruals		(163,978)
Tax payables		(4,884)
Deferred tax liabilities	17	(403,733)
		661,303
Non-controlling interests		(7,190)
Gain on acquisition	5	(58,073)
		596,040
Satisfied by Cash		68,380
Fair value of the 69.7% equity interest before acquisition		498,195
Waiver of the Group's current account balances with Guangzhou Hengde		29,465
		596,040

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Nanying is as follows:

	RMB'000
Cash consideration	(68,380)
Cash and bank balances acquired	28,838
Net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Nanying	(39,542)

Since the acquisition, Guangzhou Nanying contributed RMB51,944,000 to the Group's revenue and incurred an operating loss of RMB30,907,000 to the consolidated net profit for the year ended 31 December 2011.

Year ended 31 December 2012

(v) Acquisition of Guangdong Guangchang

Pursuant to an equity transfer agreement entered into by Guangzhou Shengyu and the then shareholder of Guangdong Guangchang on 28 September 2012, Guangzhou Shengyu, acquired the entire equity interest in Guangdong Guangchang at a cash consideration of RMB15,000,000. Guangdong Guangchang is a property development company established in the PRC with limited liability.

The fair values of the identifiable assets and liabilities of Guangdong Guangchang as at the date of acquisition were as follows:

	Note	Fair value recognised on acquisition
		RMB'000
Properties under development		769,741
Prepayments, deposits and other receivables		192
Cash and bank balances		350
Trade payables		(501,070)
Other payables and accruals		(211,141)
Deferred tax liabilities	17	(43,072)
Fair value of net assets acquired		15,000
Satisfied by cash		15,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Guangdong Guangchang is as follows:

	RMB'000
Cash consideration	(15,000)
Cash and bank balances acquired	350
Net outflow of cash and cash equivalents in respect of the acquisition of Guangdong Guangchang	(14,650)

The results of Guangdong Guangchang acquired in the year ended 31 December 2012 had no significant impact on the Group's consolidated revenue or profit for that year.

(vi) Acquisition of Guangzhou Zhide and its subsidiaries (collectively, "Zhide Group")

Pursuant to an equity transfer agreement entered into by Guangzhou Yongtai and the then shareholder of Guangzhou Zhide on 17 December 2012, Guangzhou Yongtai, a wholly-owned subsidiary of the Group, acquired a 100% interest in Guangzhou Zhide at a cash consideration of RMB10,000,000. Guangzhou Zhide is an investment holding company established in the PRC with limited liability and Zhide Group is principally engaged in property investment and property and hotel management. It has a 100% equity interest in Wangu Supermarket, a 100% equity interest in Zhide Zhengxing, a 100% equity interest in Zhide Hotel, a 95% equity interest in Zhide Technology and a 55% equity interest in Guangzhou Guangdechang. Details of the principal activities of Guangzhou Zhide's subsidiaries are set out in note 1 of this section.

The aggregate fair values of the identifiable assets and liabilities of Zhide Group and its subsidiaries as at the date of acquisition were as follows:

	Note	Fair value recognised on acquisition
		RMB'000
Property, plant and equipment	13	359,450
Investment in an associate		39,682
Inventories		4,642
Trade receivables		292
Prepayments, deposits and other receivables		606,322
Cash and bank balances		21,106
Trade payables		(16,238)
Other payables and accruals		(415,682)
Interest-bearing bank loans and other borrowings		(582,890)
Tax payables		(4,251)
		12,433
Non-controlling interests		(2,433)
Fair value of net assets acquired		10,000
Satisfied by cash		10,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of these subsidiaries is as follows:

	RMB'000
Cash consideration	(10,000)
Cash and bank balances acquired	21,106
Net inflow of cash and cash equivalents in respect of the acquisition of these subsidiaries	11,106

The results of Zhide Group acquired in the year ended 31 December 2012 had no significant impact on the Group's consolidated revenue or profit for that year.

Six months ended 30 June 2013

(vii) Acquisition of Zhuhai Guoji

Pursuant to an equity transfer agreement entered into by Guangzhou Shengyu and the then shareholder of Zhuhai Guoji on 15 August 2012, Guangzhou Shengyu, acquired the 50% equity interest in Zhuhai Guoji at a cash consideration of RMB2,500,000. The Group was able to realize a gain on acquisition of business amounting to RMB7,685,000 as a result of the then current market conditions and the seller's desire to exit the business. The gain on acquisition of business is recorded in the consolidated income statements in other income and gains. Zhuhai Guoji is a property development company established in the PRC with limited liability. The relevant equity transfer registration arrangement was completed in January 2013, from which Zhuhai Guoji became the subsidiary of the Group.

The Directors had assessed the Group's ability of control over Zhuhai Guoji. Although the Group holds a 50% equity interest in Zhuhai Guoji, the Group retains control over Zhuhai Guoji, and is entitled to majority beneficiary interests and bear risks of Zhuhai Guoji. Accordingly, Zhuhai Guoji is consolidated into the Group's financial statements since then.

The fair values of the identifiable assets and liabilities of Zhuhai Guoji as at the date of acquisition were as follows:

	Notes	Fair value recognised on acquisition
		RMB'000
Properties under development		277,696
Other payables and accruals		(248,904)
Deferred tax liabilities	17	(8,422)
Fair value of net assets acquired		20,370
Non-controlling interests		(10,185)
Gain on acquisition	5	(7,685)
Satisfied by cash		2,500

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Zhuhai Guoji is as follows:

	RMB'000
Cash consideration	(2,500)
Cash and bank balances acquired	–
Net outflow of cash and cash equivalents in respect of the acquisition of Zhuhai Guoji	(2,500)

The results of Zhuhai Guoji acquired in the six months ended 30 June 2013 had no significant impact on the Group's consolidated revenue or profit for that period.

(B) Acquisition of subsidiaries that are not a business

Entities acquired by the Group during the Relevant Periods that did not constitute a business are summarised as follows:

Year ended 31 December 2010

(viii) Acquisition of Zhongshan Wanlian

Pursuant to an equity transfer agreement entered into by Times Real Estate and the then shareholder of Zhongshan Wanlian on 8 January 2010, Times Real Estate acquired the entire equity interest in Zhongshan Wanlian at a cash consideration of RMB1,000,000. Zhongshan Wanlian is a property development company established in the PRC with limited liability.

The identifiable assets and liabilities of Zhongshan Wanlian as at the date of acquisition were as follows:

	Notes	RMB'000
Prepaid land lease payments	14	500,905
Prepayments, deposits and other receivables		2
Deferred tax assets	17	2,288
Other payables and accruals		(502,195)
Net assets acquired		1,000
Satisfied by cash		1,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Zhongshan Wanlian is as follows:

	RMB'000
Cash consideration	(1,000)
Cash and bank balances acquired	–
Net outflow of cash and cash equivalents in respect of the acquisition of Zhongshan Wanlian	(1,000)

(ix) Acquisition of Qingyuan Xilong

Pursuant to an equity transfer agreement entered into by Times Real Estate and the then shareholder of Qingyuan Xilong on 12 April 2010, Times Real Estate acquired the entire equity interest in Qingyuan Xilong at a cash consideration of RMB5,000,000. Qingyuan Xilong is a property development company established in the PRC with limited liability.

The identifiable assets and liabilities of Qingyuan Xilong as at the date of acquisition were as follows:

	RMB'000
Prepayments, deposits and other receivables	10,000
Cash and bank balances	5,000
Other payables and accruals	(10,000)
Net assets acquired	5,000
Satisfied by cash	5,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Qingyuan Xilong is as follows:

	RMB'000
Cash consideration	(5,000)
Cash and bank balances acquired	5,000
Net outflow of cash and cash equivalents in respect of the acquisition of Qingyuan Xilong	–

(x) Acquisition of Guangzhou Tianlang

Pursuant to certain equity transfer agreements entered into by Guangzhou Junbao and the then shareholder of Guangzhou Tianlang on 9 October 2010, 22 November 2010, and 21 December 2010, Guangzhou Junbao, a wholly-owned subsidiary of the Group, acquired the entire equity interest in Guangzhou Tianlang at a cash consideration of RMB1,000,000. Guangzhou Tianlang is a property development company established in the PRC with limited liability.

The identifiable assets and liabilities of Guangzhou Tianlang as at the date of acquisition were as follows:

	RMB'000
Prepayments, deposits and other receivables	34,536
Cash and bank balances	1,002
Other payables and accruals	(34,538)
Net assets acquired	1,000
Satisfied by cash	1,000

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Tianlang is as follows:

	RMB'000
Cash consideration	(1,000)
Cash and bank balances acquired	1,002
Net outflow of cash and cash equivalents in respect of the acquisition of Guangzhou Tianlang	2

Year ended 31 December 2011

(xi) Acquisition of Guangzhou Tianhe

Pursuant to the relevant sale and purchase agreements entered into between Guangzhou Shengyu and the then shareholder of Guangzhou Tianhe on 13 January 2011 and 17 August 2011, Guangzhou Shengyu acquired in aggregate 99% equity interest of Guangzhou Tianhe with a total consideration of RMB50,490,000. Guangzhou Tianhe is a property development company established in the PRC with limited liability.

The identifiable assets and liabilities of Guangzhou Tianhe as at the date of acquisition were as follows:

	Note	RMB'000
Prepayments, deposits and other receivables		24,482
Cash and bank balances		1,037
Prepaid land lease payments	14	36,386
Other payables and accruals		(10,875)
		51,030
Non-controlling interests		(540)
		50,490
Total consideration satisfied by:		
Cash		15,000
Other payables and accruals		35,490
		50,490

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

	2011
	RMB'000
Cash consideration	(15,000)
Cash and bank balances acquired	1,037
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	13,963

Six months ended 30 June 2013

(xii) Acquisition of Zhuhai Jinwu

Pursuant to the relevant sale and purchase agreement entered into between Guangzhou Shengyu and the then shareholder of Zhuhai Jinwu on 28 December 2012, Guangzhou Shengyu acquired a 51% equity interest of Zhuhai Jinwu for a total consideration of RMB510,000. Zhuhai Jinwu is a property development company established in the PRC with limited liability. The relevant equity transfer registration arrangement was completed in January 2013, from which Zhuhai Jinwu became the subsidiary of the Group.

The identifiable assets and liabilities of Zhuhai Jinwu as at the date of acquisition were as follows:

	Note	2013
		RMB'000
Prepaid land lease payments	14	8,035
Cash and bank balances		6
Other payables and accruals		(7,363)
		678
Non-controlling interests		(168)
		510
Total consideration satisfied by:		
Cash		510

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

	2013
	RMB'000
Cash consideration	(510)
Cash and bank balances acquired	6
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	(504)

Six months ended 30 June 2013

(xiii) Acquisition of Guangzhou Tiansi

Pursuant to the relevant sale and purchase agreement entered into between Guangzhou Junbao and the then shareholder of Guangzhou Tiansi on 22 February 2012, Guangzhou Junbao acquired 100% equity interest of Guangzhou Tiansi for a total consideration of RMB250,500,000. Guangzhou Tiansi is a property development company established in the PRC with limited liability. The relevant equity transfer registration arrangement was completed in March 2013, from which Guangzhou Tiansi became the subsidiary of the Group.

The identifiable assets and liabilities of Guangzhou Tiansi as at the date of acquisition were as follows:

	Note	RMB'000
Prepaid land lease payments	14	298,228
Other payables and accruals		(47,728)
		250,500
Total consideration satisfied by:		
Cash		250,500

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash consideration	(250,500)
Cash and bank balances acquired	–
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	(250,500)

33. DISPOSAL OF SUBSIDIARIES

Six months ended 30 June 2013

During the six months ended 30 June 2013, the Group disposed of Foshan Zhide Wangu and Zhuhai Shengyuan to independent third parties at an aggregate consideration of RMB1,010,000 with details set forth as follows:

	Notes	RMB'000
Net assets disposed of:		
Property, plant and equipment	13	3,311
Inventories		3,611
Prepayments, deposits and other receivables		17,687
Cash and bank balances		4,692
Trade payables		(3,770)
Accruals and other payables		(25,935)
		(404)
Gain on disposal of subsidiaries	5	(1,414)
Satisfied by:		
Cash		1,010

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	RMB'000
Cash consideration	1,010
Cash and bank balances disposed of	(4,692)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	(3,682)

34. CONTINGENT LIABILITIES

(a) As at the end of each of the Relevant Periods, the Group provided guarantees in respect of the mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal together with the accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal titles and possession of the related properties. The Group's guarantee periods start from the dates of grant of the relevant mortgage loans and end upon the issuance of real estate ownership certificates which is generally within one to two years after the purchasers have taken possession of the relevant properties. The amount of guarantees given to banks for mortgage facilities granted to the purchasers of the Group's properties as at the end of each of the Relevant Periods is as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantees in respect of the mortgage facilities for certain purchasers of the Group's properties	1,217,015	1,710,483	3,210,227	3,548,326

The directors consider that in the case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principal together with the accrued interest and penalty, and therefore no provision has been made in the Financial Information for the guarantees.

(b) Pursuant to a note subscription and rights agreement on 28 December 2007 ("Note Subscription Agreement") among Mr. Shum, Ms. Li Yiping, Asiaciti and its holding companies, Renowned Brand Investments Limited, East Profit Management Limited, the Company and a group of independent investors ("Investors"), several Exchangeable Notes were issued by Asiaciti at a consideration of US$200 million in aggregate to the Investors on 8 January 2008. The loan proceeds were subsequently injected as an equity contribution to the Company (note 31 (b)) as its working capital. In connection with the loans provided by the Investors to Asiaciti, the Company unconditionally and irrevocably provided a guarantee to the Investors, as principal obligor and not merely as surety, the due, punctual and complete performance of all obligations of Asiaciti.

The Exchangeable Notes were also secured by various share mortgages whereby, among others, all of the issued share capital of the Company and the direct or indirect offshore subsidiaries of the Company were pledged to the Investors.

Redemption notices were served by the Investors to Asiaciti, the Company and other contractual parties in 2009 and 2011, respectively, regarding the disputes developed among the parties aforesaid over certain provisions of the Note Subscription Agreement.

During the year 2012, certain repayment arrangements ("Repayment Agreements") were entered into among the parties stated above for settling the disputes discussed in preceding paragraph whereby the aggregate repayment amount to the Investors was amended to approximately US$350 million.

Details of the Note Subscription Agreement, the Exchange Notes and the Repayment Agreements with the Investors are described in the section headed "History and Corporate Structure" in the Prospectus.

The initial fair value of the guarantee is not significant, therefore, there was no provision has been made in the Financial Information for the guarantee.

35. PLEDGE OF ASSETS AND SHARES

Details of the Group's assets and shares pledged for the bank and other borrowings, and in connection with a Note Subscription Agreement issued by Asiaciti, the immediate holding company of the Company, are included in notes 29 and 34 (b), respectively, to the Financial Information.

36. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from one to ten years. The terms of the leases generally also required tenants to pay security deposits.

As at the end of each of the Relevant Periods, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	39,785	27,145	37,872	40,588
In the second to fifth years, inclusive	35,881	27,124	62,227	65,928
After five years	74	128	16,556	14,905
	75,740	54,397	116,655	121,421

(b) As lessee

The Group leases certain of the office properties and commercial properties (see (c) below) under operating lease arrangements. Leases for the properties are negotiated for terms ranging from 6 months to 22 years.

At the end of each of the Relevant Periods, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	1,824	4,039	81,592	79,759
In the second to fifth years, inclusive	4,194	2,539	313,311	299,754
After five years	–	–	1,039,002	985,413
	6,018	6,578	1,433,905	1,364,926

(c) Subleasing arrangements

The Group acquired Guangzhou Zhide in December 2012 and commenced its subleasing business through Guangzhou Zhide and its subsidiaries that properties are leased from independent third parties and then refurnished and subleased to external tenants.

Sublease payments to be received

Terms for subleasing to external tenants are negotiated ranging from one to fifteen years. As at the end of each of the Relevant Periods, the Group had total future minimum sublease payments expected to be received under non-cancellable subleasing arrangements with its tenants falling due as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	–	–	69,605	98,028
In the second to fifth years, inclusive	–	–	88,561	127,696
After five years	–	–	14,157	44,367
	–	–	172,323	270,091

37. COMMITMENTS

In addition to the operating lease commitments detailed in note 36 above, the Group had the following capital commitments as at the end of each of the Relevant Periods:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted, but not provided for:				
Leasehold land	1,162,100	872,100	1,466,291	781,622
Properties under development	2,338,653	3,570,302	2,770,273	4,085,844
Acquisitions of subsidiaries	804,924	–	196,598	–
Acquisition of non–controlling interests	–	495,580	495,580	21,990
	4,305,677	4,937,982	4,928,742	4,889,456

In addition, the Group's share of an associate's own capital commitments which are not included above, are as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted, but not provided for:				
Properties under development	23,552	–	–	7,547

38. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances disclosed elsewhere in this report, the Group had the following material transactions with related parties during the Relevant Periods:

	Notes	Year ended 31 December			Six months ended 30 June	
		2010	2011	2012	2012	2013
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)	
Lease of office premises from Guangzhou Times Development Enterprise Group Company Limited and Ms. Li Yi Ping	(i)	971	1,295	1,295	647	647
Sales of properties to Mr. Bai Xihong	(ii)	–	—	1,524	1,524	–
		971	1,295	2,819	2,171	647

Notes:

(i) Guangzhou Times Development Enterprise Group Company Limited ("Times Development Group") is a company controlled by Mr. Shum in year 2010 and by Mr. Cen Jiancai, father of Mr. Shum, from year 2011 onwards. Rates and conditions of the lease are similar to those offered to independent third parties.

(ii) Price of the property sold the Director was made by reference to those offered to independent third parties.

(b) Other transaction with related parties

(i) In year 2012, the Group acquired Zhide Group from certain close family members of Mr. Shum at a consideration of RMB10,000,000 which was based on the then net asset value of Zhide Group. Further details of the transaction are included in note 32 (vi) to the Financial Information.

(ii) Certain related parties of the Group have provided guarantees, in connection with certain bank loans and other borrowings obtained by the Group. Certain bank loans of the Group are also secured by the assets of its related party. Further details of these transactions are included in note 29 (d) to the Financial Information.

(iii) The Group used certain trademarks registered by Times Development Group on a royalty free basis during the Relevant Periods.

(iv) Times Real Estate, a wholly-owned subsidiary of the Company, used and occupied a property with a gross floor area of approximately 111 sq.m. owned by Ms. Li Yiping, the spouse of Mr. Shum, on a rental free basis during the Relevant Periods.

(c) Outstanding balances with related parties

(i) Details of the Group's balances with its associates, and directors are included in notes 23 and 24 to the Financial Information.

(ii) As disclosed in the consolidated statements of financial position, the Group's and the Company's balances with the immediate holding company and the ultimate holding company are unsecured, interest-free and have no fixed terms of repayment.

(d) Compensation for key management personnel (including directors) of the Group:

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Salaries, allowances and benefits in kind	12,997	19,774	17,437	8,242	9,143
Pension scheme contributions	167	223	211	123	121
	13,164	19,997	17,648	8,365	9,264

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

Group

31 December 2010

Financial assets

	Loans and receivables	Available-for-sale financial assets	Total
	RMB'000	RMB'000	RMB'000
Trade receivables	12,576	–	12,576
Financial assets included in prepayments, deposits and other receivables	279,705	–	279,705
Amount due from the ultimate holding company	6	–	6
Amounts due from associates	72,631	–	72,631
Amounts due from directors	11,048	–	11,048
Available-for-sale investments	–	4,100	4,100
Restricted bank deposits	608,813	–	608,813
Cash and cash equivalents	563,389	–	563,389
	1,548,168	4,100	1,552,268

Financial liabilities

	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000
Trade payables	1,564,997	–	1,564,997
Financial liabilities included in other payables and accruals	637,974	149,067	787,041
Interest-bearing bank loans and other borrowings	2,778,394	–	2,778,394
Amount due to a director	95,588	–	95,588
	5,076,953	149,067	5,226,020

31 December 2011

Financial assets

	Loans and receivables	Available-for-sale financial assets	Total
	RMB'000	RMB'000	RMB'000
Trade receivables	18,872	–	18,872
Financial assets included in prepayments, deposits and other receivables	815,503	–	815,503
Amount due from the immediate holding company	11,408	–	11,408
Amount due from the ultimate holding company	5	–	5
Amounts due from associates	60,180	–	60,180
Amounts due from directors	4,000	–	4,000
Available-for-sale investments	–	3,100	3,100
Restricted bank deposits	1,037,539	–	1,037,539
Cash and cash equivalents	565,700	–	565,700
	2,513,207	3,100	2,516,307

Financial liabilities

	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000
Trade payables	2,039,031	–	2,039,031
Financial liabilities included in other payables and accruals	987,804	62,665	1,050,469
Interest-bearing bank loans and other borrowings	4,231,640	–	4,231,640
Amount due to a director	101,489	–	101,489
	7,359,964	62,665	7,422,629

31 December 2012

Financial assets

	Held-to maturity investments	Loans and receivables	Available-for-sale financial assets	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	–	32,546	–	32,546
Financial assets included in prepayments, deposits and other receivables	–	1,209,453	–	1,209,453
Held-to-maturity investments	305,700	–	–	305,700
Amount due from the immediate holding company	–	437,507	–	437,507
Amount due from the ultimate holding company	–	16	–	16
Amounts due from associates	–	63,880	–	63,880
Amounts due from directors	–	3,438	–	3,438
Available-for-sale investments	–	–	3,100	3,100
Restricted bank deposits	–	897,299	–	897,299
Cash and cash equivalents	–	936,446	–	936,446
	305,700	3,580,585	3,100	3,889,385

Financial liabilities

	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000
Trade payables	2,872,646	–	2,872,646
Financial liabilities included in other payables and accruals	1,259,139	62,778	1,321,917
Interest-bearing bank loans and other borrowings	5,676,799	–	5,676,799
Amount due to a director	101,478	–	101,478
	9,910,062	62,778	9,972,840

30 June 2013

Financial assets

	Loans and receivables	Available-for-sale financial assets	Total
	RMB'000	RMB'000	RMB'000
Trade receivables	17,813	–	17,813
Financial assets included in prepayments, deposits and other receivables	405,269	–	405,269
Amount due from the immediate holding company	22,282	–	22,282
Amount due from the ultimate holding company	16	–	16
Amounts due from associates	56,480	–	56,480
Amounts due from directors	–	–	–
Available-for-sale investments	–	12,900	12,900
Restricted bank deposits	1,236,706	–	1,236,706
Cash and cash equivalents	309,909	–	309,909
	2,048,475	12,900	2,061,375

Financial liabilities

	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000
Trade payables	2,930,841	–	2,930,841
Financial liabilities included in other payables and accruals	1,352,594	62,778	1,415,372
Interest-bearing bank loans and other borrowings	5,723,056	–	5,723,056
Amount due to a director	96,885	–	96,885
	10,103,376	62,778	10,166,154

Company

31 December 2010

Financial assets

	Loans and receivables
	RMB'000
Amount due from the ultimate holding company	6
Amounts due from subsidiaries	1,321,209
Amounts due from directors	5,354
Cash and cash equivalents	124
	1,326,693

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Amounts due to subsidiaries	10,960

31 December 2011

Financial assets

	Loans and receivables
	RMB'000
Other receivables	4
Amount due from the immediate holding company	11,408
Amount due from the ultimate holding company	5
Amounts due from subsidiaries	1,259,720
Cash and cash equivalents	262
	1,271,399

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Amounts due to subsidiaries	11,240
Amount due to a director	10,348
	21,588

31 December 2012

Financial assets

	Loans and receivables
	RMB'000
Other receivables	12
Amount due from the immediate holding company	437,507
Amount due from the ultimate holding company	10
Amounts due from subsidiaries	922,852
Cash and cash equivalents	7,356
	1,367,737

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Amounts due to subsidiaries	117,867
Amount due to a director	11,029
	128,896

30 June 2013

Financial assets

	Loans and receivables
	RMB'000
Financial assets included in prepayments, deposits and other receivables	81
Amount due from the immediate holding company	22,282
Amount due from the ultimate holding company	10
Amounts due from subsidiaries	909,793
Cash and cash equivalents	1,023
	933,189

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Amounts due to subsidiaries	140,071
Amount due to a director	7,959
	148,030

40. FAIR VALUE AND FAIR VALUE HIERARCHY

The carrying amounts and fair values of the Group's and the Company's financial instruments are as follows:

Group

	Carrying amounts				Fair values			
	31 December			30 June	31 December			30 June
	2010	2011	2012	2013	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets								
Trade receivables	12,576	18,872	32,546	17,813	12,576	18,872	32,546	17,813
Financial assets included in prepayments, deposits and other receivables	279,705	815,503	1,209,453	405,269	279,705	815,503	1,209,453	405,269
Held-to-maturity investments	–	–	305,700	–	–	–	305,700	–
Amount due from the immediate holding company	–	11,408	437,507	22,282	–	11,408	437,507	22,282
Amount due from the ultimate holding company	6	5	16	16	6	5	16	16
Amounts due from associates	72,631	60,180	63,880	56,480	72,631	60,180	63,880	56,480
Amounts due from directors	11,048	4,000	3,438	–	11,048	4,000	3,438	–
Available-for-sale investments	4,100	3,100	3,100	12,900	4,100	3,100	3,100	12,900
Restricted bank deposits	608,813	1,037,539	897,299	1,236,706	608,813	1,037,539	897,299	1,236,706
Cash and cash equivalents	563,389	565,700	936,446	309,909	563,389	565,700	936,446	309,909
	1,552,268	2,516,307	3,889,385	2,061,375	1,552,268	2,516,307	3,889,385	2,061,375
Financial liabilities								
Trade payables	1,564,997	2,039,031	2,872,646	2,930,841	1,564,997	2,039,031	2,872,646	2,930,841
Financial liabilities included in other payables and accruals	787,041	1,050,469	1,321,917	1,415,372	787,041	1,050,469	1,321,917	1,415,372
Interest-bearing bank loans and other borrowings	2,778,394	4,231,640	5,676,799	5,723,056	2,778,394	4,231,640	5,676,799	5,723,056
Amount due to a director	95,588	101,489	101,478	96,885	95,588	101,489	101,478	96,885
	5,226,020	7,422,629	9,972,840	10,166,154	5,226,020	7,422,629	9,972,840	10,166,154

Company

	Carrying amounts				Fair values			
	31 December			30 June	31 December			30 June
	2010	2011	2012	2013	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets								
Other receivables	–	4	12	81	–	4	12	81
Amount due from the immediate holding company	–	11,408	437,507	22,282	–	11,408	437,507	22,282
Amount due from the ultimate holding company	6	5	10	10	6	5	10	10
Amounts due from subsidiaries	1,321,209	1,259,720	922,852	909,793	1,321,209	1,259,720	922,852	909,793
Amounts due from directors	5,354	–	–	–	5,354	–	–	–
Cash and cash equivalents	124	262	7,356	1,023	124	262	7,356	1,023
	1,326,693	1,271,399	1,367,737	933,189	1,326,693	1,271,399	1,367,737	933,189
Financial liabilities								
Amounts due to subsidiaries	10,960	11,240	117,867	140,071	10,960	11,240	117,867	140,071
Amount due to a director	–	10,348	11,029	7,959	–	10,348	11,029	7,959
	10,960	21,588	128,896	148,030	10,960	21,588	128,896	148,030

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, restricted bank deposits, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amount due to the immediate holding company, amounts due from associates, amounts due from directors, amount due to a director, held-to-maturity investments, available-for-sale investments, interest-bearing bank loans and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

Liabilities measured at fair value as:

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Certain other payables included in other payables and accruals:				
As at 31 December 2010	–	149,067	–	149,067
As at 31 December 2011	–	62,665	–	62,665
As at 31 December 2012	–	62,778	–	62,778
As at 30 June 2013	–	62,778	–	62,778

Assets measured at fair value as:

As at 31 December 2010, 2011 and 2012 and 30 June 2013, the Group's available-for-sale investments (Level 1) and investment properties (Level 2) were measured at fair value.

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial assets of the Group mainly include cash and cash equivalents, restricted bank deposits, trade receivables, financial assets included in prepayments, deposits and other receivables, held-to-maturity investments, an amount due from the immediate holding company, amounts due from associates, amounts due from directors, amounts due from directors and available-for-sale investments. The financial liabilities of the Group mainly include trade payables, financial liabilities included in other payables and accruals, interest-bearing bank loans and other borrowings, and an amount due to a director.

The carrying amounts of the Group's financial instruments approximated to their fair values at the end of each of the Relevant Periods. Fair value estimates are made on a specific point in time and based on relevant market information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgement, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(a) Interest rate risk

The Group has no significant interest-bearing assets. The Group's exposure to changes in market interest rates relates primarily to the Group's bank loans and other borrowings bearing floating interest rates. The Group has not used any interest rate swaps to hedge its interest rate risk.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate.

As at 31 December 2010, December 2011 and December 2012 and 30 June 2013, total borrowings of RMB2,147,938,000, RMB3,152,812,000, RMB3,939,979,000 and RMB4,371,360,000 were with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before income tax (through the impact of floating rate bank loans) during the Relevant Periods. There was no impact on the Group's other equity.

Increase/(decrease) on profit before income tax and properties under development

	Year ended 31 December			Six months ended 30 June	
	2010	2011	2012	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
If 100 basis points decrease in interest rates					
Profit before income tax	5,357	3,653	2,644	3,317	4,164
Properties under development	20,854	24,924	28,052	35,384	28,955
If 100 basis points increase in interest rates					
Profit before income tax	(5,357)	(3,653)	(2,644)	(3,317)	(4,164)
Properties under development	(20,854)	(24,924)	(28,052)	(35,384)	(28,955)

(b) Foreign currency risk

The Group's businesses are located in Mainland China and all transactions are conducted in RMB. Most of the Group's assets and liabilities are denominated in RMB, while certain bank balances are denominated in Hong Kong dollars. The Group has not hedged its foreign exchange rate risk.

(c) Credit risk

The Group has no concentration of credit risk. The Group's cash and cash equivalents and restricted bank deposits are mainly deposited with state-owned banks in Mainland China.

The carrying amounts of cash and cash equivalents, restricted bank deposits, trade receivables, financial assets included in prepayments, deposits and other receivables, held-to-maturity investments, an amount due from the immediate holding company, amounts due from associates, amounts due from directors, and available-for-sale investments included in the consolidated statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets. The Group has no other financial assets which carry significant exposure to credit risk.

The Group has arranged bank financing for certain purchasers of its property units and provided guarantees to secure the obligation of these purchasers for repayments. A detailed disclosure of these guarantees is made in note 34 to the Financial Information.

(d) Liquidity risk

Management of the Group aims to maintain sufficient cash and cash equivalents, and the Group has available funding through an adequate amount of committed credit facilities to meet its construction commitments.

The table below summarises the maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods based on the contracted undiscounted payments.

Group

At 31 December 2010

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	1,564,997	–	–	–	–	1,564,997
Financial liabilities included in other payables and accruals	787,041	–	–	–	–	787,041
Interest-bearing bank loans and other borrowings	–	137,051	549,872	2,304,513	177,154	3,168,590
Amount due to a director	95,588	–	–	–	–	95,588
	2,447,626	137,051	549,872	2,304,513	177,154	5,616,216

At 31 December 2011

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,039,031	–	–	–	–	2,039,031
Financial liabilities included in other payables and accruals	1,050,469	–	–	–	–	1,050,469
Interest-bearing bank loans and other borrowings	–	1,055,274	442,389	3,202,590	126,300	4,826,553
Amount due to a director	101,489	–	–	–	–	101,489
	3,190,989	1,055,274	442,389	3,202,590	126,300	8,017,542

At 31 December 2012

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,872,646	–	–	–	–	2,872,646
Financial liabilities included in other payables and accruals	1,321,917	–	–	–	–	1,321,917
Interest-bearing bank loans and other borrowings	–	1,165,317	2,401,946	2,684,747	62,050	6,314,060
Amount due to a director	101,478	–	–	–	–	101,478
	4,296,041	1,165,317	2,401,946	2,684,747	62,050	10,610,101

At 30 June 2013

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,930,841	–	–	–	–	2,930,841
Financial liabilities included in other payables and accruals	1,415,372	–	–	–	–	1,415,372
Interest-bearing bank loans and other borrowings	–	1,446,321	1,719,438	3,150,347	11,500	6,327,606
Amount due to a director	96,885	–	–	–	–	96,885
	4,443,098	1,446,321	1,719,438	3,150,347	11,500	10,770,704

Company

All the Company's financial liabilities as at the end of each of the Relevant Periods are repayable on demand.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of debt-to-adjusted capital ratio. This ratio is calculated based on net debt and adjusted capital. Net debt is calculated as total interest-bearing bank and other borrowings (as shown in the consolidated statements of financial position) less cash and bank balances (including restricted cash). Adjusted capital comprises all components of equity (i.e., share capital, minority interests and reserves), and the net amount due to a director, the Founder.

The net debt to adjusted equity ratios as at the end of each of the Relevant Periods are as follows:

	31 December			30 June
	2010	2011	2012	2013
	RMB'000	RMB'000	RMB'000	RMB'000
Interest-bearing bank loans and other borrowings *(note 29)*	2,778,394	4,231,640	5,676,799	5,723,056
Less: Cash and bank balances *(note 26)*	(1,172,202)	(1,603,239)	(1,833,745)	(1,546,615)
Net debt	1,606,192	2,628,401	3,843,054	4,176,441
Equity	2,116,967	2,851,037	3,206,113	2,456,235
Add: Amount due to a director, the Founder *(note 24)*	95,588	101,489	101,478	96,885
Adjusted equity	2,212,555	2,952,526	3,307,591	2,553,120
Net debt to adjusted equity ratio	72.6%	89.0%	116.2%	163.6%

42. EVENTS AFTER THE REPORTING PERIOD

(a) On 2 July 2013, Guangzhou Shengyu transferred a 20% equity interest in Guangzhou Nanying to Daye Trust Company Limited (大業信託有限責任公司) in connection with certain loans amounting to RMB500 million. Details of the arrangements are set out in the section headed "History and Corporate Structure" in the Prospectus.

(b) On 12 July 2013, a restructuring deed was entered into among Mr. Shum, Asiaciti, the Group and the Investors to amend and supplement the terms of repayment arrangements agreed in 2011 (note 34 (b)) ("Restructuring Deed"), including but not limited to the payment schedule for the amounts owed but not yet fallen due and the modification of the security given to the Investors. Further details of the Restructuring Deed are set out in the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in the Prospectus.

Payment obligation

Pursuant to the terms of the Restructuring Deed, upon repayment of the first two instalments totalling approximately US$73 million, partial debts approximately amounting to US$86 million owed to the Investors by Asiaciti under the Restructuring Deed were assigned to the Company (the "Novation"), as a result of which, the Company would be liable to make payment to the Investors, by three instalments with the amount of US$24.3 million, US$31.7 million and US$30.0 million on 15 January 2014, 15 March 2014 and 15 May 2014, respectively.

The Group recorded the payable to the Investors of approximately US$86 million in its consolidated financial statements in September 2013.

Release of guarantee and share mortgages

Pursuant to the Restructuring Deed, assuming the payment obligation of approximately US$86 million as aforesaid, the Company will cease to be the guarantor of the performance of all obligations of Asiaciti (as disclosed in note 34 (b)) under the Repayment Agreements and the Restructuring Deed.

Upon completion of a Qualifying Listing as defined in the Restructuring Deed and detailed in the section headed "History and Corporate Structure" in the Prospectus, all share mortgages created over the shares in the issued share capital of the Company and the direct or indirect offshore subsidiaries of the Company and all the security interests created thereby, as disclosed in note 34 (b), will be discharged and released with immediate effect.

(c) In order to facilitate the Novation, a dividend of approximately US$70.2 million was declared by the Company out of its distributable reserves to Asiaciti on 16 September 2013.

(d) On 11 November 2013, Guangzhou Shengyu transferred a 100% equity interest in Guangzhou Zhuorui to Zhongrong International Trust (中融國際信托有限公司) in connection with certain loans amounting to RMB450 million by Zhuhai Jiayu, in which Guangzhou Zhuorui acquired 40% equity interest from Guangzhou Shengyu. Details of the arrangements are set out in the section headed "History and Corporate Structure" in the Prospectus.

(e) Pursuant to the written resolution dated 19 November 2013, authorized share capital of the Company was increased from HK$380,000 to HK$1,000,000,000.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company or any of its subsidiaries in respect of any period subsequent to 30 June 2013.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

The information sets out in this Appendix does not form part of the Accountants' Report prepared by Ernst & Young, Certified Public Accountants, Hong Kong, the reporting accountants of our Company, as set out in Appendix I to this prospectus, and is included herein for information only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set out in Appendix I to this prospectus.

A UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative statement of our unaudited pro forma adjusted consolidated net tangible assets of the Group which has been prepared in accordance with paragraph 4.29 of the Listing Rules for the purpose of illustrating the effect of the Global Offering as if it had taken place on 30 June 2013 and based on our audited consolidated net tangible assets as of 30 June 2013, as shown in the Accountants' Report, the text of which is set out in Appendix I and is adjusted as detailed below:

The unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only and, because of its nature, it may not give a true and fair picture of the financial position of the Group after the completion of the Global Offering or at any future dates.

	Audited consolidated net tangible assets of our Group attributable to owners of our Company as of 30 June 2013	Estimated net proceeds from the Global Offering	Unaudited adjusted net tangible assets of our Group	Unaudited pro forma adjusted net tangible assets per Share	
	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	(RMB)	(HKD)
Based on an Offer Price of HK$3.20 per Share .	2,437,602	1,001,957	3,439,559	2.00	2.53
Based on an Offer Price of HK$4.50 per Share .	2,437,602	1,444,278	3,881,880	2.25	2.85

Notes:

(1) Our audited consolidated net tangible assets as at 30 June 2013 is extracted from the Accountants' Report set out in Appendix I which is equal to the audited consolidated net assets attributable to owners of our Company of RMB2,437,602,000 as of 30 June 2013. If the dividend declaration as of 16 September 2013 in favor of Asiaciti Enterprises in the amount of US$70,219,919.81 (equivalent to approximately RMB431,485,000) to offset the amounts owing by Asiaciti Enterprises to our Company (details of which are disclosed in the section entitled "Financial Information — Indebtedness and Contingent Liabilities — Exchangeable Notes and Restructuring Deed") had been made before 30 June 2013, our consolidated net tangible assets attributable to owners of our Company would have been approximately RMB2,006,117,000.

(2) The forecast net proceeds from the Global Offering are based on an indicative Offer Price of HK$3.20 to HK$4.50 per Share, being the low end and high end of the stated Offer Price range, after deduction of the underwriting fees and related expenses payable by our Company. The estimated net proceeds are converted into RMB at the rate of HK$1=RMB0.79. No representation is made that the Renminbi amounts have been, could have been or could be converted to Hong Kong dollars, or vice versa, at the rates or at any other rates or at all.

(3) The unaudited pro forma adjusted net tangible assets per Share has been arrived at after making the adjustment referred to in this section above and on the basis that 1,722,960,000 Shares are in issue immediately following the completion of the Global Offering (assuming no exercise of the Over-allotment Option and the Share Option Scheme), and without taking account of any Shares which may be issued or repurchased by us pursuant to the general mandates granted to our Directors for the allotment and issue or purchase of Shares as referred to in the section entitled "Share Capital" in this prospectus.

(4) No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2013.

B. INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from our reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for the purposes of incorporation in this Prospectus, in respect of the pro forma financial information of the Group.

To the Directors of Times Property Holdings Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Times Property Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated net tangible assets as at 30 June 2013 and related notes as set out on Appendix II to the Prospectus issued by the Company (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in Section A of Appendix II.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 30 June 2013 as if the transaction had taken place at 30 June 2013. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the period ended 30 June 2013, on which an accountant's report has been published.

Directors' responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountant's responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information, in accordance with paragraph 4.29 of the Listing Rules and with reference to AG7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Certified Public Accountants
Hong Kong
29 November 2013

The following is the text of a letter, summary of valuations and valuation certificates prepared for the purpose of incorporation in this Prospectus received from DTZ Debenham Tie Leung Limited, an independent property valuer, in connection with its opinion of value of the property interests of the Company as at 30 September 2013.

16th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

29 November 2013

The Directors
Times Property Holdings Limited
Level 36, Times Property Center
Nos. 410 to 412 Dongfeng Road
Yuexiu District, Guangzhou
Guangdong Province, the PRC

Dear Sirs,

1. Instructions, Purpose & Date of Valuation

In accordance with your instructions for us to value the property interests of Times Property Holdings Limited (referred to as the "Company") and its subsidiaries (together referred to as the "Group") in the People's Republic of China (the "PRC") (as more particularly described in the attached valuation certificates), we confirm that we have inspected the properties, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the values of such property interests as at 30 September 2013.

2. Definition of Market Value

Our valuation of each of the properties represents its market value which in accordance with The HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors is defined as "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

3. Valuation Basis and Assumptions

In valuing the properties, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities published by The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors.

Our valuations exclude any estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

In the course of our valuation of the properties in the PRC, we have relied on the information and advice given by the Group regarding the title to each of the properties and the interests of the Group in the properties. In valuing the properties, we have assumed that the Group has an enforceable title to each of the properties and has free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired land use term as granted.

In respect of the properties situated in the PRC, the status of titles and grant of major certificates approvals and licenses, in accordance with the information provided by the Group are set out in the notes of the respective valuation certificate.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the properties nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

4. Method of Valuation

In valuing the properties in Groups I and V, which are held by the Group for investment and are leased and sub-let by the Group in the PRC respectively, we have valued either on the basis of capitalization of net income derived from the existing tenancies with allowance for the reversionary income potential of the properties or by reference to comparable market transactions.

In valuing the properties in Group II, which are properties held by the Group for sale in the PRC, we have used the direct comparison approach assuming sale of each of these properties in its existing state with the benefit of vacant possession by making reference to comparable sales transactions as available in the relevant market.

In valuing the properties in Groups III and IV which are held by the Group under construction or for future development in the PRC, we have valued on the basis that each of these properties will be developed and completed in accordance with the Group's latest development proposals provided to us (if any). We have assumed that all consents, approvals

and licences from relevant government authorities for the development proposals have been obtained without onerous conditions or delays. We have also assumed that the design and construction of the development are in compliance with the local planning regulations and have been approved by the relevant authorities. In arriving at our opinion of value, we have adopted the direct comparison approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the expended construction costs and the costs that will be expended to complete the development to reflect the quality of the completed development. The "market value when completed" represents our opinion of the aggregate selling prices of the development assuming that it were completed as at the date of valuation.

In valuing the properties in Group VI, which are leased and occupied by the Group in the PRC, we consider that the properties have no commercial value due mainly to the prohibition against assignment and subletting or otherwise to the lack of substantial profit rents.

The valuation methodology used in the valuation of each property is commonly adopted in valuing similar type of property.

5. Sources of Information

We have been provided by the Group with extracts of documents in relation to the titles to the properties. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us.

In the course of our valuation, we have relied to a very considerable extent on the information given to us by the Group and its legal adviser, Commerce & Finance Law Offices (北京市通商律師事務所) regarding the title to each of the properties and the interests of the Group in the properties in the PRC and have accepted advice given by the Group on such matters as planning approvals or statutory notices, easements, tenure, identification of land and buildings, completion date of buildings, number of car parking spaces, particulars of occupancy, site and floor areas, interest attributable to the Group and all other relevant matters.

Dimensions, measurements and areas included in the valuation certificates are based on information provided to us and are therefore only approximations. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuations. We were also advised by the Group that no material facts have been omitted from the information provided.

6. Title Investigation

We have been provided with extracts of documents relating to the titles of the properties in the PRC, but no searches have been made in respect of the properties. We have not searched the original documents to verify ownership or to ascertain any amendment which may not appear on the copies handed to us. We are also unable to ascertain the title of the properties in the PRC and we have therefore relied on the advice given by the Group and its legal adviser regarding the Group's interests in the PRC properties.

7. Site Inspection

We have inspected the exterior and, whenever possible, the interior of the properties in 2013. However, we have not carried out investigation on site to determine the suitability of the soil conditions and the services etc. for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary costs or delays will be incurred during the construction period. No structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the properties are free of rot, infestation or any other structural defects. No tests were carried out to any of the services. Unless otherwise stated, we have not been able to carry out on-site measurements to verify the site and floor areas of the properties and we have assumed that the area shown on the documents handed to us are correct.

8. Currency & Exchange Rates

Unless otherwise stated, all sums stated in our valuations are in Renminbi, the official currency of the PRC.

We enclose herewith a summary of our valuations and our valuation certificates.

Yours faithfully,
for and on behalf of
DTZ Debenham Tie Leung Limited
Andrew K.F. Chan
Registered Professional Surveyor (GP)
Registered China Real Estate Appraiser
MSc., M.H.K.I.S., M.R.I.C.S.
Senior Director

Note: Mr. Andrew K. F. Chan is a Registered Professional Surveyor who has over 26 years of experience in the valuation of properties in the PRC.

SUMMARY OF VALUATIONS

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
Group I – Property held by the Group for investment in the PRC				
1.	Major portion of Times Property Center, Nos. 410 to 412 Dongfeng Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區東風路410至412號時代地產中心大部份	1,580,000,000	100	1,580,000,000
	Sub-total of Group I:	**1,580,000,000**		**1,580,000,000**
Group II – Properties held by the Group for sale in the PRC				
2.	Unsold portion of Times Peanut, No. 35 Yinli Street, Shahe, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區沙河銀利街35號時代花生雅苑未售部份	4,300,000	100	4,300,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
3.	Unsold portion of Times Deconstruction, Baiyun Avenue, Baiyun District, Guangzhou City Guangdong province, the PRC 中國廣東省廣州市白雲區 白雲大道時代玫瑰園 未售部份	32,500,000	100	32,500,000
4.	Unsold portion of Phases 1 and 2 of Ocean Times (Guangzhou), Shaxi Village, Dashi Town, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 大石鎮沙溪村 時代南灣(廣州)一期及二期 未售部份	176,000,000	100	176,000,000
5.	Unsold portion of Phases 1 and 2 of Times King City (Zengcheng), Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區 時代傾城(增城)一期及二期 未售部份	236,000,000	100	236,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
6.	Unsold portion of Phases 1 to 3 of Foshan Times Sweet House (Jinshazhou), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區 佛山時代 • 糖果社區(金沙洲) 一期至三期 未售部份	707,000,000	100	707,000,000
7.	Unsold portion of Times King City (Foshan), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區 時代傾城(佛山) 未售部份	290,000,000	100	290,000,000
8.	Unsold portion of Times Yiyun (Foshan), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區 依雲小鎮(佛山) 未售部份	220,000,000	100	220,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
9.	Unsold portion of Phases 1 to 3 Portion Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 時代城(佛山)一期至三期部份 未售部份	215,000,000	100	215,000,000
10.	Unsold portion of Times Mont Blanc (Zhongshan), West District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市西區 時代白朗峰(中山) 未售部份	61,000,000	100	61,000,000
11.	Unsold portion of Phases 1 to 3 of Times Eolia City (Zhuhai), Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區 時代 • 山湖海(珠海)一期至三期 未售部份	1,532,000,000	100	1,532,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
12.	The unsold portion of Zhuhai Times Laguna, east side of Daishan Road and south side of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側、金雞路南側珠海時代廊橋未售部份	19,600,000	100	19,600,000
	Sub-total of Group II:	**3,493,400,000**		**3,493,400,000**

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
Group III – Properties held by the Group under development in the PRC				
13.	The under construction development known as Times Peanut II Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 時代 • 花生 II在建項目	1,333,000,000	70	933,100,000
14.	The under construction development known as Phases 1 to 2 of Times Bund (Guangzhou), Shaxi Village, Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村 時代外灘(廣州)一期至二期 在建項目	2,597,000,000	99	2,571,030,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
15.	The under construction development known as Times King City (Guangzhou), No. 8 Nancun East Road, Nancan Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區南村鎮南村東路8號時代傾城(廣州)在建項目	1,838,000,000	100	1,838,000,000
16.	The under construction development known as Phases 3 to 7 of Ocean Times (Guangzhou), Gangqian Avenue Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區港前大道時代南灣(廣州)三期至七期在建項目	2,016,000,000	100	2,016,000,000
17.	The under construction development known as Times Cloud Altas (Foshan), Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區時代雲圖(佛山)在建項目	1,001,000,000	100	1,001,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
18.	The under construction development known as Phase 3 Portion of Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 時代城(佛山)三期部份 在建項目	1,102,000,000	100	1,102,000,000
19.	The under construction development known as Phases 1 to 4 of Times King City (Zhongshan), Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 時代傾城(中山)一期至四期 在建項目	1,885,000,000	100	1,885,000,000
20.	The under construction development known as Zhuhai Jingrun Project (Phase 4 of Times Eolia City), Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區 珠海景潤項目 (時代 • 山湖海四期) 在建項目	765,000,000	100	765,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
21.	The under construction development known as Phases 1 to 3 of Zhuhai Pingsha Project, Pingsha Town Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區平沙鎮 珠海平沙項目一期至三期 在建項目	197,000,000	100	197,000,000
22.	The under construction development known as Phase 1 of Zhuhai Guoji Project, Baiji Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮 珠海國基項目一期 在建項目	138,000,000	100	138,000,000
23.	The under construction development known as Phases 1 to 2 of Times King City (Qingyuan), Changpu Village, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區長埔村 時代傾城(清遠)一期至二期 在建項目	697,000,000	100	697,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
24.	The under construction development known as Phase 1 of Fogang Shilian Project, Shilian Village, Shijiao Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市佛岡區石角鎮石聯村佛岡石聯項目一期在建項目	753,000,000	100	753,000,000
25.	The under construction development known as Phase 1 of Times King City (Changsha), Jinxing Bei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區金星北路時代傾城(長沙)一期在建項目	840,000,000	100	840,000,000
	Sub-total of Group III:	**15,162,000,000**		**14,736,130,000**

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
Group IV – Properties held by the Group for future development in the PRC				
26.	Development site for the proposed development known as Phase 3 of Times Bund (Guangzhou), Panyu District, Shaxi Village, Dashi Town, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村 時代外灘(廣州)三期 待建項目土地	204,000,000	99	201,960,000
27.	Development site for the proposed development known as Guangzhou Tianhe Project, Helongyi Road, Baiyu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區 鶴龍一路廣州天合項目 待建土地	35,000,000	100%	35,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
28.	Development site for the proposed development known as Guangzhou Tiansi Project, Wahzhou Road, Haizhu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市海珠區 華洲路廣州天斯項目 待建土地	No commercial value	70%	No commercial value
29.	Development site for the proposed development known as Guangzhou Wuyang Paint Factory Project, Huangyuen Road, Baiyu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路 廣州五羊油漆廠項目 待建土地	446,000,000	50%	223,000,000
30.	Development site for the proposed development known as Phases 4 to 7 of Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 時代城(佛山)四期至七期 待建項目土地	411,000,000	100	411,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
31.	Development site for the proposed development known as Foshan Fengrui Project, Shishan Town, Nanhai District Foshan City, Guangdong Province, the PRC 中國廣東省佛山南海區 獅山鎮佛山豐睿項目 待建項目土地	No commercial value	50	No commercial value
32.	Development site for the proposed development known as Times King City (Zhuhai), Baiji Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區 白蕉鎮時代傾城(珠海) 待建項目土地	No Commercial Value	100	No Commercial Value
33.	Development site for the proposed development known as Phases 3 to 6 of Times King City (Qingyuan), Changpu Village, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區長埔村 時代傾城(清遠)項目三期至六期 待建項目土地	539,000,000	100	539,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
34.	Development site for the proposed development known as Phase 2 of Fogang Shilian Project, Shilian Village, Shijao Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市佛岡區 石角鎮石聯村 佛岡石聯項目二期 待建項目土地	719,000,000	100	719,000,000
35.	Development site for the proposed development known as Fogang Huanghua Lake Project, Huanghua Lake Area, Tangtang Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市佛岡區 湯塘鎮黃花湖 佛岡黃花湖項目 待建項目土地	987,000,000	100	987,000,000

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
36.	Development site for the proposed development known as Phases 2 to 6 of Times King City (Changsha), Jinxing Bei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區金星北路時代傾城(長沙)二期至六期待建項目土地	2,115,000,000	100	2,115,000,000
37.	Development site for the proposed development known as Zhongshan Shiqi Project, Xishadong, Shiqi District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市石岐區細沙東中山石岐項目待建土地	No commercial value	100%	No commercial value
	Sub-total of Group IV:	**5,456,000,000**		**5,230,960,000**

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
Group V – Properties leased and sub-let by the Group in the PRC				
38.	A building situated at No. 88 Helian Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴聯路88號一幢樓宇	No commercial value	100	No commercial value
39.	The land and building occupied by Mawujinshi Hardware Factory, Shizhuling Road, Baiyun District, Guangzhou City Guangdong Province, the PRC 中國廣東省廣州市白雲區石柱嶺路段馬務精飾五金廠土地及建築物	No commercial value	100	No commercial value
40.	Complex Building No. 3, Shizhucen Avenue, west of Mawu Industrial District, Baiyun District, Guangzhou City Guangdong Province, the PRC 中國廣東省廣州市白雲區馬務工業區西側石柱岑大街3號綜合樓	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
41.	A building situated at No. 2 Helongyi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴龍一路2號建築物	9,400,000	100	9,400,000
42.	Buildings situated at No. 176 and 178 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路176及178號建築物	No commercial value	100	No commercial value
43.	Buildings situated at No. 168, 170 and 172 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路168、170及172號建築物	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
44.	Yuanjing Building, No. 14 Yuanjing Road, Tangjing Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 棠景街遠景路14號遠景大廈	8,000,000	100	8,000,000
45.	Levels 3, 4 and 5 of Neighborhood Committee Office Building, No. 37 Tangxiazhong Street, Tangxia Village, Tangjing Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 棠景街棠下村棠下中街37號 居委會辦公樓三、四及五層	No commercial value	100	No commercial value
46.	Blocks D, E, F and H of Commercial Street, Tangjing Road, Tangxia, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 棠下棠景路段商業街 D幢、E幢、F幢及H幢	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
47.	Block B, No. 169 to 171 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路169-171號B幢	No commercial value	100	No commercial value
48.	Block A, No. 35 Tangxiasouth Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠下南街35號A幢	No commercial value	100	No commercial value
49.	Levels 1 and 2 of a building, No. 108 Airport Xixinyi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區機場西心誼路108號第一及第二層	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
50.	Block Nos. 10 and 11 of Times Garden, No. 73 Shuibian Street, Sanyuanli Avenue, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區三元里大道水邊街73號時代花園10及11號樓	No commercial value	100	No commercial value
51.	Buildings situated at Nos. 100, 102 and 152 of Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路100號、102號及152號建築物	No commercial value	100	No commercial value
52.	Buildings of Mawu Lianhe Industrial District, Huangyuan Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路馬務聯和工業區建築物	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
53.	Complex building at Mawu Lianhe Industrial District, Huangyuan Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路馬務聯和工業區綜合樓	No commercial value	100	No commercial value
54.	Buildings situated at No. 23 Yiheng Road, Dongpu Main Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區東圃大馬路一橫路23號建築物	36,800,000	100	36,800,000
55.	A parcel of land situated at No. 88 Helian Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴聯路88號地塊	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
56.	A parcel of land situated at No. 2 He Lung Yi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴龍一路2號地塊	No commercial value	100	No commercial value
	Sub-total of Group V:	**54,200,000**	**100**	**54,200,000**

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
Group VI – Properties leased and occupied by the Group in the PRC				
57.	Retail Unit No. 1, No. 51 Jingli Street, Airport West Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 機場西路景麗街51號1號商舖	No commercial value	100	No commercial value
58.	Room 504 Lixian Pavilion, Zhujiang Garden, Lopu Street, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區洛浦街 珠江花園麗賢閣504房	No commercial value	100	No commercial value
59.	Room G on Level 19, Fuxing Pavilion, Zhujiang Garden, Shaxi Avenue, Shaxi Village, Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村沙溪大道 珠江花園富興閣19樓G室	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
60.	Room 2201 on Level 22, Huayuan Pavilion, Zhujiang Garden, Shaxi Avenue, Shaxi Village, Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村沙溪大道 珠江花園華苑閣22樓2201房	No commercial value	100	No commercial value
61.	Room 1504 of Donghuajin Block No. 1, Cow Street, Xuanwu District, Beijing City, the PRC 中國北京市宣武區牛街 東華金座1號樓1504室	No commercial value	100	No commercial value
62.	Room 1903 of Unit 6 on Level 16, Blocks Nos. 1 to 5, Yard 6 of Caishikou Main Street, Xicheng District, Beijing City, the PRC 中國北京市西城區 菜市口大街六號院1-5幢 16層 6單元1903房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
63.	Room 1701 Unit 5 on Level 14, Residential Block Nos. 2 to 3, Lot No. 2 of Dongnanjiadajiweigai Community, Caishikou Street, Xicheng District, Beijing City, the PRC 中國北京市西城區 菜市口街東南角 大吉危改社區2號地 2-3號住宅樓14層5單元1701房	No commercial value	100	No commercial value
64.	Levels 1 to 6, Block C, No. 208 of Sihezhuang, Hongwei Village, Jiulong Town, Luogang District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市蘿崗區九龍鎮 紅衛村泗和莊208號C幢1至6層	No commercial value	100	No commercial value
65.	Room 502, Block No. 2, Times King City, No. 3 South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區 增江大道南3號時代傾城2幢502房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
66.	Unit 24 of Block No. 2, Nongmao Market, Licheng East District, No. 1 Yihuang Road, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區荔城鎮 一環路一號荔城東區農貿市場 第二幢24號單元	No commercial value	100	No commercial value
67.	Room 303, No. 8 Southnorthheda Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北合大街8號303房	No commercial value	100	No commercial value
68.	Room 302, No. 5 Nanbeitaidongfa Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北台東發街5號302房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
69.	Room 2601 to 2602, No. 410 Dongfengzhong Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區 東風中路410號2601至2602房	No commercial value	100	No commercial value
70.	Room 2501, No. 6 Huhai Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 湖海街6號2501房	No commercial value	100	No commercial value
71.	Room 302, Block 9, Dongfa Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 東發街9號樓302房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
72.	Room 302, Block 7, Lane 2 of Nanbeitai Main Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北台大街二巷7號樓302房	No commercial value	100	No commercial value
73.	Room 1 on Level 3 and Rooms 1 to 2 on Level 2, the Original Nanbehe School, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北合原學校2樓 第1至2號房及3樓第1號房	No commercial value	100	No commercial value
74.	A residential unit of a building situated at No. 21 Hewu Northeast Street, Tonghe Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 同和街何屋北東街21號 一幢建築物的一個住宅單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
75.	Buildings situated at No. 78 Qianshan Daishan Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區前山岱山路78號建築物	No commercial value	100	No commercial value
76.	A unit of a building situated at No. 9 Jinhua Road, Shunde District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市順德區金華路9號一處建築物的一個單元	No commercial value	100	No commercial value
77.	Room 308, Block 6, Phase 1 of Times Laguna Garden, No. 21 Xiqing Avenue, Xinan Street, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區西南街道西青大道21號時代廊橋花園一期六座308號房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
78.	Room 610, Block 9, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期9座610房	No commercial value	100	No commercial value
79.	Room 204, Block 6, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期6座204房	No commercial value	100	No commercial value
80.	Room 705, Block No. 3, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期3座705房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
81.	Room 603, Block No. 9, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期9座603房	No commercial value	100	No commercial value
82.	Retail Unit No. 2508A, No. 26 Gongzhen Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區 公正路26號2508A號鋪	No commercial value	100	No commercial value
83.	Room 521, Block C1, Shanghui Yuan, Chaoanbei Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區 朝安北路尚輝苑C1座521房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
84.	Room 8A, Block 1, Hengfu International Apartment, junction of Lianjiang Road and Banhuanbei Road Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區連江路與半環北路交匯處恒福國際公館1幢8A	No commercial value	100	No commercial value
85.	Room 602, East ladder, Staff Dormitory of Press Council, District No. 16 of New Town, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市新城16號區報社職工宿舍東梯602房	No commercial value	100	No commercial value
86.	Room 10F, Block B of Shangjingfeng, junction of Lianjiang Road and Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區連江路與人民二路交匯處尚景峰B幢10F室	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
87.	Basement carpark No. 47 and room 1706 of Block A, Jinjianghao Garden No. 2 Yanjiangyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區沿江一路2號錦江豪苑A6幢1706房及地下第47號車位	No commercial value	100	No commercial value
88.	Unit 719, Hengfushangyu International Apartment, Renminyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路恒福上域國際公寓719單元	No commercial value	100	No commercial value
89.	Unit 2021 of Hengfushangyu International Apartment, Renminyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路恒福上域國際公寓2021單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
90.	Unit 04, Level 8, Ladder 3, Block 1, Dongchengyufeng, Dongchengfengcheng Avenue Central, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區 東城鳳城大道中東城御峰 一座三梯8層4單元	No commercial value	100	No commercial value
91.	Unit 6, Level 6, Ladder 3, Block 1, Dongchengyufeng, Dongchengfengcheng Avenue Center, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區 東城鳳城大道中東城御峰 一座三梯6層6單元	No commercial value	100	No commercial value
92.	Level 8, Zhuoyue Tower, 23 Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區 人民二路23號卓越大廈8層	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
93.	Room 805, Level 8, Excellence Tower, No. 23 Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區 人民二路23號卓越大廈8樓 805號室	No commercial value	100	No commercial value
94.	Room 406, Level 4 Enterprise Building, No. 308 Qiaohubei Road, Baijiao Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮 橋湖北路308號企業大廈4樓406室	No commercial value	100	No commercial value
95.	Room 602, Unit 4 of Zhuoshenyaxuan Block No. 1, Meiping District No. 7, Pingsha Town, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市平沙鎮 美平七號區卓勝雅軒 1幢4單元602房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
96.	Room 202, Unit 2 of Zhuoshenyaxuan Block No. 2, Meiping District No. 7, Pingsha Town, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市平沙鎮 美平七號區卓勝雅軒 2幢2單元202房	No commercial value	100	No commercial value
97.	Retail Units, Block 1 of Aegean Hotel, north of Shengping Avenue, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區 平沙鎮升平大道北側 愛琴海酒店1號樓商鋪	No commercial value	100	No commercial value
98.	Room 320 of a factory building, No. 336 Shengping Avenue East, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區平沙鎮 升平大道東336號廠房320室	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
99.	South Complex Building of Benma Motor Testing and Maintenance Company, Jiner Road, Xihu Development District, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區西湖開發區金二路奔馬機動車檢測維修公司綜合南樓	No commercial value	100	No commercial value
100.	Room 101, Block No. 2 of Renmin Government Yard, Baijiao Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮人民政府大院2號樓101室	No commercial value	100	No commercial value
101.	Retail Units on Level 2, Block 2 of Commercial Center District B, Hongqiaosi Road, Baijiao Technology Park, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科技園虹橋四路商業中心B區2幢二樓商鋪	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
102.	Room 601 of Unit 1, Block No. 1, No. 18 Hongqiaosi Road, Baijiao Technology Park, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科 技園虹橋四路18號1幢1單元601房	No commercial value	100	No commercial value
103.	Room 201, Block No. 10 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 沙溪大道與寶珠路交匯處 金逸豪庭10幢201房	No commercial value	100	No commercial value
104.	Room 703, Block No. 13 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 沙溪大道與寶珠路交匯處 金逸豪庭13幢703房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
105.	Room 901, Block No. T2 of Lanpowanhaoting, Lanbo Road, west District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市西區藍波路 藍波灣豪庭T2幢901房	No commercial value	100	No commercial value
106.	Room 3A02, Block No. 11 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 沙溪大道與寶珠路交匯處 金逸豪庭11幢3A02房	No commercial value	100	No commercial value
107.	Room 3A02, Block E21 of Huixingtai, No. 10 Qiquanxi Road, East District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市東區 岐關西路10號 匯星台E21幢3A02房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
108.	Room 1708, Block 8 of Zhongxinzuoan, junction of Boai Road and National Highway No. 105, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 博愛路與105國道交匯處 中信左岸8幢1708房	No commercial value	100	No commercial value
109.	Retail Unit No. 1063, Block 17 of Jinyihaoting, No. 1 Xinhao Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮 新濠路1號金逸豪庭 17幢1063號商舖	No commercial value	100	No commercial value
110.	Unit Nos. 2 to 4 on Level 15, Block A2, Phase 3 of Shengjing Garden, Zhongshansi Road, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市中山四路 盛景園三期A2幢十五層2-4單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
111.	Room 716 of Waimaoqinggong Building, No. 1002 Aiguo Road, Luohu District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市羅湖區愛國路1002號外貿輕工大廈716室	No commercial value	100	No commercial value
112.	Room 210 on Level 2, No. 22 Lujingyi Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區綠景一路22號二層210房	No commercial value	100	No commercial value
113.	Room 211 on Level 2, No. 22 Lujingyi Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區綠景一路22號二層211房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
114.	Room 3208, Block 1 of Yongqixijing, No. 383 Jinxing Center Road, Yuelu District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市岳麓區 金星中路383號永祺西京1幢3208室	No commercial value	100	No commercial value
115.	Unit 303, Block 25 of Rose Garden, Section 3 of Jinxingbei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區 金星北路三段玫瑰園25幢 303單元	No commercial value	100	No commercial value
116.	Room 1-1103, Block 1 of Yuehuajiayuan Community, Yinshan Road, Guanshalin Street, Yuelu District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市 岳麓區觀沙嶺街道銀杉路 岳華嘉園社區1幢1-1103房	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
117.	Meiguiyuan Community Hall, No. 208 of Section 3 of Jinxing Avenue, Xingchen Town, Wancheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區星辰鎮金星大道3段208號玫瑰園社區會堂	No commercial value	100	No commercial value
118.	Unit 1107, No. 317 Yuexiu North Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區越秀北路317號1107號單元	No commercial value	100	No commercial value
119.	Units 603 and 604, No. 7 Yingxixing Street, Wenming Road Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區文明路迎思星街7號603及604房	No commercial value	100	No commercial value
120.	A parcel of land situated at No. J2J3J4 of Nanbeitai Old Quarry, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區J2J3J4號地塊	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
121.	Room 208, Unit 1, Block 16, Baoli Garden, Guicheng Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區桂城街道保利花園16幢1號單元208房	No commercial value	100	No commercial value
122.	Units 1, 2 and 9, Block 1 of AIA Commercial Centre, No. 1 Denghu East Road, Guichengqi Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區桂城街道燈湖東路1號友邦金融中心1座第1、2及9單元	No commercial value	100	No commercial value
123.	Room 1102, Block 3, Phase 2 of Times Candy, Liheng Road, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區里橫路時代糖果二期3幢1102室	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
124.	Room C6-810, Shanghui Garden, Chaoan North Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區朝安北路尚輝苑C6-810房	No commercial value	100	No commercial value
125.	Room 1205, Block 1 of Shanghui Garden, Chaoan North Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區朝安北路尚輝苑一座1205房	No commercial value	100	No commercial value
126.	A parcel of land situated at Times Road, Dongcheng Street, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區東城街道時代路地塊	No commercial value	100	No commercial value
127.	A building situated at west of Times Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區時代路西側一幢樓宇	No commercial value	100	No commercial value

Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
	RMB	%	RMB
128. Room 301, Block 4 of Nantian New Estate, Beihu First Road, Luocun Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區羅村街道北湖一路藍天新苑4幢301房	No commercial value	100	No commercial value
129. A unit situated at Fugang Coast Garden, No. 3 South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區增江大道南3號富港水岸花園一個單元	No commercial value	100	No commercial value
130. Unit 501, No. 1 of Street 1 of Country Garden Li Garden, South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區增江大道南碧桂園荔園一街1號501號	No commercial value	100	No commercial value
131. A unit situated at Nanxing Garden, Nancan Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區南村鎮南興花苑一個單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
132.	Unit 902, No. 3 of Street No. 7 of Country Garden Cuipanxuan, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區碧桂園翠畔軒七街3號902單元	No commercial value	100	No commercial value
133.	A unit situated at No. 1996 Guangzhou Avence North, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區廣州大北1996號一個單元	No commercial value	100	No commercial value
134.	Unit 1906, Hengfushangyu International Apartment, junction of Renmen First Road and Guangming North Road, Qingcheng District Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路與光明北路的交匯處恒福上域國際公寓1906單元	No commercial value	100	No commercial value
135.	Unit 1008, Lijing Haoting, No. 1 Fengxiang Avenue, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區鳳翔大道一號麗晶豪庭1008單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
136.	Room 403, Block 7, Jinghua Holiday Bay, North of Shengping Avenue, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區平沙鎮升平大道北側京華假日灣7幢403房	No commercial value	100	No commercial value
137.	Unit 903, Block 14, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側金雞路南側珠海時代廊橋14幢903單元	No commercial value	100	No commercial value
138.	Unit 405, Block 17, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側金雞路南側珠海時代廊橋17幢405單元	No commercial value	100	No commercial value
139.	Unit 1203, Block 15, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側金雞路南側珠海時代廊橋15幢1203單元	No commercial value	100	No commercial value

	Property	Market value in existing state as at 30 September 2013	Interest attributable to the Group	Market value in existing state attributable to the Group as at 30 September 2013
		RMB	%	RMB
140.	Unit 304, Block 8, Xuri Huating, No. 625 Qiaohunan Road, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區橋湖南路625號旭日華廷8幢304單元	No commercial value	100	No commercial value
141.	Room 707 of Unit 2, Block 18, Rongtai Heting, No. 515 Jinji Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區金雞路515號榮泰河庭18幢2單元707房	No commercial value	100	No commercial value
142.	Level 3 of Block 2, District B of Commercial Centre, Hongqiaosi Road, Baijiao Technology Park Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科技園虹橋四路商業中心B區2幢3樓	No commercial value	100	No commercial value
	Sub-total of Group VI:	**No commercial value**		**No commercial value**
	Grand Total of Groups I to VI:	**25,745,600,000**		**25,094,690,000**

VALUATION CERTIFICATE

Group I – Property held by the Group for investment in the PRC

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
1.	Major portion of Times Property Center, Nos. 410 to 412 Dongfeng Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區東風路410至412號時代地產中心大部份	Completed in 1997, Time Property Center is a 42-storey commercial building with 4 basements and is erected on a parcel of land with a total site area of approximately 5,821 sq.m. The property comprises major portion of Time Property Center with a total gross floor area of approximately 66,155.44 sq.m. The property comprises various car parking spaces in the 4 basements, various retail units in the 5-storey retail podium and various office units on Levels 6 to 17, 20, 21, 23 to 27 and 30 to 38. The property is held with land use rights for commercial and office uses with terms due to expire on 14 March 2036 and 14 March 2046 respectively.	As at the date of valuation, the property were let to various parties at a total monthly rent of approximately RMB4,418,727 for various terms with the last one due to expire on 10 July 2022.	RMB1,580,000,000 (100% interest attributable to the Group: RMB1,580,000,000)

Notes:

1. According to a schedule of Real Estate Title Certificates, the property comprises major portion of Times Property Center with a total gross floor area of approximately 65,813.36 sq.m. The property is held with land use rights for terms due to expire on 14 March 2036 and 14 March 2046 for commercial use and office use respectively. The ownership of the property have been vested in 廣州東和房地產開發有限公司 (Guangzhou Donghe Real Estate Development Co. Ltd.).

2. According to Business Licence No. 440101000060478, 廣州東和房地產開發有限公司 (Guangzhou Donghe Real Estate Development Co. Ltd.) has been established as a limited company with a registered capital of RMB111,075,800 and a valid operating period from 31 December 1993 to 30 December 2043.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The Real Estate Title Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled;

   (iii) 廣州東和房地產開發有限公司 (Guangzhou Donghe Real Estate Development Co. Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iv) A portion of the property is subject to various mortgages; and

   (v) 廣州東和房地產開發有限公司 (Guangzhou Donghe Real Estate Development Co. Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

4. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificates	Yes
Business Licence	Yes

5. Our major assumptions in our valuation method are as follows:

Use	Market monthly unit rent	Capitalization rate
	(RMB/sq.m.)	
Retail	385 to 489	4.5%
Office	115	4.5%

In undertaking our valuation, we have made reference to various recent lettings within the property as well as other similar properties within the same district. The monthly rental levels of those major retail lettings range from approximately RMB300 per sq.m. to RMB550 per sq.m. The monthly rental levels of those major office lettings range from approximately RMB100 per sq.m. to RMB130 per sq.m.

We have gathered and analysed various recent sales transactions of shops and office and noted that the capitalization rates implied in those transactions are generally within the range from 4% to 5% for retail and office premises.

The above market rents assumed by us are consistent with the level of the recent lettings within the property and other similar properties within the same district as mentioned above. The capitalization rates used are reasonable having regard to the capitalization rates analyzed from sales of comparable properties which we have collected.

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
2.	Unsold portion of Times Peanut, No. 35 Yinli Street, Shahe, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區沙河銀利街35號時代花生雅苑未售部份	The property comprises the unsold portion of Times Peanut. Completed in 2008, the property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Retail 177.16 Car park 24.00 Total 201.16 The property is held with land use rights for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from 4 April 2006.	As at the date of valuation, the property was vacant.	RMB4,300,000 (100% interest attributable to the Group: RMB4,300,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2006) 1100054, the land use rights of the property with a site area of 16,589 sq.m. have been vested in 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) for terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses all commencing from 4 April 2006.

2. According to Grant Contract of State-owned Land Use Rights No. (2005) 134 entered into between Bureau of Land Resources and Housing Management of Guangzhou Municipality (廣州市國土資源和房屋管理局) (Party A) and 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) (Party B) on 14 October 2005, Party A has agreed to grant the land use rights of a parcel of residential and commercial land to Party B with the details as follows:

   (i) Location : No. 35 Yinli Street, Shahe, Tianhe District
   (ii) Site area : 17,746 sq.m.
   (iii) Uses : Residential and commercial
   (iv) Land premium : RMB67,000,000

3. According to Modification Agreement of Grant Contract of State-owned Land Use Rights (廣州市國有土地使用權出讓合同變更協議) No. (2005) 134-1 entered into between Bureau of Land Resources and Housing Management of Guangzhou Municipality (廣州市國土資源和房屋管理局) (Party A) and 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) (Party B) on 15 September 2006, Party A has agreed to change the land premium to RMB68,000,844 due to the increase of the gross floor area from 33,176 sq.m. to 41,203 sq.m.

4. According to three Completion and Acceptance Certificates for Construction Works issued by the Construction Committee of Guangzhou Tianhe, the subject development with gross floor area of 53,695 sq.m. has been completed with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
2008-044	15-Nov-08	Blocks A1 to A9 of Times Peanut	9,903.00
2008-014	14-Apr-08	Blocks T1 to T9 of Times Peanut	41,292.00
2008-048	16-Dec-08	Cultural Activity Center	2,500.00
		Total	53,695.00

5. According to Business Licence No. 4401012043742, 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB120,000,000 since 30 April 2005.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

(i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

(ii) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled;

(iii) 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property; and

(iv) 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Modified Agreement of Grant Contract of State-owned Land Use Rights	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
3.	Unsold portion of Times Deconstruction, Baiyun Avenue, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市 白雲區白雲大道 時代玫瑰園 未售部份	The property comprises the unsold portion of Times Deconstruction. Completed in 2007, the property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 2,705.28 Ancillary facilities 338.77 Total 3,044.05 The property is held with land use rights for various terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was vacant.	RMB32,500,000 (100% interest attributable to the Group: RMB32,500,000)

Notes:

1. According to three State-owned Land Use Rights Certificates all issued by Guangzhou Municipal People's Government, the land use rights of the property with a total site area of 145,487.13 sq.m. have been vested in 廣州市時代名苑房地產開發有限公司 (Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) for terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses with details as follows:

Certificate No.	Date of issue	Expiry date of land use term	Site area (sq.m.)
(2003) 110	14-May-03	14-May-73 for residential use; 14-May-43 for commercial use; 14-May-53 for other use.	51,331.13
(2004) 215	1-Sep-04	30-Aug-74 for residential use; 30-Aug-44 for commercial use; 30-Aug-54 for other use.	42,144.00
(2004) 311	15-Dec-04	13-Dec-74 for residential use; 13-Dec-44 for commercial use; 13-Dec-54 for other use.	52,012.00
		Total	145,487.13

2. According to Grant Contract of State-owned Land Use Rights No. (2003) 011 entered into between Bureau of Land Resources and Housing Management of Guangzhou Municipality (廣州市國土資源和房屋管理局) (Party A) and 廣州市時代名苑房地產開發有限公司 (Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) (Party B) on 21 January 2003, Party A has agreed to grant the land use rights of the property with a total site area of 51,504 sq.m. to Party B with the details as follows:

(i)	Location	:	West of Yongtai Toll Station, Xinguangcong Road, Baiyun District
(ii)	Site area	:	51,504 sq.m.
(iii)	Uses	:	Commodity residential
(iv)	Land premium	:	RMB18,858,945

According to Grant Contract of State-owned Land Use Rights No. (2004) 35 entered into between Bureau of Land Resources and Housing Management of Guangzhou Municipality (廣州市國土資源和房屋管理局) (Party A) and 廣州市時代名苑房地產開發有限公司 (Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) (Party B) on 19 February 2004, Party A has agreed to grant the land use rights of the property with a total site area of 60,252 sq.m. to Party B with the details as follows:

(i)	Location	:	West of Yongtai Toll Station, Xinguangcong Road, Baiyun District
(ii)	Site area	:	60,252 sq.m.
(iii)	Uses	:	Residential and commercial
(iv)	Land premium	:	RMB45,024,365

3. According to ten Completion and Acceptance Certificates for Construction Works issued by Guangzhou Construction Committee, the subject development with a total gross floor area of 410,944 sq.m. has been completed with details as follows:

Certificate Nos.	**Date of issue**	**Project name**	**Construction scale**
			(sq.m.)
2005-008	31-Jan-05	District A of phase 1	42,748.00
2005-009	31-Jan-05	District B of phase 1	31,226.00
2005-010	31-Jan-05	District C of phase 1	44,698.00
2005-113	17-Nov-05	District A of phase 2	47,183.00
2005-114	17-Nov-05	District B of phase 2	34,582.00
2005-115	17-Nov-05	District C of phase 2	36,692.00
2007-017	29-May-07	Blocks F5 to F6 of phase 3	14,842.00
2007-018	29-May-07	Blocks G1 to G5 of phase 3	43,116.00
2007-016	29-May-07	Blocks J1 to J2 & H1 to H5 of phase 3	60,902.00
2007-019	29-May-07	Blocks J3 to J5 of phase 3	54,955.00
		Total	410,944.00

4. According to Business Licence No. 006316, 廣州市時代名苑房地產開發有限公司 Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of US$83,000,000 since 9 May 2001.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) All land premium stated in the Grant Contracts of State-owned Land Use Rights have been paid and settled;

   (iii) 廣州市時代名苑房地產開發有限公司 Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property; and

   (iv) 廣州市時代名苑房地產開發有限公司 Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

6. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
4.	Unsold portion of Phases 1 and 2 of Ocean Times (Guangzhou), Shaxi Village, Dashi Town, Nansha District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市南沙區大石鎮沙溪村時代南灣(廣州)一期及二期未售部份	The property comprises the unsold portion of Phases 1 and 2 of Ocean Times (Guangzhou). Phases 1 and 2 of Ocean Times (Guangzhou) were completed in 2011 and 2012 respectively. The property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 6,397.41 Ancillary facilities 1,793.42 Car park 4,692.00 Total 12,882.83 The property is held with land use rights for a term of 70 years for residential use, 40 years for commercial, tourist and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was vacant.	RMB176,000,000 (100% interest attributable to the Group: RMB176,000,000)

Notes:

1. According to four State-owned Land Use Rights Certificates all issued by 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality), the land use rights of the property with a total site area of approximately 354,156.07 sq.m. have been vested in 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2010)04100006	4-Jun-10	Residential	3-Jun-80 for residential use;	62,320.00
(2010)04100007	4-Jun-10	Residential	3-Jun-50 for commercial use; 3-Jun-60 for other uses.	27,555.00
(2011)04100035	25-Aug-11	Residential	28-Jun-81 for residential use	15,385.07
(2013)04100018	6-Feb-13	Residential	28-Jun-81 for residential use; 28-Jun-61 for commercial use; 28-Jun-51 for other uses.	248,896.00
			Total	354,156.07

2. According to Grant Contract of State-owned Land Use Rights No. 440115-2007-000035 entered into between 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality) (the Grantor) and 廣州市時代名苑房地產開發有限公司 (Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) (Grantee) on 27 December 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 338,771 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Humen Stone Mine, Gangqian Avenue, Nansha District
(ii)	Lot No.	:	07NJY-4
(iii)	Site area	:	338,771 sq.m.
(iv)	Uses	:	Residential
(v)	Land use term	:	70 years for residential use, 40 years for commercial use and 50 years for other uses commenced from the date the contract be issued
(vi)	Land premium	:	RMB760,000,000
(vii)	Plot ratio	:	not exceeding 1.4

According to Grant Contract of State-owned Land Use Rights No. 440115-2011-000009 entered into between 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality) (the Grantor) and 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) (Grantee) on 29 June 2011, the Grantor has agreed to grant the land use rights of the property with a total site area of 15,385.07 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Luwan Village, Nansha Street, Nansha District, Guangzhou
(ii)	Lot No.	:	2010-NJY-3
(iii)	Site area	:	15,385.07 sq.m.
(iv)	Uses	:	Residential
(v)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(vi)	Land premium	:	RMB58,740,000
(vii)	Plot ratio	:	not exceeding 2.5

3. According to two Completion and Acceptance Certificates for Construction Works issued by Construction Committee of Guangzhou Nansha, the subject development with a total gross floor area of 102,061 sq.m. has been completed with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
20111013032	21-Nov-2011	Blocks 1 to 3 of Ocean Times	77,266.00
20120920015	29-Sep-2012	Phase 2 of Ocean Times	24,795.00
		Total	102,061.00

4. As advised by the Group, a portion of the property with gross floor area of approximately 4,623.67 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB46,530,584. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

5. According to Business Licence No. 440101000053472 dated 20 November 2012, 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) has been established on 14 January with a registered capital of RMB35,000,000 and a valid operation period from 14 January 2010 to 15 January 2060.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contracts of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
5.	Unsold portion of Phases 1 and 2 of Times King City (Zengcheng), Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市增城區 時代傾城(增城) 一期及二期 未售部份	The property comprises the unsold portion of Times King City (Zengcheng). Phases 1 and 2 of Times King City (Zengcheng) were completed in 2011 and 2012 respectively. The property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 2,074.31 Retail 6,000.29 Ancillary facilities 5,017.04 Car park 13,548.00 Total 26,639.64 The property is held with land use rights for term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from 31 August 2009.	As at the date of valuation, the property was vacant.	RMB236,000,000 (100% interest attributable to the Group: RMB236,000,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2011) B0200157 dated 24 February 2011, the land use rights of the property with a total site area of 89,318.4 sq.m. have been vested in 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing from 31 August 2009.

2. According to Grant Contract of State-owned Land Use Rights No. 440183-2009-000031 entered into between 增城市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Zengcheng) (the Grantor) and 佛山市三水富港房地產開發有限公司 (Foshan Sanshui Fugang Real Estate Development Co., Ltd.) (Grantee), the Grantor has agreed to grant the land use rights of the property with a total site area of 89,318.40 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Xishan Village, Zengjiang Street, Zengcheng District, Guangzhou
(ii)	Lot No.	:	83002205A7023
(iii)	Site area	:	89,318.40 sq.m. (planned construction site area: 59,618.10 sq.m., road area: 29,700.30 sq.m.)
(iv)	Uses	:	Commercial and residential
(v)	Land use term	:	70 years for residential use, 40 years for commercial use and 50 years for other uses commenced from the date the contract be issued
(vi)	Land premium	:	RMB120,000,000
(vii)	Plot ratio	:	not exceeding 3.35

According to Modified Agreement of Grant Contract of State-owned Land Use Rights No. 440183-2009-000031, the Grantee has been changed from 佛山市三水富港房地產開發有限公司 (Foshan Sanshui Fugang Real Estate Development Co., Ltd.) to 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.).

3. According to three Completion and Acceptance Certificates for Construction Works issued by Construction Committee of Guangzhou Zengcheng, the subject development with gross floor area of 251,717 sq.m. has been completed with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
200-1-16	7-Nov-2011	Blocks A1 to A4, B1 to B4, J1 & H1 to H2	92,938.00
200-1-16	18-Sep-2012	Blocks C1 to C3, & D1 to D3	65,302.00
200-1-16	26-Nov-2012	Blocks E1 to E2, G1 to G2 & F1 to F3	93,477.00
		Total	251,717.00

4. As advised by the Group, a portion of the property with gross floor area of approximately 6,266.66 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB92,041,085. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

5. According to Business Licence No. 440125000012417 dated 21 October 2011, 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB10,000,000 since 27 October 2009.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Modified Agreement of Grant Contract of State-owned Land Use Rights	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
6.	Unsold portion of Phases 1 to 3 of Foshan Times Sweet House (Jinshazhou), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區佛山時代•糖果社區(金沙洲)一期至三期未售部份	The property comprises the unsold portion of Foshan Times Sweet House(Jinshazhou). Phases 1 to 3 of Foshan Times Sweet House (Jinshazhou) were completed in 2009, 2010 and 2013 respectively. The property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 60,694.57 Retail 652.01 Ancillary facilities 11,109.03 Car park 12,072.00 Total 84,527.61 The property is held with land use rights for residential and retail use	As at the date of valuation, the property was vacant.	RMB707,000,000 (100% interest attributable to the Group: RMB707,000,000)

Notes:

1. According to five State-owned Land Use Rights Certificates all issued by 佛山市人民政府 (Foshan Municipal Government), the land use rights of the property with a total site area of approximately 194,342.90 sq.m. have been vested in 佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2007)0800598	1-Aug-07	Composite residential	7-Jan-63	21,313.80
(2007)0800599	1-Aug-07	Composite residential	7-Jan-63	17,794.70
(2007)0800600	1-Aug-07	Composite residential	7-Jan-63	47,289.60
(2009)0801231	18-Nov-09	Residential and retail	27-Aug-79 for residential use; 27-Aug-49 for retail use.	49,935.50
(2010)0801004	12-June-10	Residential	11-Nov-63	58,009.30
			Total	194,342.90

2. According to forty-eight copies of Real Estate Title Certificates issued by 佛山市房產管理局 (Bureau of Housing Management of Foshan Municipality), 佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.) is the owner of the following properties with details as follows:

Certificate No.	Date of issue	Location	Gross floor area
			(sq.m.)
0801-00007	5-May-09	Block 1 to 2 of Yueyuan Xiaoqu	8,442.56
0801-00004	5-May-09	Block 3 to 4 of Yueyuan Xiaoqu	6,103.60
0801-00003	5-May-09	Block 5 to 8 of Yueyuan Xiaoqu	13,351.36
0801-00009	5-May-09	Block 9 of Yueyuan Xiaoqu	7,171.96
0801-00006	5-May-09	Block 10 of Yueyuan Xiaoqu	6,818.53
0801-00008	5-May-09	Block 11 of Yueyuan Xiaoqu	7,193.55
0801-00002	5-May-09	Block 12 of Yueyuan Xiaoqu	5,076.89
0801-00001	5-May-09	Block 13 to 14 of Yueyuan Xiaoqu	9,057.88
0801-00010	5-May-09	Block 15 to 18 of Yueyuan Xiaoqu	30,496.98
0801-00005	5-May-09	Block 19 of Yueyuan Xiaoqu	5,511.48
0801-00012	5-May-09	Block 20 of Yueyuan Xiaoqu	5,218.98
0801-00011	5-May-09	Block 21 of Yueyuan Xiaoqu	5,505.11
0801-00013	5-May-09	Block 22 to 40 of Yueyuan Xiaoqu	44,512.05
0801-00014	5-May-09	Block 41(kindergarten) of Yueyuan Xiaoqu	2,116.09
0801-00025	15-Oct-09	Western Zone Basement Carparks of Yueyuan Xiaoqu	6,119.82
0801-00024	15-Oct-09	Basement of Yueyuan Xiaoqu	49,172.51
0801-00026	15-Oct-09	Eastern Zone Basement of Yueyuan Xiaoqu	5,409.87
0801-00092	29-Apr-11	Sweet House	18,740.50
0801-00096	10-Nov-11	Block 1 of Sweet House	4,616.32
0801-00097	10-Nov-11	Block 2 of Sweet House	4,616.96
0801-00098	10-Nov-11	Block 3 of Sweet House	4,616.96
0801-00099	10-Nov-11	Block 4 of Sweet House	4,617.28
0801-00100	10-Nov-11	Block 5 of Sweet House	4,617.28
0801-00101	10-Nov-11	Block 6 of Sweet House	4,616.96
0801-00102	10-Nov-11	Block 7 of Sweet House	4,616.96
0801-00135	11-Jul-12	Block 8 of Sweet House	4,616.96
0801-00114	12-Jun-12	Block 9 of Sweet House	5,501.94
0801-00112	12-Jun-12	Block 10 of Sweet House	5,468.72
0801-00115	12-Jun-12	Block 11 of Sweet House	5,468.72
0801-00113	12-Jun-12	Block 12 of Sweet House	5,841.10
0801-00116	12-Jun-12	Block 13 of Sweet House	5,988.82
0801-00118	12-Jun-12	Block 14 of Sweet House	5,456.86
0801-00117	12-Jun-12	Block 15 of Sweet House	5,454.22
0801-00120	12-Jun-12	Block 16 of Sweet House	5,612.48
0801-00123	20-Jun-12	Block 17 of Sweet House	5,231.79
0801-00122	20-Jun-12	Block 18 of Sweet House	5,622.56
0801-00130	25-Jun-12	Block 19 of Sweet House	6,345.62
0801-00127	25-Jun-12	Block 20 of Sweet House	6,345.62
0801-00128	25-Jun-12	Block 21 of Sweet House	6,345.62
0801-00126	25-Jun-12	Block 22 of Sweet House	6,345.62
0801-00134	9-Jul-12	Block 23 of Sweet House	5,997.52
0801-00133	9-Jul-12	Block 25 of Sweet House	5,606.70
0801-00129	25-Jun-12	Block 26 of Sweet House	5,302.63
0801-00125	25-Jun-12	Block 27 of Sweet House	5,921.45
0801-00137	27-Sep-12	Retail Block 1 to 4 of Sweet House	1,745.03
0801-00111	30-May-12	Retail Block 5 to 8 of Sweet House	1,179.34
0801-00119	12-Jun-12	Retail Block 9 to 12 of Sweet House	727.58
0801-00124	20-Jun-12	Retail Block 17 to 18 of Sweet House	560.51
		Total	381,025.85

3. As advised by the Group, a portion of the property with floor area of approximately 69,400.12 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB614,858,675. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

4. According to twenty-two Completion and Acceptance Certificates for Construction Works issued by Foshan Nanhai Construction Planning Bureau, the subject development with a total gross floor area of 582,568.38 sq.m. has been completed with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
(2008) 1177	27-Nov-2008	East district of phase 1	59,053.12
(2008) 1178	27-Nov-2008	South district of phase 1	83,398.18
(2008) 1176	27-Nov-2008	West district of phase 1	79,248.18
(2009) 0101	24-Jan-2009	No. 57 to 64 of retail stores of east district of phase 1	458.34
(2010) 0645	29-Oct-2010	Blocks 1 to 4 of phase 2	20,604.61
(2010) 0646	29-Oct-2010	Blocks 5 to 8 of phase 2	20,081.46
(2010) 0683	29-Oct-2010	Blocks 9 to 12 of phase 2	24,048.68
(2010) 0684	29-Oct-2010	Blocks 13 to 16 of phase 2	22,660.80
(2010) 0685	29-Oct-2010	Blocks 17 to 18 of phase 2	11,864.88
(2010) 0686	29-Oct-2010	Blocks 19 to 22 of phase 2	25,528.47
(2010) 0687	29-Oct-2010	Blocks 23 to 25 of phase 2	17,249.78
(2010) 0688	29-Oct-2010	Blocks 26 to 27 of phase 2	11,509.83
(2010) 0689	29-Oct-2010	Garbage room of phase 2	20.00
(2010) 0690	29-Oct-2010	Basement of phase 2	18,686.00
(2013) 40120	20-May-2013	Blocks 1 to 3 of phase 3	20,208.54
GD413	31-May-2013	Basement of phase 3	34,884.74
GD413	31-May-2013	Blocks 4 to 6 of phase 3	20,208.54
GD413	31-May-2013	Blocks 7 to 10 of phase 3	25,095.60
GD413	31-May-2013	Blocks 11 to 13 of phase 3	19,494.66
GD413	31-May-2013	Blocks 14 to 16 of phase 3	18,837.34
GD413	31-May-2013	Blocks 17 to 20 of phase 3	25,107.07
GD413	31-May-2013	Blocks 21 to 24 of phase 3	24,319.56
		Total	582,568.38

5. According to Business Licence No. 440682000030983, 佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.) has been established with a registered capital of RMB32,000,000 since 22 January 2002.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 佛山市裕東龍房地產發展有限公司 (Foshan Yudonglong Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Real Estate Title Certificates	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
7.	Unsold portion of Times King City (Foshan), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區時代傾城(佛山)未售部份	The property comprises the unsold portion of Times King City (Foshan). Completed in 2009, the property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 8,754.99 Retail 18,828.71 Ancillary facilities 8,194.78 Car park 3,408.00 Total 39,186.48 The property is held with land use rights for various terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was vacant.	RMB290,000,000 (100% interest attributable to the Group: RMB290,000,000)

Notes:

1. According to three State-owned Land Use Rights Certificates, the land use rights of the property with a total site area of approximately 107,235.80 sq.m. have been vested in 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Use	Land use term	Site area (sq.m.)
(2007)021277	Residential, commercial and others	17-Jul-76 for residential; 17-Jul-46 for commercial; 17-Jul-56 for others.	43,979.70
(2007)021276	Residential, commercial and others	3-Jan-70 for residential; 3-Jan-70 for commercial; 3-Jan-70 for others.	28,885.30
(2007)021278	Residential, commercial and others	29-Dec-69 for residential; 29-Dec-39 for commercial; 29-Dec-49 for others.	34,370.80
		Total	107,235.80

2. According to Grant Contract of Land Use Rights No. 440605-2006-000181 dated 19 April 2006, Foshan Land Resource Bureau has agreed to grant the land use rights of the property with a total site area of 46,215.85 sq.m. to 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.) with details as follows:

(i)	Location	:	Jiahua Ceramics Factory area, Luohu Zone, Luocun Street Committee
(ii)	Site area	:	46,215.85 sq.m.
(iii)	Uses	:	Residential
(iv)	Land use term	:	70 years for residential use, 40 years for commercial use and 50 years for other uses

3. According to Transfer Contract of Land Use Rights dated 8 August 2006, Foshan Nanhai Luohu Real Estate Co., Ltd. (佛山市南海羅湖房地產開發公司) (Party A) has transferred the land use rights of the property with a total site area of 24,604.12 sq.m. to 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.) (Party B) for a consideration of RMB53,229,900.

According to Transfer Contract of Land Use Rights dated 8 August 2006, Foshan Nanhai Luohu Real Estate Co., Ltd. (佛山市南海羅湖房地產開發公司) (Party A) has transferred the land use rights of the property with a total site area of 30,645.41 sq.m. to 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.) (Party B) for a consideration of RMB66,300,000.

According to Transfer Contract of Land Use Rights dated 8 August 2006, Foshan Nanhai Luohu Real Estate Co., Ltd. (佛山市南海羅湖房地產開發公司) (Party A) has transferred the land use rights of the property with a total site area of 5,769.92 sq.m. to 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co., Ltd.) (Party B) for a consideration of RMB12,483,000.

4. According to four Completion and Acceptance Certificates for Construction Works issued by Foshan Nanhai Construction Planning Bureau, the subject development with a total gross floor area of 320,099.95 sq.m. has been completed with details as follows:

Certificate No.	**Date of issue**	**Project name**	**Construction scale**
			(sq.m.)
GD301701	29-Aug-2008	Blocks 1 to 2 and 34 to 38	49,724.13
GD301701	29-Aug-2008	Blocks 3 to 10 and 17 to 23	46,104.33
N/A	20-Mar-2009	Blocks 11 to 16, 24 to 32, 39 to 41, 60 to 62 and 57 to 59	115,181.59
N/A	20-Mar-2009	Blocks 42 to 46, 63 to 64, 65 to 68, 47 to 50 and 52 to 56	109,089.90
		Total	320,099.95

5. As advised by the Group, a portion of the property with gross floor area of approximately 15,278.55 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB112,898,990. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

6. According to Business Licence No. 4406001012407, 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co. Ltd.) has been established as a limited company with a registered capital of RMB80,000,000 since 19 June 2006.

7. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled;

   (iii) 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co. Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iv) 廣東時代勝譽房地產開發有限公司 (Guangdong Times Shengyu Real Estate Development Co. Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

8. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contract of Land Use Right	Yes
Transfer Contracts of Land Use Rights	Yes
Completion and Acceptance Certificates for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
8.	Unsold portion of Times Yiyun (Foshan), Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區依雲小鎮(佛山)未售部份	The property comprises the unsold portion of Times Yiyun (Foshan). Completed in 2009, the property has a total gross floor area with details as follows: **Use** — **Approximate gross floor area (sq.m.)** Residential 24,370.42 Ancillary facilities 2,929.74 Car park 1,753.75 Total 29,053.91 The property is held with land use rights for various terms of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was vacant.	RMB220,000,000 (100% interest attributable to the Group: RMB220,000,000)

Notes:

1. According to two State-owned Land Use Rights Certificates, the land use rights of the property, with a total site area of approximately 103,903.10 sq.m. have been vested in 佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Use	Expiry date of land use term	Site area (sq.m.)
(2007)0602314	Composite residential	10 July 2077	52,298.40
(2007)0602315	Composite residential	10 July 2077	51,604.70
		Total	103,903.10

2. As advised by the Group, a portion of the property with a total gross floor area of approximately 14,817.84 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB111,945,137. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

3. According to five Proof Reports of Completion and Acceptance for Construction Works issued by Foshan Nanhai Construction Bureau, the subject development with gross floor area of 90,991.25 sq.m. has been completed with details as follows:

No.	Date of issue	Project name	Construction scale (sq.m.)
1	4-May-2009	Blocks 1 & 2	12,060.06
2	10-Feb-2010	Unit 9 of block 2	918.82
3	30-Oct-2009	Blocks 4 to 7 & Basement	27,126.55
4	30-Oct-2009	Block 8	6,799.84
5	4-May-2009	Blocks 9 to 17 & Basement	44,085.98
		Total	90,991.25

4. According to Business Licence No. 4406051001070, 佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB1,000,000 since 6 July 2007.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled;

   (iii) 佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iv) 佛山市南海時代盛譽房地產開發有限公司 (Foshan Nanhai Times Shengyu Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

6. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Proof Reports of Completion and Acceptance for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
9.	Unsold portion of Phases 1 to 3 Portion of Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區時代城(佛山)一期至三期部份未售部份	The property comprises the unsold portion of Phases 1 to 3 Portion of Times City (Foshan). Completed in the period between 2010 and 2013, the property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 624.83 Retail 11,749.63 Ancillary facilities 680.73 Car park 10,457.80 Total 23,512.99 The property is held with land use rights for composite residential use with a term due to expire on 12 March 2077.	As at the date of valuation, the property was vacant.	RMB215,000,000 (100% interest attributable to the Group: RMB215,000,000)

Notes:

1. According to two State-owned Land Use Rights Certificates all issued by 佛山市三水區人民政府 (Municipal Government of Foshan Sanshui District), the land use rights of the property with a total site area of approximately 180,671.90 sq.m. have been vested in 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2007)1102101	19-Apr-07	Composite residential	12-Mar-77	71,146.60
(2007)1102106	19-Apr-07	Composite residential	12-Mar-77	109,525.30
			Total	180,671.90

2. According to Modified Grant Contract of State-owned Land Use Rights No. 2007-002 entered into between 佛山市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Foshan Municipality) (the Grantor) and 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) (Grantee) on 5 April 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 71,143.60 sq.m. to the Grantee with the details as follows:

(i)	Location	:	No. C of West District, Foreign Economic and Development Zone, Sanshui District, Foshan.
(ii)	Site area	:	71,143.60 sq.m.
(iii)	Uses	:	composite residential
(iv)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(v)	Land premium	:	RMB1,419,747.24

According to Modified Grant Contract of State-owned Land Use Rights No. 2007-001 entered into between 佛山市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Foshan Municipality) (the Grantor) and 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) (Grantee) on 5 April 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 109,525.30 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Nos. 9 & 10 of West District, Foreign Economic and Development Zone, Sanshui District, Foshan.
(ii)	Site area	:	109,525.30 sq.m.
(iii)	Uses	:	composite residential
(iv)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(v)	Land premium	:	RMB7,099,749.60

3. According to fourteen copies of Real Estate Title Certificates issued by 佛山市住房和城鄉建設管理局(Bureau of Housing and Construction of Urban and rural Management of Foshan Municipality), 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) is the owner of the subject development with details are as follows:

Certificate No.	Date of issue	Location	Gross floor area
			(sq.m.)
2011003	26-Jan-11	Block 2 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	2,472.42
2011004	26-Jan-11	Block 4 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	18,964.07
2011005	26-Jan-11	Block 3 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	18,340.14
2011006	26-Jan-11	Block 5 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	19,696.97
2011007	26-Jan-11	Block 6 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	15,334.86
2011008	26-Jan-11	Block 7 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	15,334.86
2011009	26-Jan-11	Block 8 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	13,131.31
2011010	26-Jan-11	Block 9 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	19,780.19
2011011	26-Jan-11	Block 11 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	6,567.32
2011024	22-Feb-11	Block 1 of Shidai Langqiao Garden, No. 21 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	12,368.60

Certificate No.	Date of issue	Location	Gross floor area
			(sq.m.)
3300000273	n/a	Blocks 1 to 4 of Southern Zone of Shidai Langqiao Garden, No. 20 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	26,644.78
3300000263	10-Jan-12	Blocks 5 to 8 of Southern Zone of Shidai Langqiao Garden, No. 20 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	29,452.98
3300000268	10-Jan-12	Blocks 9 to 11 of Southern Zone of Shidai Langqiao Garden, No. 20 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	18,619.31
3300000272	8-Feb-12	Blocks 12 to 14 of Southern Zone of Shidai Langqiao Garden, No. 20 Xiqing Avenue, Xinan Street, Sanshui District, Foshan	20,352.79
		Total	237,060.60

4. As advised by the Group, a portion of the property with a total gross floor area of approximately 6,429.63 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB57,472,690. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

5. According to Business Licence No. 440600400004425 dated 24 October 2011, 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has been established with a registered capital of RMB48,000,000 since 4 August 2005.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Modified Grant Contracts of State-owned Land Use Rights	Yes
Real Estate Title Certificates	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
10.	Unsold portion of Times Mont Blanc (Zhongshan), West District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市西區時代白朗峰(中山)未售部份	The property comprises the unsold portion of Times Mont Blanc (Zhongshan). Completed in 2010, the property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 3,449.13 Retail 236.91 Ancillary facilities 625.07 Car park 2,096.67 Total 6,407.78 The property is held with land use rights for composite residential use with a term due to expire on 20 March 2072.	As at the date of valuation, the property was vacant.	RMB61,000,000 (100% interest attributable to the Group: RMB61,000,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2007) 201795, the land use rights of the property, with a total site area of 17,118.10 sq.m., have been vested in 中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.) for a term due to expire on 20 March 2072 for composite residential use subject to a Charge in favour of Zhongshan Sub-Branch of Construction Bank of China Limited.

2. According to Transfer Agreement of Land Use Rights entered into between Yu-Shunhui (余順輝), Yang-Zhijun (楊志君) and Yang-Lijun (楊立君) (Party A), 廣州時代地產投資有限公司 (Guangzhou Times Property Investment Co., Ltd.) (Party B) and 中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.) (Party C) on 19 April 2007, Party A has agreed to transfer the land use rights of the property with a total site area of 17,118.10 sq.m. to Party B with the details as follows:

(i)	Location	:	west side of Qijiang Park, West District, Zhongshan
(ii)	Site area	:	17,118.10 sq.m.
(iii)	Uses	:	Residential and commercial
(iv)	Plot ratio	:	not exceeding 6

3. According to two Proof Reports of Completion and Acceptance for Construction Works issued by Zhongshan Construction Project Acceptance Office, the subject development with gross floor area of 119,272 sq.m. has been completed with details as follows:

No.	Date of issue	Project name	Construction scale (sq.m.)
1	17-Nov-2010	Times Mont Blanc	115,352.00
2	17-Nov-2010	Basement of Times Mont Blanc	3,920.00
		Total	119,272.00

4. As advised by the Group, a portion of the property with total gross floor area of approximately 4,968.23 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB49,488,498. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

5. According to Business Licence No. 4420002204953, 中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.) has been established as a limited company with a registered capital of RMB10,000,000 since 17 January 2005.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled;

   (iii) 中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iv) 中山市時代凱旋置業有限公司 (Zhongshan Times Kaixuan Asset Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Transfer Agreement of Land Use Rights	Yes
Proof Reports of Completion and Acceptance for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
11.	Unsold portion of Phases 1 to 3 of Times Eolia City (Zhuhai), Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區時代 • 山湖海(珠海)一期至三期未售部份	The property comprises the unsold portion of Phases 1 to 3 of Times Eolia City (Zhuhai). Phases 1 and 2 of the subject development were completed in 2012 while Phase 3 of the subject development was completed in 2013. The property has a total gross floor area with details as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 104,403.83 Retail 22,525.44 Ancillary facilities 25,551.01 Car park 10,201.79 Total 162,682.07 The property is held with land use rights for a term due to expire on 9 October 2077 for residential use and 9 October 2047 for commercial use.	As at the date of valuation, the property was vacant.	RMB1,532,000,000 (100% interest attributable to the Group: RMB1,532,000,000)

Notes:

1. According to Real Estate Title Certificate No. C6095906 dated 3 February 2008, the land use rights of the property with a total site area of 177,278.60 sq.m. have been vested in 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a term due to expire on 9 October 2077 for residential use and due to expire on 9 October 2047 for commercial use respectively.

2. According to Grant Contract of State-owned Land Use Rights No. 440401-2007-000007 entered into between Zhuhai Land Resource Bureau (珠海市國土資源局) (the Grantor) and 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) (the Grantee), the Grantor has agreed to grant the land use rights of the property with a total site area of 177,278.60 sq.m. to the Grantee with the details as follows:

(i)	Location	:	west side of Jichang Dong Road, Xihu Area, Jinwan District, Zhuhai
(ii)	Lot No.	:	No. 2006-10
(iii)	Site area	:	177,278.60 sq.m.
(iv)	Uses	:	Residential and commercial
(v)	Land use term	:	70 years for residential use, 40 years for commercial use
(vi)	Land premium	:	RMB274,427,273.00
(vii)	Plot ratio	:	not exceeding 1.8

3. According to six Proof Reports of Completion and Acceptance for Construction Works issued by Zhuhai Housing and Urban Planning & Construction Bureau, the subject development with gross floor area of 386,075.43 sq.m. has been completed with details as follows:

No.	Date of issue	Project name	Construction scale (sq.m.)
1	31-Oct-2011	Phase 2 of Times Eolia City (Zhuhai)	52,602.45
2	8-Mar-2012	Blocks 10-11, 18-19, 26-27, 40-41, 48-49, 56-57 & Basement	45,342.22
3	31-Oct-2011	Blocks 83, 84 & 85	21,253.44
4	18-Oct-2012	Blocks 58-60, 61-63, 64-66, 67-69, 70-71, 72-74, 75-77, 78-80, 81-82, & 86	80,422.14
5	10-Dec-2012	Blocks 6-9, G8 and Basement	80,419.76
6	22-Mar-2013	Blocks 1-5, G4 and Basement	106,035.42
		Total	386,075.43

4. As advised by the Group, a portion of the property with a total gross floor area of approximately 124,356.31 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB1,136,393,339. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

5. According to Business Licence No. 440400000032960 dated 31 October 2011, 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) has been established with a registered capital of RMB50,000,000 since 11 July 2007.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The Real Estate Title Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Proof Reports of Completion and Acceptance for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
12.	The unsold portion of Zhuhai Times Laguna, east side of Daishan Road and south side of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側、金雞路南側, 珠海時代廊橋未售部份	The property comprises the unsold portion of Zhuhai Times Laguna. Completed in 2009, the property has a total gross floor area with details as follows: **Use** — **Approximate gross floor area (sq.m.)** Residential 223.63 Ancillary facilities 81.41 Car park 2,316.00 Total 2,621.04 The property is held with land use rights for residential use with a term due to expire on 14 November 2071.	As at the date of valuation, the property was vacant.	RMB19,600,000 (100% interest attributable to the Group: RMB19,600,000)

Notes:

1. According to Real Estate Title Certificate No. C4722926 issued by People's Government of Guangdong Province on 1 March 2007 the property with a total site area of 61,385.07 sq.m. have been vested in (珠海中珠世紀投資有限公司) (Zhuhai Zhongzhu Century Investment Co., Ltd.) with details as follows:

(i)	Owner	:	珠海中珠世紀投資有限公司 (Zhuhai Zhongzhu Century Investment Co., Ltd.)
(ii)	Type of Land Use Rights	:	Granted
(iii)	Nature of Land Use Rights	:	State-owned
(iv)	Location	:	East of Daishan Road, south of Jinji Road, Qianshan, Zhuhai
(v)	Plot No.	:	D1111051
(vi)	Site area	:	61,385.07 sq.m.
(vii)	Use	:	Residential

2. According to five Proof Reports of Completion and Acceptance for Construction Works issued by Zhuhai Construction Project Acceptance Office, the subject development with gross floor area of 168,974.98 sq.m. has been completed with details as follows:

No.	Date of issue	Project name	Construction scale (sq.m.)
1	5-Jan-2009	Blocks A1-A6	17,901.00
2	23-Jan-2009	Blocks B1-B4	26,383.00
3	31-Mar-2009	Blocks C1, C2, D1 & D2	68,435.89
4	8-May-2009	Blocks A7, A8, Basement & Ancillary	31,539.49
5	8-May-2009	Basement of Blocks A & B, Ancillary of Block B	24,715.60
		Total	168,974.98

3. According to Business Licence No. 4404002491443, 珠海中珠世紀投資有限公司 (Zhuhai Zhongzhu Century Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB10,000,000 since 28 March 2006.

4. We have been provided with a legal opinion on the property prepared by the Group's legal adviser, which contains, inter alia, the following information:

(i) The Real Estate Title Certificate is valid, legal and enforceable under the PRC laws;

(ii) 珠海中珠世紀投資有限公司 (Zhuhai Zhongzhu Century Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant rights certificates and approval from the government in respect of the construction of the property;

(iii) 珠海中珠世紀投資有限公司 (Zhuhai Zhongzhu Century Investment Co., Ltd.) is in possession of a proper legal title to the property and is entitled to use, transfer, lease and mortgage the land use rights and building ownership rights of the property with the residual term of its land use rights;

(iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been duly paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificate	Yes
Proof Reports of Completion and Acceptance for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group III – Properties held by the Group under development in the PRC

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
13.	The under construction development known as Times Peanut II, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區時代 • 花生II在建項目	The property comprises an under construction development known as Times Peanut II and is developed on a parcel of land with site area of approximately 30,965 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 84,675.00 Retail 3,114.00 Ancillary facilities 26,777.50 Car park 8,964.00 Total 123,530.50 As advised by the Group, the property is scheduled to be completed in 2014. The property is held with land use rights for residential and commercial uses with terms due to expire on 27 October 2082 and 9 October 2047 respectively.	As at the date of valuation, the property was under construction.	RMB1,333,000,000 (70% interest attributable to the Group: RMB933,100,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2012) 01100131 dated 4 January 2013, the land use rights of the property, with a total a site area of 30,965 sq.m. have been vested in 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.) for residential and commercial uses with terms due to expire on 27 October 2082 and 9 October 2047 respectively.

2. According to Grant Contract of State-owned Land Use Rights No. 440111-2012-000002 entered into between 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipal) (the Grantor) and 廣州天朗商貿有限公司(Guangzhou Tianlang Trading Co., Ltd.) (Grantee) on 28 April 2012, the Grantor has agreed to grant the land use rights of the property with a total site area of 30,965 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Chanchushi Bei Road, Baiyun District, Guangzhou
(ii)	Site area	:	30,965 sq.m.
(iii)	Uses	:	Residential
(iv)	Land use term	:	70 years commenced since the date of contract signed
(v)	Land premium	:	RMB613,110,000
(vi)	Plot ratio	:	No exceeding 3.0

3. According to Planning Permit for Construction Use of Land issued by 廣州市規劃局 (Planning Bureau of Guangzhou Municipal) on 18 June 2012, the construction project on the land parcel with a total site area of 32,960 sq.m., situated at Chanchushi Bei Road, Baiyun District, Guangzhou, is in compliance with the urban planning requirements and has been approved.

4. According to two Planning Permits for Construction Works issued by 廣州市規劃局 (Planning Bureau of Guangzhou Municipal), the construction works, situated at Baiyun District, Guangzhou, with a total planned gross floor area of 123,530.50 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	**Date of issue**	**Construction scale Gross floor area**
		(sq.m.)
(2012)2283	10-Dec-12	121,397.60
(2012)2181	22-Nov-12	2,132.90
	Total	123,530.50

5. As advised by the Group, a portion of the property with gross floor area of approximately 782.35 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB19,558,709. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

6. As advised by the Group, the total expended construction cost for the property as at the date of valuation was RMB130,602,549 whilst the outstanding construction cost for completion of the property as at the date of valuation was RMB327,151,387. We have taken into account such amounts in our valuation.

7. The market value of the property when completed is estimated approximately at RMB2,105,000,000.

8. According to Business Licence No. 440111000183437, 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.) has been established as a limited company with a registered capital of RMB50,000,000 since 15 July 2010.

9. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

10. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
14.	The under construction development known as Phases 1 to 2 of Times Bund (Guangzhou) Shaxi Village, Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區大石鎮沙溪村時代外灘(廣州)一期至二期在建項目	The property comprises an under construction development known as Phases 1 to 2 of Times Bund (Guangzhou) and is developed on land with site area of approximately 79,305.67 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 191,140.48 Retail 2,725.00 Ancillary facilities 14,938.20 Car park 24,888.00 Total 233,691.68 As advised by the Group, the development is scheduled to be completed in 2014. The property is held with land use rights for residential and commercial uses with a term due to expire on 26 August 2062.	As at the date of valuation, the property was under construction.	RMB2,597,000,000 (99% interest attributable to the Group: RMB2,571,030,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2010) G04-001211 issued by 廣州市人民政府 (Guangzhou Municipal People's Government) on 8 November 2001, the land use rights of the land with a total site area of 228,880 sq.m. have been vested in 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) for residential and commercial uses with a term due to expire on 26 August 2062.

2. According to Grant Contract of State-owned Land Use Rights entered into between 廣州市番禺縣國土局 (Bureau of Land Resources of Guangzhou Municipality Panyu County) (the Grantor) and 番禺縣房地產聯合開發總公司 (Panyu County Real Estate Joint Development Co., Ltd) (Grantee) on 8 August 1992, the Grantor has agreed to grant the land use rights of the property with a total site area of 223,335 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Shaxi Village, Dashi Town
(ii)	Site area	:	223,335 sq.m.
(iii)	Uses	:	Residential
(iv)	Land premium	:	RMB2,233,350

As advised by the Group, the site area of the parcel of land above has been revised to 228,880 sq.m.

3. According to Planning Permit for Construction Use of Land No. (2006) 632H issued by 番禺市建設委員會 (Construction Committee of Panyu Municipal) on 23 May 2006, the project for commodity residential development on the land parcel with a total site area of 228,880 sq.m., situated at Dashi Town, is in compliance with the urban planning requirements and has been approved.

4. According to eleven Planning Permits for Construction Works issued by 廣州市規劃局 (Planning Bureau of Guangzhou Municipal), the construction works, situated Shaxi Village, Dashi Town, Panyu District with a total planned gross floor area of 295,053.84 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	**Date of issue**	**Project name**	**Construction scale (sq.m.)**
(2004)02118	31-May-04	Residential block B3	10,426.70
(2004)02117	31-May-04	Residential block C3	13,092.27
(2004)02116	31-May-04	Residential block C2	13,092.27
(2004)02114	31-May-04	Residential block B2	10,426.70
(2004)02113	31-May-04	Residential block B1	10,426.70
(2004)02112	31-May-04	Residential block A1	7,580.20
(2011)1161	15-Jun-11	4 residential blocks	31,273.00
(2011)2109	22-Sep-11	Entertainment Centre and Garbage Station	3,973.00
(2011)716	27-Apr-11	Primary School and Kindergarten	9,980.00
(2011)717	27-Apr-11	Blocks No. 7 and 8	61,223.00
(2011)718	27-Apr-11	Blocks No. 5, 6 and Basement	123,560.00
		Total	295,053.84

5. According to four Permits for Commencement of Construction Works issued by 廣州市番禺區建設局 (Construction Bureau of Panyu District, Guangzhou Municipal), the property is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
440126201107290401	29-Jul-11	Residential blocks Nos. 1 to 3	92,055.00
440126201107290301	29-Jul-11	Residential blocks No. 4	31,273.00
440126201107290201	29-Jul-11	Primary School and Kindergarten	9,980.00
440126201201050101	5-Jan-12	Entertainment Centre and Garbage Station	3,973.00
		Total	137,281.00

6. According to three Commodity Housing Pre-sale Permits, the property with a total gross floor area of 85,926.46 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Property name	Permitted pre-sale gross floor area
			(sq.m.)
20120078	8-Mar-12	Block No. 1	27,845.83
20120076	8-Mar-12	Block No. 2	29,042.09
20120077	8-Mar-12	Block No. 3	29,038.54
		Total	85,926.46

7. As advised by the Group, a portion of the property with a total gross floor area of approximately 96,618.96 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB2,156,391,447. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was RMB2,111,819,087 whilst the outstanding construction cost for completion of the property as at the date of valuation was RMB784,034,631. We have taken into account such amounts in our valuation.

9. The market value of the property when completed is estimated approximately at RMB4,196,000,000.

10. According to Business Licence No. 440126000024172 dated 21 February 2012, 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) has been established as a limited company with a registered capital of RMB360,000,000 since 6 August 1992.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

    (ii) 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Planning Permits for Construction Work	Yes
Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
15.	The under construction development known as Times King City (Guangzhou), No. 8 Nancun East Road, Nancun Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市番禺區 南村鎮 南村東路8號 時代傾城(廣州) 在建項目	The property comprises an under construction development known as Times King City (Guangzhou) and is developed on a parcel of land with site area of approximately 60,238 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 199,395.20 Retail 8,774.00 Ancillary facilities 53,126.80 Car park 22,056.00 Total 283,352.00 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for a term of 70 years for residential use and 40 years for commercial use.	As at the date of valuation, the property was under construction.	RMB1,838,000,000 (100% interest attributable to the Group: RMB1,838,000,000)

Notes:

1. According to State-owned Land Use Rights Certificate issued by 廣州市人民政府 (Guangzhou Municipal People's Government), the land use rights of the property with a total site area of 60,238 sq.m. have been vested in 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Land use term	Site area (sq.m.)
G05-000616	19 Feb 2013	Residential	due to expire on 21 Aug 2082 for residential use; due to expire on 21 Aug 2052 for commercial use; and due to expire on 21 Aug 2062 for other uses.	60,238.00
			Total	60,238.00

2. According to Grant Contract of State-owned Land Use Rights No. C1302002010S015-1 entered into between 中華人民共和國廣東省廣州市國土資源局 (Land and Resources Bureau of Guangzhou, Guangdong Province) ("the Grantor") and 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.) ("the Grantee") on 22 August 2012, the Grantor has granted the land use rights of the property with a total site area of 60,238 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	No. 8 Nancun East Road, Nancun Town, Panyu District
(ii)	Granted site area	:	60,238 sq.m.
(iii)	Use	:	Commercial and residential
(iv)	Plot ratio	:	3.52
(v)	Land use term	:	40 years for commercial, 70 years for residential and 50 years for other uses
(vi)	Land premium	:	RMB165,982,339

3. According to Planning Permit for Construction Use of Land No. 012990 issued by 番禺市建設委員會 (Construction Committee of Panyu Municipal) on 6 August 1993, the project on the land parcel with a total site area of 66,640.91 sq.m., situated at Nancun Town, is in compliance with the urban planning requirements and has been approved.

4. As advised by the Group, the total expended construction cost for the property as at the date of valuation was RMB834,163,790 whilst the outstanding construction cost for completion of the property as at the date of valuation was RMB664,459,889. We have taken into account such amounts in our valuation.

5. The market value of the property when completed is estimated approximately at RMB3,468,000,000.

6. According to Business Licence No. 440000000015337 dated 4 October 2012, 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.) has been established as a limited company with a registered capital of RMB42,300,000 since 4 October 2012.

7. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.)has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

8. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
16.	The under construction development known as Phases 3 to 7 of Ocean Times (Guangzhou), Gangqian Avenue, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市南沙區 港前大道 時代南灣(廣州) 三期至七期 在建項目	The property comprises an under construction development known as Phases 3 to 7 of Ocean Times (Guangzhou) and is developed on land with site area of approximately 264,268 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 309,844.39 Retail 14,468.99 Ancillary 35,945.75 Car park 22,464.00 Total 382,723.13 As advised by the Group, the property is scheduled to be completed in the period between 2013 and 2015. The property is held with land use rights for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was under construction.	RMB2,016,000,000 (100% interest attributable to the Group: RMB2,016,000,000)

Notes:

1. According to four State-owned Land Use Rights Certificates all issued by 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality), the land use rights of the property with a total site area of approximately 354,156.07 sq.m. have been vested in 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Land use term	Site area (sq.m.)
(2010)04100006	4-Jun-10	Residential	3-Jun-80 for residential use;	62,320.00
(2010)04100007	4-Jun-10	Residential	3-Jun-50 for commercial use; 3-Jun-60 for other uses.	27,555.00
(2011)04100035	25-Aug-11	Residential	28-Jun-81 for residential use	15,385.07
(2013)04100018	6-Feb-13	Residential	28-Jun-81 for residential use; 28-Jun-61 for commercial use; 28-Jun-51 for other uses.	248,896.00
			Total	354,156.07

2. According to Grant Contract of State-owned Land Use Rights No. 440115-2007-000035 entered into between 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality) (the Grantor) and 廣州市時代名苑房地產開發有限公司 (Guangzhou Times Mingyuan Real Estate Development Co., Ltd.) (Grantee) on 27 December 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 338,771 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Humen Stone Mine, Gangqian Avenue, Nansha District, Guangzhou
(ii)	Lot No.	:	07NJY-4
(iii)	Site area	:	338,771 sq.m.
(iv)	Uses	:	Residential
(v)	Land use term	:	70 years for residential use, 40 years for commercial use and 50 years for other uses commenced from the date the contract be issued
(vi)	Land premium	:	RMB760,000,000
(vii)	Plot ratio	:	not exceeding 1.4

According to Grant Contract of State-owned Land Use Rights No. 440115-2011-000009 entered into between 廣州市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality) (the Grantor) and 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) (Grantee) on 29 June 2011, the Grantor has agreed to grant the land use rights of the property with a total site area of 15,385.07 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Luwan Village, Nansha Street, Nansha District, Guangzhou
(ii)	Lot No.	:	2010-NJY-3
(iii)	Site area	:	15,385.07 sq.m.
(iv)	Uses	:	Residential
(v)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(vi)	Land premium	:	RMB58,740,000
(vii)	Plot ratio	:	not exceeding 2.5

3. According to two Planning Permits for Construction Use of Land issued by 廣州城市規劃局 (Guangzhou Urban Planning Bureau), the residential projects are in compliance with the urban planning requirements and has been approved with the following details:

Certificate No.	Date of issue	Project address	Site area
			(sq.m.)
(2008)8	26-Feb-08	Humen Stone Mine, Gangqian Avenue, Nansha District, Guangzhou	338,771.00
(2011)40	14-Jul-11	Luwan Village, Nansha Street, Nansha District, Guangzhou	15,385.00
		Total	354,156.00

4. According to four Planning Permits for Construction Works issued by 廣州市規劃局 (Planning Bureau of Guangzhou Municipal), the construction works, situated at west of Humen Stone Mine, Nansha Street, Gangqian Avenue, Nansha District with a total planned gross floor area of 226,000.93 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
(2010)186	30-Sep-10	Low-rise residential (type T01 and T02) (Block B1 to B8, B11 to B18 and B21 to B48)	9,566.00
(2010)188	9-Oct-10	Low-rise residential (type T03 and T05) (Block B57 to B84, B9 to B10, B19 to B20, B37 to B38, B55 to B56 and B11 to B14)	15,231.00
(2010)189	9-Oct-10	High-rise residential block No. 4 to 8	98,393.00
(2013)15	30-Jan-13	Residential Block 7 to 9 and basements	102,810.93
		Total	226,000.93

5. According to two Permits for Commencement of Construction Works issued by 廣州南沙開發區建設和管理局 (Construction and Administration Bureau of Nansha Development District, Nansha), the property with a total area of 123,186 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
440199201010290202	29-Oct-10	Phase 2 (Low-rise residential type T01 to T05)	24,795.00
440199201010290201	29-Oct-10	Phase 2 (high-rise residential block No. 4 to 6)	98,391.00
		Total	123,186.00

6. According to three Commodity Housing Pre-sale Permits, the property with a total gross floor area of 187,590.35 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Gross floor area (sq.m.)
20110474	29-Jul-11	18,311.39
20110565	9-Sep-11	86,470.76
20130099	7-Feb-13	82,808.20
	Total	187,590.35

7. As advised by the Group, a portion of the property with a total gross floor area of approximately 80,447.26 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB1,079,972,519. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was RMB1,273,455,422 whilst the outstanding construction cost for completion of the property as at the date of valuation was RMB1,221,358,964. We have taken into account such amounts in our valuation.

9. The market value of the property when completed is estimated approximately at RMB4,546,000,000.

10. According to Business Licence No. 440101000053472 dated 20 November 2012, 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) has been established with a registered capital of RMB35,000,000 and a valid operation period from 14 January 2010 to 15 January 2060.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

    (ii) 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Planning Permits for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
17.	The under construction development known as Times Cloud Altas (Foshan), Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區時代雲圖 (佛山)在建項目	The property comprises an under construction development known as Times Cloud Altas (Foshan) and is developed on a parcel of land with site area of approximately 37,996 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 154,828.93 Retail: 15,357.26 Ancillary facilities: 39,974.81 Car park: 9,756.00 Total: 219,917.00 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was under construction.	RMB1,001,000,000 (100% interest attributable to the Group: RMB1,001,000,000)

Notes:

1. According to two State-owned Land Use Rights Certificates, the land use rights of the property with a total site area of 37,996.40 sq.m. have been vested in 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) with the details as follows:

Certificate No.	Land use term	Site area
		(sq.m.)
(2013)1200213	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	18,167.88
(2013)1200214	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	19,828.52
	Total	37,996.40

2. According to Grant Contract of State-owned Land Use Rights No. 440601-2012-100049 entered into between 佛山市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Foshan Municipal) (the Grantor) and 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) (Grantee), the Grantor has agreed to grant the land use rights of the property with a total site area of 37,996.40 sq.m. to the Grantee with the details as follows:

(i)	Location	:	West of Chaoan Road and Tongji Road, Chancheng District, Foshan
(ii)	Site area	:	37,996.40 sq.m.
(iii)	Uses	:	Commercial and residential
(iv)	Land use term	:	70 years for residential use and 40 years for commercial use
(v)	Land premium	:	RMB180,290,000
(vi)	Plot ratio	:	Not exceeding 4.50

3. According to Planning Permit for Construction Use of Land No. 440604201200043 issued by 佛山市規劃局 (Planning Bureau of Foshan Municipal) on 29 September 2012, the project known under construction on the land parcel with a total site area of 37,996.40 sq.m., situated at Chancheng District, Foshan, is in compliance with the urban planning requirements and has been approved.

4. According to four Permits for Commencement of Construction Works issued by Foshan Chancheng Urban Construction and Water Supplies Bureau, the property with a total gross floor area of 219,917 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
440612013032201	22-Mar-2013	Blocks 3, 4, 6, 7 & Basement	56,800.00
440612013032202	22-Mar-2013	Blocks 1, 2, 5, & Basement	55,337.00
440612013042801	28-Apr-2013	Blocks 8-10	24,391.00
440612013051301	13-May-2013	Blocks 11-17	83,389.00
		Total	219,917.00

5. As advised by the Group, the total expended construction cost for the property as at the date of valuation was RMB175,700,244 whilst the outstanding construction cost for completion of the property as at the date of valuation was RMB658,607,188. We have taken into account such amounts in our valuation.

6. The market value of the property when completed is estimated approximately at RMB2,277,000,000.

7. According to Business Licence No. 440600000028960 dated 28 December 2012, 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB35,000,000 and a valid operation period since 22 August 2012.

8. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

9. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Permits for Commencement of Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
18.	The under construction development known as Phase 3 Portion of Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區時代城(佛山)三期部份在建項目	The property comprises an under construction development known as Phase 3 Portion of Times City (Foshan) and is developed on a parcel of land with site area of approximately 129,029 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 225,619.66 Retail: 14,209.94 Ancillary facilities: 67,139.29 Car park: 24,540.00 Total: 331,508.89 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for composite residential use with a term due to expire on 12 March 2077.	As at the date of valuation, the property was under construction.	RMB1,102,000,000 (100% interest attributable to the Group: RMB1,102,000,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2010) 20101100810 dated 3 February 2010, the land use rights of the land with a a total site area of 213,116.7 sq.m. have been vested in 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for composite residential use with a term due to expire on 12 March 2077.

2. According to Modified Grant Contract of State-owned Land Use Rights No. 2007-004 entered into between 佛山市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Foshan Municipality) (the Grantor) and 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) (Grantee) on 15 May 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 213,116.70 sq.m. to the Grantee with the details as follows:

(i)	Location	:	No. B2 & B3 of West District, Foreign Economic and Development Zone, Sanshui District, Foshan.
(ii)	Site area	:	213,116.70 sq.m.
(iii)	Uses	:	Composite residential
(iv)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(v)	Land premium	:	RMB45,969,394.40

3. According to two Planning Permits for Construction Use of Land issued by 佛山市規劃局三水分局 (Foshan Planning Bureau Sanshui Sub-Bureau), the project under construction on the land parcels with a total site area of 213,116.7 sq.m., situated at West Zone of Economic Development Zone, Sanshui District, is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	Date of issue	Location	Site area
			(sq.m.)
(2006)049	1-Dec-06	B2	157,416.70
(2006)049	1-Dec-06	B3	55,700.00
		Total	213,116.70

4. According to twenty-seven Planning Permits for Construction Works issued by 佛山市城鄉規劃局 (Urban and Rural Planning Bureau of Foshan Municipal), the construction works situated at West Zone of Economic Development Zone, Sanshui District, with a total planned gross floor area of 404,393.19 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
440607201200263	17-May-12	Block No. 1 to 3 of Phase 3	22,282.22
440607201200264	17-May-12	Block No. 4 to 5 of Phase 3	17,456.39
440607201100228	14-Apr-11	Block No. 6 to 7 of Phase 3	12,497.36
440607201100229	14-Apr-11	Block No. 8 to 9 of Phase 3	15,465.90
440607201100230	14-Apr-11	Block No. 10 to 11 of Phase 3	13,282.30
440607201100453	14-Jul-11	Block No. 12 to 13 of Phase 3	12,437.16
440607201100454	14-Jul-11	Block No. 14 to 15 of Phase 3	15,465.90
440607201200265	17-May-11	Block No. 16 to 17 of Phase 3	13,296.66
440607201100456	14-Jul-11	Block No. 18 to 19 of Phase 3	12,487.16
440607201100457	14-Jul-11	Block No. 20 to 22 of Phase 3	22,193.54
440607201200032	1-Jan-12	Block No. 23 to 24 of Phase 3	14,056.12
440607201100231	14-Apr-11	Block No. 25 to 26 of Phase 3	14,050.40
440607201100232	14-Apr-11	Block No. 27 to 29 of Phase 3	22,151.38
440607201100233	14-Apr-11	Block No. 30 to 31 of Phase 3	12,497.36
440607201100234	14-Apr-11	Block No. 32 to 33 of Phase 3	15,550.22
440607201101175	30-Nov-11	Block No. 34 to 35 of Phase 3	13,197.31
440607201200266	17-May-12	Block No. 36 to 37 of Phase 3	12,919.69
440607201200267	17-May-12	Block No. 38 to 39 of Phase 3	12,687.59
440607201200268	17-May-12	Block No. 40 to 42 of Phase 3	20,988.92
440607201200269	17-May-12	Block No. 43 to 44 of Phase 3	13,633.00
440607201100463	14-Jul-11	Kindergarten, Block No. 58 of Phase 3	3,205.36
440607201100414	27-Jun-11	Club House, Block No. 59 of Phase 3	1,756.95
440607201100368	7-Jun-11	Basement A of Phase 3	22,227.98

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
440607201200471	26-Jul-12	Basement B of Phase 3	27,821.71
440607201200472	5-Mar-12	Basement C of Phase 3	28,247.39
440607201200466	7-Jul-12	Basement D of Phase 3	12,433.72
440607201200464	14-Jul-11	Garbage Station, Block No. 60 of Phase 3	103.50
		Total	404,393.19

5. According to five Permits for Commencement of Construction Works issued by Foshan Sanshui Construction Bureau with a total area of 331,778.10 sq.m., the construction project is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
440621201105050101-2	5-May-11	Blocks 1-11 & Basement	103,092.89
440621201108180101	18-Aug-11	Blocks 12-24, 58, 60 & Basement B	118,354.61
440621201104270101-2	27-Apr-11	Blocks 25-29 & 59	68,992.55
440621201105050201	5-May-11	Blocks 30-35	41,338.05
440621201108180201	18-Aug-11	Blocks 36-44 & Basement D	72,666.46
		Total	331,778.10

6. According to ten Commodity Housing Pre-sale Permits, the property with a total gross floor area of 153,537.57 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Gross floor area (sq.m.)
2012003205	13-Jun-12	17,085.26
2012003105	13-Jun-12	21,731.08
2012001505	13-Mar-12	12,041.10
2012001405	13-Mar-12	14,860.72
2012001605	13-Mar-12	12,870.47
2012001805	13-Mar-12	21,297.60
2012001905	13-Mar-12	12,793.40
2012002105	13-Mar-12	14,949.12
2012002005	13-Mar-12	12,041.78
	Total	153,537.57

7. As advised by the Group, a portion of the property with a total gross floor area of approximately 81,547.41 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB425,904,375. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB886,610,576 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB230,212,855. We have taken into account such amount in our valuation.

9. The market value of the property when completed is estimated approximately at RMB1,815,000,000.

10. According to Business Licence No. 440600400004425 dated 24 October 2011, 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB48,000,000 since 4 August 2005.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

    (ii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Modified Grant Contract of State-owned Land Use Rights	Yes
Planning Permits for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Planning Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
19.	The under construction development known as Phases 1 to 4 of Times King City (Zhongshan), Shaxi District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪區時代傾城(中山)一期至四期在建項目	The property comprises an under construction development known as Phases 1 to 4 of Times King City (Zhongshan) and is developed on land with site area of approximately 101,820.90 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 397,651.62 Retail: 59,006.31 Ancillary facilities: 44,208.55 Car park: 34,164.00 Total: 535,030.48 As advised by the Group, the property is scheduled to be completed in the period between 2013 and 2015. The property is held with land use rights for a term of 70 years for residential use, 40 years for commercial, tourism and entertainment uses and 50 years for other uses.	As at the date of valuation, the property was under construction.	RMB1,885,000,000 (100% interest attributable to the Group: RMB1,885,000,000)

Notes:

1. According to five State-owned Land Use Rights Certificates all issued by 中山市國土資源局 (Land and Resources Bureau of Zhongshan City), the land use rights of the property with a total site area of 101,820.90 sq.m. have been vested in 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Land use term	Site area
				(sq.m.)
(2010) 241749	7-Jul-10	Commercial, residential	due to expire on 7 June 2071	8,853.70
(2011)2401232	24-Dec-11	Commercial, residential	due to expire on 20 August 2077	41,118.50
(2011)2401233	24-Dec-11	Commercial, residential	due to expire on 20 August 2077	21,292.00
(2011)2401234	24-Dec-11	Commercial, residential	due to expire on 20 August 2077	18,159.00
(2011)2401235	24-Dec-11	Commercial, residential	due to expire on 20 August 2077	12,397.70
			Total	101,820.90

2. According to Grant Contract of State-owned Land Use Rights No. 442000-2007-005552 entered into between 中山市國土資源局 (Land and Resources Bureau of Zhongshan City) ("the Grantor") and 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) ("the Grantee") on 15 August 2007, the Grantor has granted the land use rights of the property with a total site area of 92,966.8 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Shaxi Avenue, Shaxi Town
(ii)	Granted site area	:	92,966.8 sq.m. (commercial portion 25,591.4 sq.m. and residential portion 67,375.8 sq.m.)
(iii)	Use	:	Commercial and residential
(iv)	Plot ratio	:	Not exceeding 4.5
(v)	Land use term	:	40 years for commercial and 70 years for residential
(vi)	Land premium	:	RMB240,500,000

3. According to two Planning Permits for Construction Use of Land issued by 中山市城鄉規劃局 (Urban Planning Bureau of Zhongshan City), the land situated at Shaxi Avenue, Shaxi Town, with a site area of 101,820.80 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows.

Certificate No.	Date of issue	Location	Construction scale
			(sq.m.)
070312011040004 (supplement)	13-Aug-2010	Dashidou Village, Shaxi Town	8,853.70
070312011040004	16-May-2011	Shaxi Avenue, Shaxi Town	92,967.10
		Total	101,820.80

4. According to five Planning Permits for Construction Works issued by 中山市城鄉規劃局 (Urban Planning Bureau of Zhongshan City), the details are shown as follows:

Permit No.	Date of issue	Construction project	Construction scale (sq.m.)
070042012040006	14-May-2012	Block 1 to 6 of Times King City	125,246.85
070042012040007	14-May-2012	Block 7 to 10 of Times King City	81,234.70
070042012020003	13-Mar-2012	Block 11 to 14 of Times King City	84,092.09
070042012100005	22-Oct-2012	Block 23 to 25 of Times King City	50,774.27
070042012110020	22-Nov-2012	Block 26 of Times King City	56,617.43
		Total	397,965.34

5. According to six Planning Permits for Commencement of Construction Works issued by 中山市住房和城鄉建設局 (Housing and Urban Construction Bureau of Zhongshan City), the property with a total gross floor area of 397,887.75 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Property name	Construction scale (sq.m.)
442000201108310351ZX3156	31-Aug-2011	Block Nos. 1 to 4	81,856.25
442000201108310350ZX3155	31-Aug-2011	Block Nos. 5 to 6	43,954.58
442000201111180457ZX4364	18-Nov-2011	Block Nos. 7 to 10	80,593.13
442000201206150198ZX2231	15-Jun-2012	Block Nos. 11 to 14	84,092.09
442000201211150408ZX3919	15-Nov-2012	Block Nos. 23 to 25	50,774.27
442000201303080077ZX0700	8-Mar-2013	Block No. 26	56,617.43
		Total	397,887.75

6. According to six Commodity Housing Pre-sale Permits, the property with a total gross floor area of 235,429.63 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Property name	Gross floor area (sq.m.)
2011447	22-Dec-2011	Block No.1 to 6 of Times King City	99,767.45
2012053	26-Mar-2012	Block No. 7 of Times King City	14,764.50
2012054	26-Mar-2012	Block No. 8 of Times King City	18,262.10
2012093	16-May-2012	Block No. 9 to 10 of Times King City	34,255.18
2012210	20-Sep-2012	Block No. 11 and 14 of Times King City	31,178.76
2012210	29-Sep-2012	Block No. 12 to 13 of Times King City	37,201.64
		Total	235,429.63

7. As advised by the Group, a portion of the property with gross floor area of approximately 272,473.51 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB1,652,818,002. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB932,488,473 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB674,981,959. We have taken into account such amount in our valuation.

9. The market value of the property when completed is estimated approximately at RMB3,720,000,000.

10. According to Business Licence No. 442000000291880 dated 4 May 2012, 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB45,000,000 since 18 May 1999 and a valid operation period from 19 June 2007 to 14 June 2017.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

    (ii) 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Planning Permits for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Planning Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
20.	The under construction development known as Zhuhai Jingrun Project (Phase 4 of Times Eolia City), Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區珠海景潤項目(時代 • 山湖海四期)在建項目	The property comprises an under construction development known as Zhuhai Jingrun Project (Phase 4 of Times Eolia City) and is developed on a parcel of land with site area of approximately 51,003.30 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: Use — Approximate gross floor area (sq.m.) Residential: 119,362.00 Retail: 6,381.00 Ancillary facilities: 3,804.38 Car park: 24,677.00 Total: 154,224.38 As advised by the Group, the property is scheduled to be completed in 2014. The property is held with land use rights for residential and commercial uses with terms due to expire on 7 November 2071 and 7 November 2051 respectively.	As at the date of valuation, the property was under construction.	RMB765,000,000 (100% interest attributable to the Group: RMB765,000,000)

Notes:

1. According to Real Estate Title Certificate No. 0200011222, the land use rights of the property with a site area of 51,003.3 sq.m. have been vested in 珠海市景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.) due to expire on 7 November 2071 for residential use and due to expire on 7 November 2051 for commercial use.

2. According to six Grant Contracts of State-owned Land Use Rights entered into between 珠海市國土資源局 (Land and Resources Bureau of Zhuhai City) ("the Grantor") and 珠海市景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.) ("the Grantee") in 1997, the Grantor has granted the land use rights of the property with a total site area of 51,307.8 sq.m. to the Grantee with the particulars as follows:

Certificate No.	Date of issue	Use	Land use term	Site area (sq.m.)
(1997) 038	8-Jan-1997	Residential	40 years for commercial and 70 years for residential	10,011.9
(1997) 037	8-Jan-1997	Residential	40 years for commercial and 70 years for residential	10,047.6
(1997) 180	22-Oct-1997	Residential	40 years for commercial and 70 years for residential	7,636.3
(1997) 181	22-Oct-1997	Residential	40 years for commercial and 70 years for residential	2,500.0
(1997) 182	22-Oct-1997	Residential	40 years for commercial and 70 years for residential	10,004
(1997) 183	22-Oct-1997	Residential	40 years for commercial and 70 years for residential	11,108.0
			Total	51,307.80

3. According to Planning Permit for Construction Use of Land No. 2010-042 issued by 珠海市住房和城鄉規劃建設局 (Housing and Urban Planning Construction Bureau of Zhuhai City) on 14 December 2010, property with a total site area of 51,003.3 sq.m., is in compliance with the urban planning requirements and has been approved.

4. According to Planning Permit for Construction works No. 2011-034 issued by 珠海市住房和城鄉規劃建設局 (Housing and Urban Planning Construction Bureau of Zhuhai City) on 26 May 2011, the project with a gross floor area of 154,223.88 sq.m., is in compliance with the urban planning requirements and has been approved.

5. According to two Planning Permits for Commencement of Construction Works issued by 珠海市金灣區住房和城鄉建設局 (Housing and Urban Construction Bureau of Jinwan District, Zhuhai City), the property with a total gross floor area of 154,223.88 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Construction project	Construction scale (sq.m.)
440403201204010101	1-Apr-12	Block Nos. G5, 6 to 11 and basement	69,123.51
440403201204010201	1-Apr-12	Block Nos. G4, 1 to 5, 12 and 13	85,100.37
			154,223.88

6. According to two Commodity Housing Pre-sale Permits, the property with a total gross floor area of 102,452.63 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Building	Gross floor area (sq.m.)
JW-S201200022	6-Dec-12	Block Nos. 1 to 4, 10 to 14	80,051.50
JW-S201300002	9-Jan-13	Block Nos. 8 and 9	22,401.13
			102,452.63

7. As advised by the Group, a portion of the property with a total gross floor area of approximately 122,372.79 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB898,936,157. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB568,127,304 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB142,368,259. We have taken into account such amount in our valuation.

9. The market value of the property when completed is estimated approximately at RMB1,166,000,000.

10. According to Business Licence No. 440400000038407 dated 26 October 2012, 珠海市景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.) has been established with a registered capital of RMB13,800,000 and a valid operating period from 4 June 2007 to 4 June 2027.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The Real Estate Title Certificate of the property is valid, legal and enforceable under the PRC laws;

    (ii) 珠海市景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 珠海市景潤房地產開發有限公司 (Zhuhai Jingrun Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificate	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Planning Permit for Construction Works	Yes
Planning Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
21.	The under construction development known as Phases 1 to 3 of Zhuhai Pingsha Project, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區平沙鎮珠海平沙項目一期至三期在建項目	The property comprises an under construction development known as Phases 1 to 3 of Zhuhai Pingsha Project and is developed on a parcel of land with site area of approximately 81,392.70 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 171,224.25 Retail: 27,205.64 Ancillary facilities: 50,611.41 Car park: 13,332.00 Total: 262,373.30 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for terms of 40 years and 70 years for commercial and residential uses respectively.	As at the date of valuation, the property was under construction.	RMB197,000,000 (100% interest attributable to the Group: RMB197,000,000)

Notes:

1. According to Real Estate Title Certificate No. 0400000467, the land use rights of the property with a total site area of 81,392.70 sq.m. have been vested in 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) due to expire on 9 January 2083 for residential use and due to expire on 9 January 2053 for commercial use.

2. According to Grant Contract of State-owned Land Use Rights No. 440401-2012-000019 entered into between 珠海市國土資源局 (Land and Resources Bureau of Zhuhai City) ("the Grantor") and 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) ("the Grantee") on 25 October 2012, the Grantor has granted the land use rights of the property with a total site area of 39,171.5 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	North of Shengping Avenue, Pingsha Town, Zhuhai City
(ii)	Granted site area	:	39,171.50 sq.m.
(iii)	Use	:	Residential and commercial
(iv)	Plot ratio	:	Not exceeding 2.50
(v)	Land use term	:	40 years for commercial and 70 years for residential
(vi)	Land premium	:	RMB117,514,560

According to Grant Contract of State-owned Land Use Rights No. 440401-2012-000020 entered into between 珠海市國土資源局 (Land and Resources Bureau of Zhuhai City) ("the Grantor") and 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) ("the Grantee") on 25 October 2012, the Grantor has granted the land use rights of the property with a total site area of 42,221.2 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	North of Shengping Avenue, Pingsha Town, Zhuhai City
(ii)	Granted site area	:	42,221.20 sq.m.
(iii)	Use	:	Residential and commercial
(iv)	Plot ratio	:	Not exceeding 2.50
(v)	Land use term	:	40 years for commercial and 70 years for residential
(vi)	Land premium	:	RMB126,663,600

3. According to two Permits for Commencement of Construction Works issued by Construction and Management Bureau of Zhuhai Gaolan Bay Economic Zone, the property with a total gross floor area of 252,560.71 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
440411201303280101	29-Mar-2013	Phase 1	131,505.92
440411201303290201	29-Mar-2013	Phase 2	121,054.79
		Total	252,560.71

4. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB144,962,510 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB698,629,631. We have taken into account such amount in our valuation.

5. The market value of the property when completed is estimated approximately at RMB1,328,000,000.

6. According to Business Licence No. 440400000364500 dated 6 December 2012, 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB10,000,000 and a valid operation period from 6 December 2012 to 6 December 2062.

7. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The Real Estate Title Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

8. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificate	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Permits for Commencement of Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
22.	The under construction development known as Phase 1 of Zhuhai Guoji Project, Baijiao Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮珠海國基項目一期在建項目	The property comprises an under construction development known as Phase 1 of Zhuhai Guoji Project and is developed on a land with site area of approximately 52,950.01 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 126,171.00 Retail: 9,539.00 Ancillary facilities: 25,167.11 Car park: 10,164.00 Total: 171,041.11 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for terms of 40 years and 70 years for commercial and residential uses respectively.	As at the date of valuation, the property was under construction.	RMB138,000,000 (100% interest attributable to the Group: RMB138,000,000)

Notes:

1. According to two Real Estate Title Certificates, the land use rights of the property with a total site area of 52,950.01 sq.m. have been vested in 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Land use term	Site area (sq.m.)
0300034264	28 Dec 2011	Residential/ Commercial	18 Aug 2079 for residential; 18 Aug 2049 for commercial.	27,354.13
0300034263	28 Dec 2011	Residential/ Commercial	18 Aug 2079 for residential; 18 Aug 2049 for commercial.	25,595.88
			Total	52,950.01

2. According to Permit for Commencement of Construction Works no. 440402201305150201 issued by Housing and Urban Construction Bureau of Doumen Zhuhai on 16 May 2013, the construction project of Blocks G1, 1 to 5 and Basement with a total gross floor area of 84,261.11 sq.m. is in compliance with the requirements for works commencement and has been permitted.

3. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB156,649,129 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB586,055,601. We have taken into account such amount in our valuation.

4. The market value of the property when completed is estimated approximately at RMB1,033,000,000.

5. According to Business Licence No. 440400000274022 dated 18 March 2011, 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB5,000,000 since 18 March 2011.

6. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The Real Estate Title Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

7. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificates	Yes
Permit for Commencement of Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
23.	The under construction development known as Phases 1 to 2 of Times King City (Qingyuan), Changpu Village, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區長埔村時代傾城(清遠)一期至二期在建項目	The property comprises an under construction development known as Phases 1 to 2 of Times King City (Qingyuan) and is developed on land with site area of approximately 84,775 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 279,049.93 Retail 14,550.46 Ancillary facilities 36,368.81 Car park 15,084.00 Total 345,053.20 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for residential and commercial uses with terms due to expire on 25 October 2081 and 25 October 2051 respectively.	As at the date of valuation, the property was under construction.	RMB697,000,000 (100% interest attributable to the Group: RMB697,000,000)

Notes:

1. According to seven State-owned Land Use Rights Certificates all issued by 清遠市人民政府 (Qingyuan Municipal People's Government), the land use rights of the property with a total site area of 204,458.94 sq.m. have been vested in 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2012)01391	13-Jul-12	Residential	25 October 2081	28,007.73
(2012)01392	13-Jul-12	Residential	25 October 2081	69,102.60
(2013)00293	5-Feb-13	Residential	25 October 2081	21,880.10
(2013)00294	5-Feb-13	Residential	25 October 2081	10,637.31
(2013)00295	5-Feb-13	Residential	25 October 2081	22,667.01

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area
				(sq.m.)
(2013)00296	5-Feb-13	Residential	25 October 2081	28,626.20
(2013)00297	5-Feb-13	Residential	25 October 2081	23,537.99
			Total	204,458.94

2. According to Grant Contract of State-owned Land Use Rights No. 441802-2011-000095 entered into between 清遠市國土資源局 (Land and Resources Bureau of Qingyuan City) ("the Grantor") and 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) ("the Grantee") on 25 October 2011, the Grantor has granted the land use rights of the property with a total site area of 120,102.19 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Administration area of Changpu Village Committee, Dongcheng Street, Qingcheng District, Qingyuan
(ii)	Granted site area	:	120,102.19 sq.m.
(iii)	Use	:	Mid to low price and mid to low unit size residential
(iv)	Plot ratio	:	Not exceeding 3.6
(v)	Land use term	:	70 years commencing from the date of contract signed
(vi)	Land premium	:	RMB228,640,000

According to Grant Contract of State-owned Land Use Rights No. 441802-2011-000096 entered into between 清遠市國土資源局 (Land and Resources Bureau of Qingyuan City) ("the Grantor") and 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) ("the Grantee") on 25 October 2011, the Grantor has granted the land use rights of the property with a total site area of 117,130.29 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Administration area of Changpu Village Committee, Dongcheng Street, Qingcheng District, Qingyuan
(ii)	Granted site area	:	117,130.29 sq.m.
(iii)	Use	:	Mid to low price and mid to low unit size residential
(iv)	Plot ratio	:	Not exceeding 4.0
(v)	Land use term	:	70 years commencing from the date of contract signed
(vi)	Land premium	:	RMB228,640,000

3. According to three Planning Permits for Construction Use of Land, the project under construction on the land parcel situated on Administration area of Changpu Village Committee, Dongcheng Street, Qingcheng District, is in compliance with the urban planning requirements and has been approved, with details as follows:

Certificate No.	Date of issue	Site area
		(sq.m.)
A20130010	5-Feb-13	28,007.73
A20130011	5-Feb-13	107,348.61
A20130012	5-Feb-13	69,102.60
	Total	204,458.94

4. According to five Planning Permits for Construction Works issued by 清遠市城鄉規劃局 (Urban Planning Bureau of Qingyuan City), the details are as follows:

Certificate No.	Date of issue	Construction project	Construction scale (sq.m.)
A20130098	1-Mar-2013	Basement of Phase 1	36,030.58
A20130099	1-Mar-2013	Block 7 to 8 of Phase 1	20,160.42
A20130097	1-Mar-2013	Block 1 to 6 of Phase 1	38,898.60
A20130096	1-Mar-2013	Block 10 to 11 of Phase 1	15,664.97
A20130095	1-Mar-2013	Block 36 of Phase 1	5,418.50
		Total	116,173.07

5. According to Permit for Commencement of Construction Works no. 441801201301010 issued by Zhuhai Urban Construction Bureau, the construction project of Blocks 1 to 11, 35, 36 and Basement with a total gross floor area of 116,872.30 sq.m. is in compliance with the requirements for works commencement and has been permitted.

6. As advised by the Group, a portion of the property with gross floor area of approximately 34,877.61 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB199,788,005. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

7. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB614,210,493 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB644,252,321. We have taken into account such amount in our valuation.

8. The market value of the property when completed is estimated approximately at RMB1,869,000,000.

9. According to Business Licence No. 441800000035742 dated 21 November 2011, 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB30,000,000 and a valid operation period from 10 February 2010 to 10 February 2014.

10. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

    (ii) 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

11. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Planning Permits for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Permit for Commencement of Construction Works	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
24.	The under construction development known as Phase 1 of Fogang Shilian Project, Shilian Village, Shijiao Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市佛岡區石角鎮石聯村佛岡石聯項目一期在建項目	The property comprises an under construction development known as Phase 1 of Fogang Shilian Project and is developed on land with site area of approximately 183,695.55 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 364,411.11 Retail 2,980.00 Total 367,391.11 As advised by the Group, the property is scheduled to be completed in 2015. The property is held with land use rights for residential and composite use.	As at the date of valuation, the property was under construction.	RMB753,000,000 (100% interest attributable to the Group: RMB753,000,000)

Notes:

1. According to four State-owned Land Use Rights Certificates all issued by 佛岡縣人民政府 (Municipal People's Government of Fogang County), the land use rights of the property with a total site area of 551,086.66 sq.m. have been vested in 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2006)00101	30-May-06	Composite	29 June 2052	193,926.66
(2006)00147	15-Aug-06	Composite	30 December 2055	33,150.30
(2006)00148	15-Aug-06	Composite	30 December 2055	284,009.70
(2006)00149	15-Aug-06	Residential	30 December 2075	40,000.00
			Total	551,086.66

2. According to Grant Contract of State-owned Land Use Rights entered into between 佛岡縣國土資源局 (Land and Resources Bureau of Fogang County) ("the Grantor") and 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) ("the Grantee") on 30 June 2002, the Grantor has granted the land use rights of the property with a total site area of 193,926.66 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Shilian Village, Longnan Town
(ii)	Granted site area	:	193,926.66 sq.m.
(iii)	Use	:	Composite
(iv)	Land use term	:	50 years commencing from the date of contract signed
(v)	Land premium	:	RMB581,780

According to Grant Contract of State-owned Land Use Rights entered into between 佛岡縣國土資源局 (Land and Resources Bureau of Fogang County) ("the Grantor") and 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) ("the Grantee") on 30 July 2006, the Grantor has granted the land use rights of the property with a total site area of 357,160 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Shilian Village, Longnan Town
(ii)	Granted site area	:	357,160 sq.m.
(iii)	Use	:	Composite
(iv)	Land use term	:	50 years commencing from the date of contract signed
(v)	Land premium	:	RMB535,740

3. According to Planning Permit for Construction Use of Land No. 2006-067 issued by 佛岡縣城鄉規劃管理辦公室 (Urban and Rural Planning Office of Fogang County) on 23 April 2006, the project under construction on the land parcel with a total site area of 759,992.44 sq.m., situated on Longnan Shilian Village, Shijiao Town, Fogang County, is in compliance with the urban planning requirements and has been approved.

4. According to Planning Permit for Construction Works No. 2006-048 issued by 佛岡縣城鄉規劃管理辦公室 (Urban and Rural Planning Office of Fogang County) on 23 April 2006, the construction works of the subject development, with a total planned gross floor area of 98,119 sq.m., is in compliance with the urban planning requirements and have been approved.

5. According to four Permits for Commencement of Construction Works issued by 佛岡縣建設局 (Fogang Bureau of Construction), the property with a total gross floor area of 101,099 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Construction project	Construction scale (sq.m.)
441821200708100101	10-Aug-07	Building Nos. 1 to 49 and 182 to 237	41,119.00
441821200708100201	10-Aug-07	Building Nos. 50 to 94	20,000.00
441821200708100301	10-Aug-07	Building Nos. 95 to 181	37,000.00
441821200805090101	9-May-08	Clubhouse	2,980.00
			101,099.00

6. According to Planning Permit for Commodity Housing Pre-sale No. 2008-013 issued by 佛岡市環保和建設局 (Fogang Environment and Construction Bureau), the project under construction is permitted to pre-sale for a total gross floor area of 1,178 sq.m.

7. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB393,005,081 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB197,605,956. We have taken into account such amount in our valuation.

8. The market value of the property when completed is estimated approximately at RMB1,479,000,000.

9. According to Business Licence No. 4418212000227, 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB3,000,000 since 31 March 2004.

10. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

    (ii) 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

11. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Planning Permit for Construction Works	Yes
Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permit	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
25.	The under construction development known as Phase 1 of Times King City (Changsha), Jinxing Bei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省 長沙市望城區 金星北路 時代傾城(長沙) 一期 在建項目	The property comprises an under construction development known as Phase 1 of Times King City (Changsha) and is developed on a parcel of land with site area of approximately 76,078.00 sq.m. Upon completion, the property is a residential development with retail and ancillary facilities. The details of planned gross floor area of the property are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 254,241.65 Retail: 8,226.32 Ancillary facilities: 10,288.49 Car park: 15,384.00 Total: 288,140.46 As advised by the Group, the property is scheduled to be completed in 2014. The property is held with land use rights for residential, commercial and education uses.	As at the date of valuation, the property was under construction.	RMB840,000,000 (100% interest attributable to the Group: RMB840,000,000)

Notes:

1. According to eight State-owned Land Use Rights Certificates all issued by 望城縣人民政府 (Municipal People's Government of Wangcheng County) dated 11 June 2010, the land use rights of the property with a with total site area of 543,710.30 sq.m. have been vested in 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Land use term	Site area (sq.m.)
2010-540	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education use: due to expire on 28 July 2055	43,708.10
2010-541	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	49,969.30
2010-542	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	45,354.20

Certificate No.	Land use term	Site area
		(sq.m.)
2010-544	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Medical use: due to expire on 28 July 2055	61,579.60
2010-545	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Cultural and medical use: due to expire on 28 July 2055	43,014.00
2010-546	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education and medical use: due to expire on 28 July 2055	113,785.80
2010-547	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education use: due to expire on 28 July 2055	110,221.30
2010-548	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education and medical use: due to expire on 28 July 2055	76,078.00
	Total	543,710.30

As advised by the Group, a portion of the site area of approximately 83,573.75 sq.m. has been resumed by the government for heritage protection purpose.

2. According to the Grant Contract of State-owned Land Use Rights entered into between 望城縣國土資源局 (Wangcheng County Land Resources Bureau) ("the Grantor") and 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) ("the Grantee") on 10 July 2003, the Grantor has granted the land use rights of the property with a total site area of 667,640 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Xingcheng Town
(ii)	Granted site area	:	667,640 sq.m.
(iii)	Use	:	Commercial & Residential
(iv)	Plot ratio	:	Not exceeding 3.0
(v)	Land use term	:	70 years for residential use and 40 years for commercial use commencing from the date of contract signed
(vi)	Land premium	:	RMB98,160,000

3. According to the Planning Permit for Construction Use of Land No. 200307045 issued by 望城縣規劃管理局 (Planning Administration Bureau of Wangcheng County) on 2 July 2003, the project under construction on the land parcel with a total site area of 667,640.00 sq.m., situated at Xingcheng Town, is in compliance with the urban planning requirements and has been approved.

4. According to seven Planning Permits for Construction works issued by 望城縣城鄉規劃管理局 (Urban and Rural Planning Administration Bureau of Wangcheng County), the construction works, situated at Xingcheng Town with a total planned gross floor area of 319,326.74 sq.m., is in compliance with the urban planning requirements and has been approved with details as follows:

Certificate No.	Date of issue	Project name	Construction scale
			(sq.m.)
201106045-1	10-Jun-11	Building Nos. 1 to 4 of Residence No. 2	52,674.98
201106045-2	10-Jun-11	Building Nos. 5 to 12 of Residence Zone No. 2	101,574.05
201106045-3	10-Jun-11	Building Nos. 13 to 20 of Residence Zone No. 2	112,588.00
201106045-4	10-Jun-11	Underground carpark of Residence Zone No. 2	43,320.80
201106045-5	25-Jul-11	Kindergarten	4,517.12
201106051	29-Jun-11	Sales centre (temporary)	2,204.64
201109134	30-Sep-11	Retail facilities (temporary)	2,447.15
		Total	319,326.74

5. According to five Permits for Commencement of Construction Works issued by 望城縣城鄉建設局 (Urban and Rural Construction Bureau of Wangcheng County), the property with a total gross floor area of 322,206.85 sq.m., is in compliance with the requirements for works commencement and have been permitted with details as follows:

Certificate No.	Date of issue	Project name	Construction scale (sq.m.)
430109201106302801	30-Jun-11	Tender No. 1 of Changsha Meiguiyuan Residence Zone No. 2	130,489.00
430109201106302901	30-Jun-11	Tender No. 2 of Changsha Meiguiyuan Residence Zone No. 2	113,621.00
430109201109296301	29-Sep-11	Tender No. 3 of Changsha Meiguiyuan Residence Zone No. 2	73,467.80
430109201109296401	29-Sep-11	Sales Centre of Changsha Meiguiyuan Residence Zone No. 2	2,232.46
430109201111107301	10-Nov-11	Retail facilities of Changsha Meiguiyuan Residence Zone No. 2	2,396.59
		Total	322,206.85

6. According to eight Commodity Housing Pre-sale Permits, the property with a total gross floor area of 199,273.77 sq.m., are permitted for pre-sale with details as follows:

Certificate No.	Date of issue	Gross floor area (sq.m.)
(2011) 0455	15-Dec-11	27,362.86
(2011) 0456	15-Dec-11	25,754.88
(2011) 0457	15-Dec-11	27,942.07
(2012) 0009	16-Mar-12	28,129.56
(2012) 0030	8-May-12	27,511.52
(2012) 0105	16-Aug-12	25,139.76
(2012) 0106	16-Aug-12	12,479.36
(2012) 0107	16-Aug-12	24,953.76
	Total	199,273.77

7. As advised by the Group, a portion of the property with a total gross floor area of approximately 213,041.83 sq.m. are subject to various agreements for sale and purchase for a total consideration of RMB1,210,446,063. The total consideration aforesaid in respect of this portion of the property is reflected and included in our valuation shown above.

8. As advised by the Group, the total expended construction cost for the property as at the date of valuation was approximately RMB733,343,048 whilst the outstanding construction cost for completion of the property as at the date of valuation was approximately RMB313,882,258. We have taken into account such amount in our valuation.

9. The market value of the property when completed is estimated approximately at RMB1,668,000,000.

10. According to Business Licence No. 440122000009048 dated 15 July 2011, 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB50,000,000 and a valid operation period from 30 September 2002 to 30 September 2016.

11. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

    (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

    (ii) 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

    (iii) 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

    (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

12. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Planning Permits for Construction Works	Yes
Planning Permits for Commencement of Construction Works	Yes
Commodity Housing Pre-sale Permits	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group IV – Properties held by the Group for future development in the PRC

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
26.	Development site for the proposed development known as Phase 3 of Times Bund (Guangzhou), Shaxi Village, Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市番禺區 大石鎮沙溪村 時代外灘(廣州) 三期待建項目土地	The property comprises land for the proposed development known as Phase 3 of Times Bund (Guangzhou) situated at land with a total site area of approximately 12,817 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 30,583.00 Ancillary facilities: 690.00 Total: 31,273.00 As advised by the Group, the proposed development is scheduled to be completed in 2015. The property is held with land use rights for residential and commercial uses with a term due to expire on 26 August 2062.	As at the date of valuation, the property was land.	RMB204,000,000 (99% interest attributable to the Group: RMB201,960,000)

Notes:

1. According to State-owned Land Use Rights Certificate No. (2010) G04-001211 issued by 廣州市人民政府 (Guangzhou Municipal People's Government) on 8 November 2001, the land use rights of the land with a total site area of 228,880 sq.m. have been vested in 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) for a land use term for residential and commercial uses due to expire on 26 August 2062.

2. According to Grant Contract of State-owned Land Use Rights entered into between 廣州市番禺縣國土局 (Bureau of Land Resources and Housing Management of Guangzhou Municipality Panyu County) (the Grantor) and 番禺縣房地產聯合開發總公司 (Panyu County Real Estate Joint Development Co., Ltd) (Grantee) on 8 August 1992, the Grantor has agreed to grant the land use rights of the property with a total site area of 223,335 sq.m. to the Grantee with the details as follows:

(i)	Location	:	Shaxi Village, Dashi Town
(ii)	Site area	:	223,335 sq.m.
(iii)	Uses	:	Residential
(iv)	Land premium	:	RMB2,233,350

As advised by the Group, the site area of the parcel of land above has been revised to 228,880 sq.m.

3. According to Business Licence No. 440126000024172 dated 21 February 2012, 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) has been established as a limited company with a registered capital of RMB360,000,000 since 6 August 1992.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

(i) The State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

(ii) 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

(iii) 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

(iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
27.	Development site for the proposed development known as Guangzhou Tianhe Project, Helongyi Road, Baiyu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴龍一路廣州天合項目待建土地	The property comprises a parcel of industrial land with a total site area of approximately 34,325.59 sq.m. There are several low-rise buildings erected on the property. As advised by the Group, the process of change of land use of the property from industrial to residential is being undertaking. After the permission is obtained, a proposed residential development will be developed on the property. The property is held with land use rights for industrial use. For details of the term of land use rights, please see note 1 below.	As at the date of valuation, the property was vacant.	RMB35,000,000 (100% interest attributable to the Group: RMB35,000,000)

Notes:

1. According to three Real Estate Title Certificates issued by Guangzhou Land Resource and Housing Administration Bureau, the land use rights of the property with site area of 34,325.59 sq.m. has been vested in 廣州市天合建材有限公司 (Guangzhou Tianhe Construction Material Co., Ltd) for industrial use with details as follows:

Certificate No.	Date of issue	No. of storey of building	Land use term	GFA (sq.m.)
1050020719	12-Jan-11	2	50 years from 18 Nov 2010	1,136.93
1050020519	11-Jan-11	3	50 years from 2 Nov 2010	3,016.14
1050020518	11-Jan-11	3	50 years from 2 Nov 2010	15,940.32
			Total	20,093.39

2. According to Business Licence No. 440111000190896 dated 27 September 2013, 廣州市天合建材有限公司 (Guangzhou Tianhe Construction Material Co., Ltd) has been established on 3 August 2010 as a limited company with a registered capital of RMB51,000,000 and an operating period since 3 August 2010.

3. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) Real Estate Title Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 廣州市天合建材有限公司 (Guangzhou Tianhe Construction Material Co., Ltd) is the sole legal land user of the property;

   (iii) 廣州市天合建材有限公司 (Guangzhou Tianhe Construction Material Co., Ltd) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance; and

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

4. The status of the title and grant of major approvals and licenses in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificates	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
28.	Development site for the proposed development known as Guangzhou Tiansi Project, Wahzhou Road, Haizhu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市海珠區華洲路廣州天斯項目待建土地	The property comprises a parcel of industrial land with a total site area of approximately 45,578.99 sq.m. There are several low-rise buildings erected on the property. As advised by the Group, the process of change of land use of the property from industrial to residential is being undertaking. After the permission is obtained, a proposed residential development will be developed on the property. The property is held with land use rights of allocation in nature and for industrial use.	As at the date of valuation, the property was vacant	No commercial value

Notes:

1. We have ascribed no commercial value to the property as the nature of land use rights of the property is allocation and cannot be transferred freely in the market. Had the Group obtained a valid State-owned Land Use Rights Certificate for the property, the market value of the property in its existing state as at 30 September 2013 would be RMB68,400,000 (70% interest attributable to the Group: RMB47,880,000).

2. According to eight Real Estate Title Certificates all issued by Guangzhou Land Resource and Housing Administration Bureau on 4 November 2010, the land use rights of the property in the nature of allocation with a total site area of 45,578.99 sq.m. has been vested in 廣州市天斯物業管理有限公司 (Guangzhou Tiansi Property Management Co., Ltd) for industrial use with details as follows:

Certificate No.	Allocated site area	GFA
	(sq.m.)	(sq.m.)
0850019878	1,876.91	79.69
0850019877	1,876.91	990.18
0850019874	43,702.08	6,668.46
0850019873	43,702.08	6,668.46
0850019870	43,702.08	6,493.93
0850019872	43,702.08	6,493.93
0850019869	43,702.08	16,769.34
0850019867	43,702.08	332.66
	Total	44,496.65

3. According to Business Licence No. 440101000125368 dated 20 May 2013, 廣州市天斯物業管理有限公司 (Guangzhou Tiansi Property Management Co., Ltd) has been established on 30 August 2010 as a limited company with a registered capital of RMB1,000,000 and an operating period since 30 August 2010.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) Real Estate Title Certificates of the property are valid, legal and enforceable under the PRC laws; and

   (ii) 廣州市天斯物業管理有限公司 (Guangzhou Tiansi Property Management Co., Ltd) is the sole legal land user of the property;

5. The status of the title and grant of major approvals and licenses in accordance with the information provided to us by the Group are as follows:

Real Estate Title Certificates	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
29.	Development site for the proposed development known as Guangzhou Wuyang Paint Factory Project, Huangyuen Road, Baiyu District, Guangzhou, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路廣州五羊油漆廠項目待建土地	The property comprises a parcel of land with a total site area of approximately 17,480 sq.m. As advised by the Group, a proposed residential development will be developed on the property and is scheduled to be completed in 2015. The planned gross floor area of the proposed development are as follows:	As at the date of valuation, the property was land	RMB446,000,000 (50% interest attributable to the Group: RMB223,000,000)

Use	Approximate gross floor area (sq.m.)
Residential	50,215.60
Retail	9,146.00
Ancillary	1,266.20
Car park	14,184.90
Total	74,812.70

The property is held with land use rights for a term due to expire on 1 August 2053 for composite use.

Notes:

1. According to State-owned Land Use Rights Certificate No. (2013)06110044 dated 7 November 2013, the land use rights of the property with a total site area of 17,480 sq.m. have been vested in 廣州綠地白雲置業有限公司 (Guangzhou Lvdi Baiyun Asset Co., Ltd) for a term due to expire on 1 August 2053 for composite use.

2. According to Grant Contract for State-owned Land Use Rights No. 4401002013B00940 entered into between Guangzhou State-owned Land Resources and Housing Administration Bureau (the Grantor) and 廣州綠地房地產開發有限公司 (Guangzhou Lvdi Property Development Co., Ltd.) (the Grantee) on 18 June 2013, the land use rights of the property have been granted to the Grantee with details as follows:

(i)	Location	:	No. 123 Huangyuen Road, Baiyun District
(ii)	Site area	:	17,480 sq.m.
(iii)	Uses	:	Education, retail, residential, food & beverage, finance and other commercial services
(iv)	Land premium	:	RMB445,740,000
(v)	Plot ratio	:	3.4

3. According to Business Licence No. 440111000515490 dated 15 August 2013, 廣州綠地白雲置業有限公司 (Guangzhou Lvdi Baiyun Asset Co., Ltd) has been established on 5 July 2013 as a limited company with a registered capital of RMB20,000,000 and an operating period since 5 July 2013.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) State-owned Land Use Rights Certificate of the property is valid, legal and enforceable under the PRC laws;

   (ii) 廣州綠地白雲置業有限公司 (Guangzhou Lvdi Baiyun Asset Co., Ltd) is the sole legal land user of the property;

   (iii) 廣州綠地白雲置業有限公司 (Guangzhou Lvdi Baiyun Asset Co., Ltd) has the right to freely lease, transfer, mortgage and dispose of the land use rights of the property; and

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licenses in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificate	Yes
Grant Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
30.	Development site for the proposed development known as Phases 4 to 7 of Times City (Foshan), Samshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區時代城(佛山)四期至七期待建項目土地	The property comprises land for the proposed development known as Phases 4 to 7 of Times City (Foshan) situated at land with a total site area of approximately 211,469.00 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 304,246.00 Retail 21,079.00 Ancillary facilities 73,330.00 Car park 23,100.00 Total 421,755.00 As advised by the Group, the proposed development is scheduled to be completed in the period between 2015 and 2017. The property is held with land use rights for composite residential uses with a term due to expire on 12 March 2077.	As at the date of valuation, the property was land.	RMB411,000,000 (100% interest attributable to the Group: RMB411,000,000)

Notes:

1. According to three State-owned Land Use Rights Certificates all issued by 佛山市三水區人民政府 (Municipal Government of Foshan Sanshui District), the land use rights of the property have been vested in 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2010)20101100810	3-Feb-10	Composite residential	12-Mar-77	213,116.70
(2012)0106180	20-Aug-12	Composite residential	12-Mar-77	83,108.40
(2012)0106181	20-Aug-12	Composite residential	12-Mar-77	28,882.40
			Total	325,107.50

2. According to Modified Grant Contract of State-owned Land Use Rights No. 2007-003 entered into between 佛山市國土資源和房屋管理局 (Bureau of Land Resources and Housing Management of Foshan Municipality) (the Grantor) and 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) (Grantee) on 15 May 2007, the Grantor has agreed to grant the land use rights of the property with a total site area of 111,990.80 sq.m. to the Grantee with the details as follows:

(i)	Location	:	No. B1 of West District, Foreign Economic and Development Zone, Sanshui District, Foshan.
(ii)	Site area	:	111,990.80 sq.m.
(iii)	Uses	:	Town composite residential
(iv)	Land use term	:	70 years for residential use commenced from the date the contract be issued
(v)	Land premium	:	RMB23,685,545.60

3. According to Business Licence No. 440600400004425 dated 24 October 2011, 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB48,000,000 since 4 August 2005.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Modified Grant Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
31.	Development site for the proposed development known as Foshan Fengrui Project, Shishan Town, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區獅山鎮佛山豐睿項目待建土地	The property comprises a parcel of land with a total site area of approximately 34,307.80 sq.m. As advised by the Group, a proposed residential development will be developed on the property and is scheduled to be completed in 2015. The planned gross floor area of the proposed development are as follows:– **Use** / **Approximate gross floor area (sq.m.)** Residential: 92,727.35 Retail: 9,763.00 Ancillary: 2,018.00 Car park: 10,728.00 **Total**: 115,236.35 The property is held with land use rights for terms due to expire on 70 years and 40 years for residential use and retail use respectively.	As at the date of valuation, the property was land.	No commercial value

Notes:

1. In the course of our valuation, we have ascribed no commercial value to the property as a valid State-owned Land Use Rights Certificate has not been obtained by the Group and the land premium has not been settled in full. Had the Group obtained a valid State-owned Land Use Rights Certificate for the property, the market value of the property in its existing state as at 30 September 2013 would be RMB284,500,000 (50% interest attributable to the Group: RMB142,250,000).

2. According to Grant Contract for State-owned Land Use Rights No. 44060502013000110 entered into between Guangzhou State-owned Land Resources and Housing Administration Bureau (the Grantor) and 廣州市時代紫宸投資有限公司 (Guangzhou Times Zichen Investment Co., Ltd.) (the Grantee) on 19 August 2013, the land use rights of the property have been granted to the Grantee with details as follows:

(i)	Location	:	Shishan Town, Nanhai District
(ii)	Site area	:	34,307.80 sq.m.
(iii)	Uses	:	Composite residential
(iv)	Land premium	:	RMB284,500,000
(v)	Developable gross floor area	:	102,938.22 sq.m.

3. According to Business Licence No. 44068200403277 dated 10 August 2013, 佛山豐睿房地產開發有限公司 (Foshan Fengrui Real Estate Co., Ltd) has been established on 19 August 2013 as a limited company with a registered capital of RMB10,000,000 and an operating period since 19 August 2013.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) Grant Contract of State-owned Land Use Rights of the property is valid, legal and enforceable under the PRC laws;

   (ii) 佛山豐睿房地產開發有限公司 (Foshan Fengrui Real Estate Co., Ltd) is the sole legal land user of the property;

   (iii) 佛山豐睿房地產開發有限公司 (Foshan Fengrui Real Estate Co., Ltd) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

5. The status of the title and grant of major approvals and licenses in accordance with the information provided to us by the Group are as follows:

Grant Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
32.	Development site for the proposed development known as Times King City (Zhuhai), Baijiao Town Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮時代傾城(珠海)待建項目土地	The property comprises land for the proposed development known as Times King City (Zhuhai) situated at a parcel of land with a total site area of approximately 198,204.20 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** — **Approximate gross floor area (sq.m.)** Residential — 370,600.00 Retail — 25,800.00 Total — 396,400.00 As advised by the Group, the proposed development is scheduled to be completed in 2016. The property is held with land use rights for terms of 40 years and 70 years for commercial and residential uses respectively.	As at the date of valuation, the property was land.	No commercial value

Notes:

1. In the course of our valuation, we have ascribed no commercial value to the property as a valid State-owned Land Use Rights Certificate for the property has not been obtained by the Group and the land premium has not been settled in full. Had relevant State-owned Land Use Right Certificate been granted to the Group assuming all land premium and related fees for the grant of the certificate been fully settled, the market value of the property in its existing state as at the date of valuation would be RMB431,000,000 (100% of interest attributable to the Group: RMB431,000,000).

2. According to Grant Contract of State-owned Land Use Rights No. 440401-2012-000024 entered into between 珠海市國土資源局 (Land and Resources Bureau of Zhuhai City) ("the Grantor") and 珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.) ("the Grantee") on 7 December 2012, the Grantor has granted the land use rights of the property with a total site area of 198,204.20 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	East of Baijiao Road, north of Hongqiaosan Road, Doumen District, Zhuhai City
(ii)	Granted site area	:	198,204.20 sq.m.
(iii)	Use	:	Residential and commercial
(iv)	Plot ratio	:	Not exceeding 2.0
(v)	Land use term	:	40 years for commercial and 70 years for residential
(vi)	Land premium	:	RMB836,421,707

3. According to Planning Permit for Construction Use of Land No. 2012-104 issued by 珠海市住房和城鄉規劃建設局 (Housing and Urban Planning and Construction Bureau of Zhuhai City) on 25 December 2012, the land situated on east of Baijiao Road, north of Hongqiaosan Road, Doumen District, Zhuhai City, with a site area of 198,204.196 sq.m., is in compliance with the urban planning requirements and has been approved.

4. According to Business Licence No. 440400000360467 dated 2 November 2012, 珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB10,000,000 since 2 November 2012.

5. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) Grant Contract of State-owned Land Use Rights of the property is valid, legal and enforceable under the PRC laws;

   (ii) 珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property; and

   (iii) 珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance.

6. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

Grant Contract of State-owned Land Use Rights	Yes
Planning Permit for Construction Use of Land	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
33.	Development site for the proposed development known as Phases 3 to 6 of Times King City (Qingyuan), Changpu Village, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區長埔村時代傾城(清遠)三期至六期待建項目土地	The property comprises land for the proposed development known as Phases 3 to 6 of Times King City (Qingyuan) situated at land with a total site area of approximately 119,683 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential 478,580.94 Car park 8,556.00 Total 487,136.94 As advised by the Group, the proposed development is scheduled to be completed in the period between 2016 and 2018. The property is held with land use rights for residential and commercial uses.	As at the date of valuation, the property was land.	RMB539,000,000 (100% interest attributable to the Group: RMB539,000,000)

Notes:

1. According to seven State-owned Land Use Rights Certificates all issued by 清遠市人民政府 (Qingyuan Municipal People's Government), the land use rights of the property with a total site area of 204,458.94 sq.m. have been vested in 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2012) 01391	13-Jul-12	Residential	25 October 2081	28,007.73
(2012) 01392	13-Jul-12	Residential	25 October 2081	69,102.60
(2013)00293	5-Feb-13	Residential	25 October 2081	21,880.10
(2013)00294	5-Feb-13	Residential	25 October 2081	10,637.31
(2013)00295	5-Feb-13	Residential	25 October 2081	22,667.01
(2013)00296	5-Feb-13	Residential	25 October 2081	28,626.20
(2013)00297	5-Feb-13	Residential	25 October 2081	23,537.99
			Total	204,458.94

2. According to Grant Contract of State-owned Land Use Rights No. 441802-2011-000095 entered into between 清遠市國土資源局 (Land and Resources Bureau of Qingyuan City) ("the Grantor") and 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) ("the Grantee") on 25 October 2011, the Grantor has granted the land use rights of the property with a total site area of 120,102.19 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Administration area of Changpu Village Committee, Dongcheng Street, Qingcheng District, Qingyuan
(ii)	Granted site area	:	120,102.19 sq.m.
(iii)	Use	:	Mid to low price and mid to low unit size residential
(iv)	Plot ratio	:	Not exceeding 3.6
(v)	Land use term	:	70 years commencing from the date of contract signed
(vi)	Land premium	:	RMB228,640,000

According to Grant Contract of State-owned Land Use Rights No. 441802-2011-000096 entered into between 清遠市國土資源局 (Land and Resources Bureau of Qingyuan City) ("the Grantor") and 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) ("the Grantee") on 25 October 2011, the Grantor has granted the land use rights of the property with a total site area of 117,130.29 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Administration area of Changpu Village Committee, Dongcheng Street, Qingcheng District, Qingyuan
(ii)	Granted site area	:	117,130.29 sq.m.
(iii)	Use	:	Mid to low price and mid to low unit size residential
(iv)	Plot ratio	:	Not exceeding 4.0
(v)	Land use term	:	70 years commencing from the date of contract signed
(vi)	Land premium	:	RMB228,640,000

3. According to Business Licence No. 441800000035742 dated 21 November 2011, 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB30,000,000 and a valid operation period from 10 February 2010 to 10 February 2014.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

(i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

(ii) 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

(iii) 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

(iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
34.	Development site for the proposed development known as Phase 2 of Fogang Shilian Project, Shilian Village, Shijiao Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市佛岡區石角鎮石聯村佛岡石聯項目二期待建項目土地	The property is land for the proposed development known as Phase 2 of Fogang Shilian Project situated at a parcel of land with a total site area of approximately 367,391 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** / **Approximate gross floor area (sq.m.)** Residential: 734,781.55 Total: 734,781.55 As advised by the Group, the proposed development is scheduled to be completed in 2018. The property is held with land use rights for residential and composite uses.	As at the date of valuation, the property was land.	RMB719,000,000 (100% interest attributable to the Group: RMB719,000,000)

Notes:

1. According to four State-owned Land Use Rights Certificates all issued by 佛岡縣人民政府 (Municipal People's Government of Fogang County), the land use rights of the property with a total site area of 551,086.66 sq.m. have been vested in 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2006) 00101	30-May-06	Composite	29 June 2052	193,926.66
(2006) 00147	15-Aug-06	Composite	30 December 2055	33,150.30
(2006) 00148	15-Aug-06	Composite	30 December 2055	284,009.70
(2006) 00149	15-Aug-06	Residential	30 December 2075	40,000.00
			Total	551,086.66

2. According to Grant Contract of State-owned Land Use Rights entered into between 佛岡縣國土資源局 (Land and Resources Bureau of Fogang County) ("the Grantor") and 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) ("the Grantee") on 30 June 2002, the Grantor has granted the land use rights of the property with a total site area of 193,926.66 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Shilian Village, Longnan Town
(ii)	Granted site area	:	193,926.66 sq.m.
(iii)	Use	:	Composite
(iv)	Land use term	:	50 years commencing from the date of contract signed
(v)	Land premium	:	RMB581,780

According to Grant Contract of State-owned Land Use Rights entered into between 佛岡縣國土資源局 (Land and Resources Bureau of Fogang County) ("the Grantor") and 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) ("the Grantee") on 30 July 2006, the Grantor has granted the land use rights of the property with a total site area of 357,160 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Shilian Village, Longnan Town
(ii)	Granted site area	:	357,160 sq.m.
(iii)	Use	:	Composite
(iv)	Land use term	:	50 years commencing from the date of contract signed
(v)	Land premium	:	RMB535,740

3. According to Business Licence No.4418212000227, 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB3,000,000 since 31 March 2004.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

(i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

(ii) 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

(iii) 佛岡時代地產開發有限公司 (Fogang Times Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

(iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
35.	Development site for the proposed development known as Fogang Huanghua Lake Project, Huanghua Lake Area, Tangtang Town, Fogang District, Qingyuan City, Guangdong Province, the PRC 中國廣東省 清遠市佛岡區 湯塘鎮黃花湖 佛岡黃花湖項目 待建項目土地	The property comprises the land for the proposed development known as Fogang Huanghua Lake Project situated at several parcels land with a total site area of approximately 477,020.37 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** / **Approximate gross floor area** (sq.m.) Residential: 953,799.99 Total: 953,799.99 As advised by the Group, the proposed development is scheduled to be completed in 2018. The property is held with land use rights for term of 50 years for composite use.	As at the date of valuation, the property was land.	RMB987,000,000 (100% interest attributable to the Group: RMB987,000,000)

Notes:

1. According to eight State-owned Land Use Rights Certificates, the land use rights of the property with a total site area of 477,020.37 sq.m. have been vested in 佛岡中意置業有限責任公司 (Fogang Zhongyi Asset Development Limited Liability Company) with details as follows:

Certificate No.	Date of issue	Use	Expiry date of land use term	Site area (sq.m.)
(2008)00050	1-Feb-08	Composite	18-Jun-52	65,587.00
(2008)00051	1-Feb-08	Composite	29-Oct-53	21,466.70
(2008)00052	1-Feb-08	Composite	28-Oct-55	65,693.33
(2008)00053	1-Feb-08	Composite	27-Oct-55	66,566.67
(2008)00054	1-Feb-08	Composite	28-Oct-55	64,180.00
(2008)00055	1-Feb-08	Composite	28-Oct-55	60,253.33
(2008)00056	1-Feb-08	Composite	27-Oct-55	66,646.67
(2008)00057	1-Feb-08	Composite	27-Oct-55	66,626.67
			Total	477,020.37

2. According to eight Grant Contracts of State-owned Land Use Rights entered into between 佛岡縣國土資源局 (Land and Resources Bureau of Fogang County) ("the Grantor") and various companies ("the Grantee"), the Grantor has granted the land use rights of the property with a total site area of 477,020.37 sq.m. to the Grantee with the particulars as follows:

Grantee	Date of contract	use	Site area
			(sq.m.)
深圳市深星投資發展有限公司	28-May-02	Tourism and low-density resort	65,587.00
深圳市深星投資發展有限公司	13-Oct-05	Composite	65,693.33
鼎太投資有限公司	13-Oct-05	Composite	66,566.67
深圳市深星投資發展有限公司	13-Oct-05	Composite	21,466.70
鼎太投資有限公司	13-Oct-05	Composite	60,253.33
鼎太投資有限公司	13-Oct-05	Composite	66,646.67
東科有限公司	13-Oct-05	Composite	64,180.00
東科有限公司	13-Oct-05	Composite	66,626.67
		Total	477,020.37

3. According to Business Licence No. 441821000002088, 佛岡中意置業有限責任公司 (Fogang Zhongyi Asset Development Limited Liability Company) has been established as a limited company with a registered capital of RMB8,000,000 since 29 December 2007.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 佛岡中意置業有限責任公司 (Fogang Zhongyi Asset Development Limited Liability Company) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 佛岡中意置業有限責任公司 (Fogang Zhongyi Asset Development Limited Liability Company) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contracts of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
36.	Development site for the proposed development known as Phases 2 to 6 of Times King City (Changsha), Jinxing Bei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省 長沙市望城區 金星北路 時代傾城(長沙) 二期至六期 待建項目土地	The property comprises the land for the proposed development known as Phases 2 to 6 of Times King City (Changsha) situated at several parcels of land with a total site area of approximately 384,060 sq.m. The details of the planned gross floor area of the proposed development are as follows: **Use** — **Approximate gross floor area (sq.m.)** Residential 1,248,381.77 Retail 14,511.00 Car-park 76,044.00 Total 1,338,936.77 As advised by the Group, the proposed development is scheduled to be completed during the period between 2016 and 2020. The property is held with land use rights for residential, commercial and education uses.	As at the date of valuation, the property was land.	RMB2,115,000,000 (100% interest attributable to the Group: RMB2,115,000,000)

Notes:

1. According to eight State-owned Land Use Rights Certificates all issued by 望城縣人民政府 (People's Government of Wangcheng County) dated 11 June 2010, the land use rights of the property with a total site area of 543,710.30 sq.m. have been vested in 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) with details as follows:

Certificate No.	Land use term	Site area (sq.m.)
2010-540	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education use: due to expire on 28 July 2055	43,708.10
2010-541	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	49,969.30
2010-542	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075	45,354.20
2010-544	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Medical use: due to expire on 28 July 2055	61,579.60

Certificate No.	Land use term	Site area (sq.m.)
2010-545	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Cultural and medical use: due to expire on 28 July 2055	43,014.00
2010-546	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education and medical use: due to expire on 28 July 2055	113,785.80
2010-547	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education use: due to expire on 28 July 2055	110,221.30
2010-548	Commercial use: due to expire on 28 July 2045 Residential use: due to expire on 28 July 2075 Education and medical use: due to expire on 28 July 2055	76,078.00
	Total	543,710.30

As advised by the Group, a portion of the site area of approximately 83,573.75 sq.m. has been resumed by the government for heritage protection purpose.

2. According to the Grant Contract of State-owned Land Use Rights entered into between 望城縣國土資源局 (Wangcheng County Land Resources Bureau) ("the Grantor") and 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) ("the Grantee") on 10 July 2003, the Grantor has granted the land use rights of the property with a total site area of 667,640 sq.m. to the Grantee with the particulars as follows:

(i)	Location	:	Xingcheng Town
(ii)	Granted site area	:	667,640 sq.m.
(iii)	Use	:	Commercial & Residential
(iv)	Plot ratio	:	Not exceeding 3.0
(v)	Land use term	:	70 years for residential use and 40 years for commercial use commencing from the date of contract signed
(vi)	Land premium	:	RMB98,160,000

3. According to Business Licence No. 440122000009048 dated 15 July 2011, 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) has been established as a limited company with a registered capital of RMB50,000,000 and a valid operation period from 30 September 2002 to 30 September 2016.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) The State-owned Land Use Rights Certificates of the property are valid, legal and enforceable under the PRC laws;

   (ii) 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) is the sole legal land user of the property and has obtained the relevant certificates and approval from the government in respect of the construction of the property;

   (iii) 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) has the right to freely lease, transfer, mortgage and dispose of the land use rights and building ownership of the property provided that where any of the property has been mortgaged, the Group has to discharge the mortgage or obtain the mortgagee's consent in advance;

   (iv) All land premium stated in the Grant Contract of State-owned Land Use Rights have been paid and settled.

5. The status of the title and grant of major approvals and licences in accordance with the information provided to us by the Group are as follows:

State-owned Land Use Rights Certificates	Yes
Grant Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

	Property	Description and Tenure	Particular of Occupancy	Market value in existing state as at 30 September 2013
37.	Development site for the proposed development known as Zhongshan Shiqi Project, Xishadong, Shiqi District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市石岐區細沙東中山石岐項目待建土地	The property comprises a parcel of land with a total site area of approximately 46,666.70 sq.m. As advised by the Group, a proposed residential development will be developed on the property. The property is held with land use rights for terms due to expire on 7 July 2076 for residential and commercial use.	As at the date of valuation, the property was land	No commercial value

Notes:

1. We have ascribed no commercial value to the property as a valid State-owned Land Use Rights Certificate has not been obtained by the Group and the consideration has not been settled in full. Had the Group obtained a valid State-owned Land Use Rights Certificate for the property, the market value of the property in its existing state as at 30 September 2013 would be RMB200,000,000 (100% interest attributable to the Group: RMB200,000,000).

2. According to the Transfer Contract for State-owned Land Use Rights entered into between 中山市石岐區天門股份合作經濟聯合社 (Zhongshan Shiqi District Tianmun Cooperative Economy Society (the Party A) and 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) (the Party B) on 19 November 2013, the land use rights of the property have been transferred to the Party B with details as follows:-

(i)	Location	:	Xishaadong, Shiqi District, Zhongshan City
(ii)	Site area	:	46,666.70 sq.m.
(iii)	Uses	:	Residential and commercial
(iv)	Consideration	:	RMB200,000,000

3. According to Business Licence No. 4401012043742, 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) has been established as a limited company with a registered capital of RMB120,000,000 since 30 April 2005.

4. We have been provided with a legal opinion on the property prepared by the Group's PRC legal adviser, which contains, inter alia, the following information:

   (i) Transfer Contract of State-owned Land Use Rights of the property is valid, legal and enforceable under the PRC laws; and

   (ii) 廣州市時代勝譽投資有限公司 (Guangzhou Times Shengyu Investment Co., Ltd.) is the sole legal land user of the property after completion of the Transfer Contract of State-owned Land Use Rights.

5. The status of the title and grant of major approvals and licenses in accordance with the information provided to us by the Group are as follows:

Transfer Contract of State-owned Land Use Rights	Yes
Business Licence	Yes

VALUATION CERTIFICATE

Group V – Properties leased and sub-let by the Group in the PRC

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
38.	A building situated at No. 88 Helian Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴聯路88號一幢樓宇	The property comprises a building and has a total gross floor area of approximately 31,561.27 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 April 2012 to 31 March 2034 at a prevailing monthly rent of RMB66,667. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB24,600,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
39.	The land and building occupied by Mawujinshi Hardware Factory, Shizhuling Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區石柱嶺路段的馬務精飾五金廠土地及地上建築物	The property comprises a land with a total site area of 8,000 sq.m. and a building with a total gross floor area of approximately 20,000.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2032 at a prevailing monthly rent of RMB320,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB15,100,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
40.	Complex Building No. 3, Shizhucen Avenue, west of Mawu Industrial District, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區馬務工業區西側石柱岑大街3號綜合樓	The property comprises a building and has a total gross floor area of approximately 6,700.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 June 2009 to 30 March 2030 at a prevailing monthly rent of RMB132,600. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB4,700,000.	No commercial value
41.	A building situated at No. 2 Helongyi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴龍一路2號建築物	The property comprises a building and has a total gross floor area of approximately 20,000.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 November 2007 to 10 May 2022 at a prevailing monthly rent of RMB510,333. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and but is legal, valid and binding to both parties.	RMB9,400,000 (100% interest attributable to the Group: RMB9,400,000)

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
42.	Buildings situated at No. 176 and 178 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路176及178號建築物	The property comprises various buildings and has a total gross floor area of approximately 6,633.90 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 August 2012 to 31 July 2032 at a prevailing monthly rent of RMB253,131. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB4,800,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
43.	Buildings situated at No. 168, 170 and 172 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路168、170及172號建築物	The property comprises various buildings and has a total gross floor area of approximately 13,631.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 April 2012 to 31 March 2027 at a prevailing monthly rent of RMB511,143. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB7,100,000.	No commercial value
44.	Yuanjing Building, No. 14 Yuanjing Road, Tangjing Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景街遠景路14號遠景大廈	The property comprises a building and has a total gross floor area of approximately 13,700.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 19 August 2005 to 18 August 2025 at a prevailing monthly rent of RMB317,900. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding to both parties.	RMB8,000,000 (100% interest attributable to the Group: RMB8,000,000)

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
45.	Levels 3, 4 and 5 of Neighborhood Committee Office Building, No. 37 Tangxiazhong Street, Tangxia Village, Tangjing Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景街棠下村棠下中街37號居委會辦公樓三、四及五層	The property comprises Levels 3 to 5 of a building and has a total gross floor area of approximately 1,426.47 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 August 2008 to 31 July 2014 at a prevailing monthly rent of RMB18,829. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB100,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
46.	Blocks D, E, F and H of Commercial Street, Tangjing Road, Tangxia, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠下棠景路段商業街D幢、E幢、F幢及H幢	The property comprises various buildings and has a total gross floor area of approximately 6,155.34 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 January 2010 to 31 December 2024 at a prevailing monthly rent of RMB155,078. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB3,000,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
47.	Block B, No. 169 to 171 Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路169-171號B幢	The property comprises a building and has a total gross floor area of approximately 900.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 10 May 2009 to 9 May 2029 at a prevailing monthly rent of RMB22,050. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB600,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
48.	Block A, No. 35 Tangxiasouth Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠下南街 35號A幢	The property comprises a building and has a total gross floor area of approximately 1,155.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 10 May 2009 to 9 May 2029 at a prevailing monthly rent of RMB43,824. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB700,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
49.	Levels 1 and 2 of a building, No. 108 Airport Xixinyi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區機場西心誼路108號第一及第二層	The property comprises a building and has a total gross floor area of approximately 3,672.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 August 2007 to 31 July 2025 at a prevailing monthly rent of RMB141,693. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB2,100,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
50.	Block Nos. 10 and 11 of Times Garden, No. 73 Shuibian Street, Sanyuanli Avenue, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區三元里大道水邊街73號時代花園10及11號樓	The property comprises a commercial building and has a total gross floor area of approximately 2,000.00 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 18 October 2004 to 17 October 2024 at a prevailing monthly rent of RMB40,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB1,400,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
51.	Buildings situated at Nos. 100, 102 and 152 of Tangjing Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區棠景路100號、102號及152號建築物	The property comprises various building and has a total gross floor area of approximately 4,232.36 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 September 2012 to 31 August 2027 at a prevailing monthly rent of RMB234,514. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB2,500,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
52.	Buildings of Mawu Lianhe Industrial District, Huangyuan Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路馬務聯和工業區建築物	The property comprises various commercial building and has a total gross floor area of approximately 57,412.10 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州至德科技企業孵化器有限公司 (Guangzhou Zhide Technology Business Incubator Co., Ltd.) for a lease term commencing from 1 August 2012 to 20 January 2030 at a prevailing monthly rent of RMB746,357. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB40,000,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
53.	Complex building at Mawu Lianhe Industrial District, Huangyuan Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區黃園路馬務聯和工業區綜合樓	The property comprises various commercial building and has a total gross floor area of approximately 19,495.80 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州至德科技企業孵化器有限公司 (Guangzhou Zhide Technology Business Incubator Co., Ltd.) for a lease term commencing from 1 August 2012 to 28 February 2031 at a prevailing monthly rent of RMB175,462. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid Building Ownership Certificate. Had the lessor provided valid Building Ownership Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB14,100,000.	No commercial value
54.	Buildings situated at No. 23 Yiheng Road, Dongpu Main Road, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區東圃大馬路一橫路23號建築物	The property comprises various commercial building and has a total gross floor area of approximately 50,790.81 sq.m. The property is divided into many units and sub-let to various tenants by the Group. The property is leased from an independent third party to 廣州市廣德昌商業管理服務有限公司 (Guangzhou Guangdechang Commercial Management Service Co.,Ltd.) for a lease term commencing from 1 May 2011 to 30 April 2031 at a prevailing monthly rent of RMB1,173,268. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is certain that the lease is legal, valid and binding to both parties.	RMB36,800,000 (100% interest attributable to the Group: RMB36,800,000)

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
55.	A parcel of land situated at No. 88 Helian Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴聯路88號地塊	The property comprises a land and has a total site area of approximately 8,550.00 sq.m. The property is sub-let by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 April 2012 to 31 March 2034 at a prevailing monthly rent of RMB42,750. According to the PRC legal opinion, the lessor has not provided the State-owned Land Use Rights Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property on the ground that the lessor has not provided valid State-owned Land Use Rights Certificate. Had the lessor provided valid State-owned Land Use Rights Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB6,600,000.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
56.	A parcel of land situated at No. 2 He Lung Yi Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區鶴龍一路2號地塊	The property comprises a parcel of land and has a total site area of approximately 3,000.00 sq.m. The property is sub-let by the Group. The property is leased from an independent third party to 廣州市至德商業管理有限公司 (Guangzhou Zhide Commercial Management Co., Ltd.) for a lease term commencing from 1 August 2008 to 31 July 2028 at a prevailing monthly rent of RMB4,167. According to the PRC legal opinion, the lessor has not provided the State-owned Land Use Rights Certificate of the property. It is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties. In the course of our valuation, we have ascribed no commercial value to the property that the lessor has not provided valid State-owned Land Use Rights Certificate. Had the lessor provided valid State-owned Land Use Rights Certificate, the market value of the property in its existing state as at the date of valuation assuming the property can be sub-let would be RMB1,500,000.	No commercial value

VALUATION CERTIFICATE

Group VI – Properties leased and occupied by the Group in the PRC

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
57.	Retail Unit No.1, No. 51 Jingli Street, Airport West Road, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區 機場西路景麗街51號 1號商鋪	The property comprises a shop unit and has a total gross floor area of approximately 111.13 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from a connected party (李一萍) to 廣州市時代企業地產投資有限公司 (Guangzhou Times Enterprise Real Estate Investment Co., Ltd.) for a lease term commencing from 18 October 2010 without specified ending lease date and free of rental charge. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
58.	Room 504, Lixian Pavilion, Zhujiang Garden, Lopu Street, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 洛浦街珠江花園麗賢閣504房	The property comprises a residential unit and has a total gross floor area of approximately 125.60 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Property Co., Ltd.) for a lease term commencing from 12 July 2012 to 11 January 2014 at a monthly rent of RMB2,700. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
59.	Room G on Level 19, Fuxing Pavilion, Zhujiang Garden, Shaxi Avenue, Shaxi Village Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村沙溪大道 珠江花園富興閣19樓G室	The property comprises a residential unit and has a total gross floor area of approximately 68.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Property Co., Ltd.) for a lease term commencing from 19 January 2013 to 18 January 2014 at a monthly rent of RMB1,850. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
60.	Room 2201 on Level 22, Huayuan Pavilion, Zhujiang Garden, Shaxi Avenue, Shaxi Village Dashi Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區 大石鎮沙溪村沙溪大道 珠江花園華苑閣22樓2201房	The property comprises a residential unit and has a total gross floor area of approximately 95.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Property Co., Ltd.) for a lease term commencing from 5 March 2013 to 4 March 2014 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
61.	Room 1504 of Donghuajin Block No.1, Cow Street, Xuanwu District, Beijing City, the PRC 中國北京市宣武區牛街東華金座1號樓1504室	The property comprises a residential unit and has a total gross floor area of approximately 80.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) for a lease term commencing from 8 March 2013 to 7 March 2014 at a monthly rent of RMB4,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
62.	Room 1903 of Unit 6 on Level 16, Blocks Nos. 1 to 5, Yard 6 of Caishikou Main Street, Xicheng District, Beijing City, the PRC 中國北京市西城區菜市口大街六號院1-5幢16層6單元1903房	The property comprises a residential unit and has a total gross floor area of approximately 97.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) for a lease term commencing from 20 January 2013 to 19 January 2014 at a monthly rent of RMB8,600. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
63.	Room 1701, Unit 5 on Level 14, Residential Block Nos. 2 to 3, Lot No. 2 of Dongnanjiadajiweigai Community, Caishikou Street, Xicheng District, Beijing City, the PRC 中國北京市西城區菜市口街東南角大吉危改社區2號地2-3號住宅樓14層5單元1701房	The property comprises a residential unit and has a total gross floor area of approximately 90.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市番禺南英房地產有限公司 (Guangzhou Panyu Nanying Real Property Co., Ltd.) for a lease term commencing from 1 March 2013 to 28 February 2014 at a monthly rent of RMB8,600. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
64.	Levels 1 to 6, Block C, No. 208 of Sihezhuang, Hongwei Village, Jiulong Town, Luogang District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市蘿崗區九龍鎮紅衛村泗和莊208號C幢1至6層	The property comprises a residential unit and has a total gross floor area of approximately 3,000.00 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 廣州市時代紅衛投資發展有限公司 (Guangzhou Times Hongwei Investment Co., Ltd.) for a lease term commencing from 1 January 2013 to 30 December 2014 at a monthly rent of RMB43,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
65.	Room 502, Block No. 2, Times King City, No. 3 South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區增江大道南3號時代傾城2幢502房	The property comprises a residential unit and has a total gross floor area of approximately 98.82 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) for a lease term commencing from 1 December 2012 to 30 November 2013 at a monthly rent of RMB2,500. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
66.	Unit No. 24 of Block No. 2, Nongmao Market, Licheng East District, No. 1 Yihuang Road, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區荔城鎮一環路一號荔城東區農貿市場第二幢24號單元	The property comprises a office unit and has a total gross floor area of approximately 35.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) and is free of rental charge. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
67.	Room 303, No. 8 Southnorthheda Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北合大街8號303房	The property comprises a residential unit and has a total gross floor area of approximately 65.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 December 2012 to 30 November 2013 at a monthly rent of RMB700. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
68.	Room 302, No. 5 Nanbeitaidongfa Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 南北台東發街5號302房	The property comprises a residential unit and has a total gross floor area of approximately 70.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 July 2013 to 30 June 2014 at a monthly rent of RMB650. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
69.	Room 2601 to 2602, No. 410 Dongfengzhong Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省 廣州市越秀區 東風中路410號 2601至2602房	The property comprises various office units and has a total gross floor area of approximately 1,079.13 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 April 2013 to 31 December 2015 at a monthly rent of RMB107,913. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
70.	Room 2501, No. 6 Huhai Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區 湖海街6號2501房	The property comprises a residential unit and has a total gross floor area of approximately 76.12 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 September 2012 to 31 August 2013 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
71.	Room 302, Block 9, Dongfa Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區東發街9號樓302房	The property comprises a residential unit and has a total gross floor area of approximately 88.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 October 2012 to 30 September 2013 at a monthly rent of RMB800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
72.	Room 302, Block 7, Lane 2 of Nanbeitai Main Street, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區南北台大街二巷7號樓302房	The property comprises a residential unit and has a total gross floor area of approximately 70.00 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 10 November 2013 to 17 November 2013 at a monthly rent of RMB400. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
73.	Room 1 on Level 3 and Room 1 to 2 on Level 2, the Original Nanbei School, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區南北合原學校2樓第1至2號房及3樓第1號房	The property comprises a retail unit and has a total gross floor area of approximately 150.00 sq.m. The property is occupied by the Group as staff canteen. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 October 2012 to 30 September 2013 at a monthly rent of RMB900. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
74.	A residential unit of a building situated at No. 21 Hewu Northeast Street, Tonghe Street, Baiyun District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市白雲區同和街何屋北東街21號一幢建築物的一個住宅單元	The property comprises a residential unit and has a total gross floor area of approximately 90.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.) for a lease term commencing from 25 February 2013 to 24 February 2014 at a monthly rent of RMB3,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
75.	Buildings situated at No. 78 Qianshan Daishan Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區前山岱山路78號建築物	The property comprises a residential unit and has a total gross floor area of approximately 5,187.60 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 廣州市時代物業管理有限公司 (Guangzhou Times Property Management Co., Ltd.) for a lease term commencing from 17 September 2012 to 16 September 2015 at a monthly rent of RMB77,814. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
76.	A unit of a building situated at No. 9 Jinhua Road, Foshan City, Shunde District, Guangdong Province, the PRC 中國廣東省佛山市順德區金華路9號一處建築物的一個單元	The property comprises a residential unit and has a total gross floor area of approximately 18.53 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市捷豐力投資策劃有限公司 (Foshan Jiefengli Investment Planning Co., Ltd.) for a lease term commencing from 16 July 2013 to 15 July 2014 at a monthly rent of RMB500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
77.	Room 308, Block 6, Phase 1 of Times Laguna Garden, No. 21 Xiqing Avenue, Xinan Street, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省 佛山市三水區 西南街道西青大道21號 時代廊橋花園 一期六座308號房	The property comprises a residential unit and has a total gross floor area of approximately 72.60 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 December 2012 to 30 November 2013 at a monthly rent of RMB2,800. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
78.	Room 610, Block 9, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期9座610房	The property comprises a residential unit and has a total gross floor area of approximately 110.00 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2013 at a monthly rent of RMB3,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
79.	Room 204, Block 6, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省 佛山市三水區 西南西青大道21號 時代城一期 6座204房	The property comprises a retail unit and has a total gross floor area of approximately 87.07 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2013 at a monthly rent of RMB2,800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
80.	Room 705, Block No. 3, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省 佛山市三水區 西南西青大道21號 時代城一期 3座705房	The property comprises a residential unit and has a total gross floor area of approximately 76.88 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2013 at a monthly rent of RMB2,300. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
81.	Room 603, Block No. 9, Phase 1 of Times City, No. 21 Xinanxiqing Avenue, Shanshui District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市三水區 西南西青大道21號 時代城一期9座603房	The property comprises a retail unit and has a total gross floor area of approximately 109.18 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2013 at a monthly rent of RMB3,500. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
82.	Retail Unit No. 2508A, No. 26 Gongzhen Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區 公正路26號2508A號鋪	The property comprises a retail unit and has a total gross floor area of approximately 18.23 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) for a lease term commencing from 26 December 2012 to 31 December 2013 at a monthly rent of RMB400. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
83.	Room 521, Block C1, Shanghui Yuan, Chaoanbei Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區 朝安北路尚輝苑C1座521房	The property comprises a residential unit and has a total gross floor area of approximately 120.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) for a lease term commencing from 23 September 2012 to 22 September 2014 at a monthly rent of RMB3,100. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
84.	Room 8A, Block 1, Hengfu International Apartment, junction of Lianjiang Road and Banhuanbei Road Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省 清遠市清城區 連江路與半環北路交匯處 恒福國際公館1幢8A	The property comprises a residential unit and has a total gross floor area of approximately 107.06 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 17 February 2013 to 16 February 2014 at a monthly rent of RMB1,950. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
85.	Room 602, East ladder Staff Dormitory of Press Council, District No. 16 of New Town, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市新城16號區報社職工宿舍東梯602房	The property comprises a residential unit and has a total gross floor area of approximately 100.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 24 April 2013 to 23 April 2014 at a monthly rent of RMB1,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
86.	Room 10F, Block B of Shangjingfeng, junction of Lianjiang Road and Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區連江路與人民二路交匯處尚景峰B幢10F室	The property comprises a residential unit and has a total gross floor area of approximately 113.07 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 16 February 2013 to 15 February 2015 at a monthly rent of RMB2,300. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
87.	Basement carpark No. 47 and room 1706 of Block A, Ji Jianghao Garden, No. 2 Yanjiangyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區沿江一路2號錦江豪苑A6幢1706房及地下第47號車位	The property comprises a residential unit and has a total gross floor area of approximately 128.15 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 1 November 2012 to 31 October 2013 at a monthly rent of RMB3,800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
88.	Unit 719, Hengfushangyu International Apartment, Renminyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路恒福上域國際公寓719單元	The property comprises a residential unit and has a total gross floor area of approximately 50.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 14 February 2013 to 13 February 2014 at a monthly rent of RMB1,410. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
89.	Unit 2021 of Hengfushangyu International Apartment, Renminyi Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路恒福上域國際公寓2021單元	The property comprises a residential unit and has a total gross floor area of approximately 48.01 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 1 November 2012 to 31 October 2013 at a monthly rent of RMB1,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
90.	Unit 4, Level 8, Ladder 3, Block 1, Dongchengyufeng, Dongchengfengcheng Avenue Central, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區東城鳳城大道中東城御峰一座三梯8層04單元	The property comprises a residential unit and has a total gross floor area of approximately 107.45 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 23 November 2012 to 22 November 2013 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
91.	Unit 6, Level 6, Ladder 3, Block 1 Dongchengyufeng, Dongchengfengcheng Avenue Central, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區東城鳳城大道中東城御峰一座三梯6層06號單元	The property comprises a residential unit and has a total gross floor area of approximately 81.99 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 23 November 2012 to 22 November 2013 at a monthly rent of RMB1,800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
92.	Level 8, Zhuoyue Tower, 23 Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民二路23號卓越大廈8層	The property comprises office floor and has a total gross floor area of approximately 632.49 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 10 December 2010 to 9 December 2013 at a monthly rent of RMB27,323.57. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
93.	Room 805, Level 8, Excellence Tower, No. 23 Renminer Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民二路23號卓越大廈8樓805號室	The property comprises a residential unit and has a total gross floor area of approximately 101.24 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市喜龍房地產開發有限公司 (Qingyuan Xilong Real Estate Development Co., Ltd.) for a lease term commencing from 10 December 2010 to 9 December 2013 free of rent. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
94.	Room 406, Level 4, Enterprise Building, No. 308 Qiaohubei Road, Baijiao Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮橋湖北路308號企業大廈4樓406室	The property comprises a residential unit and has a total gross floor area of approximately 50.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市佳譽房地產開發有限公司 (Zhuhai Jiayu Real Estate Development Co., Ltd.) for a lease term commencing from 20 September 2012 to 1 October 2014 free of rent. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
95.	Room 602, Unit 4 of Zhuoshenyaxuan Block No. 1, Meiping District No. 7, Pingsha Town, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市平沙鎮 美平七號區卓勝雅軒 1幢4單元602房	The property comprises a residential unit and has a total gross floor area of approximately 93.96 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2014 at a monthly rent of RMB2,000. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
96.	Room 202, Unit 2 of Zhuoshenyaxuan Block No. 2, Meiping District No. 7, Pingsha Town, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市平沙鎮 美平七號區卓勝雅軒 2幢2單元202房	The property comprises a residential unit and has a total gross floor area of approximately 90.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) for a lease term commencing from 20 March 2013 to 19 March 2015 at a monthly rent of RMB2,000. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
97.	Retail Units, Block 1 of Aegean Hotel, north of Shengping Avenue, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區 平沙鎮升平大道北側 愛琴海酒店1號樓商鋪	The property comprises retail units and has a total gross floor area of approximately 156.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2015 at a monthly rent of RMB8,580. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not sure that the lease is legal, valid and binding on both parties.	No commercial value
98.	Room 320 of a factory building, No. 336 Shengping Avenue East, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區 平沙鎮升平大道東336號 廠房320室	The property comprises a residential unit and has a total gross floor area of approximately 30.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) for a lease term commencing from 10 October 2012 to 9 October 2022 free of rent. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
99.	South Complex Building of Benma Motor Testing and Maintenance Company, Jiner Road, Xihu Development District, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區西湖開發區金二路奔馬機動車檢測維修公司綜合南樓	The property comprises a building and has a total gross floor area of approximately 1,250.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 16 August 2011 to 15 February 2014 at a monthly rent of RMB16,250. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not sure that the lease is legal, valid and binding on both parties.	No commercial value
100.	Room 101, Block 2 of Renmin Government Yard, Baijiao Town, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉鎮人民政府大院內2號樓101室	The property comprises a residential unit and has a total gross floor area of approximately 50.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) for a lease term commencing from 1 March 2013 to 30 May 2014 free of rent. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
101.	Retail Units, on Level 2, Block 2 of Commercial Center District B, Hongqiaosi Road, Baijiao Technology Park, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科技園虹橋四路商業中心B區2幢二樓商鋪	The property comprises commercial units and has a total gross floor area of approximately 600.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) for a lease term commencing from 1 March 2013 to 29 February 2016 at a monthly rent of RMB5,682. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not sure that the lease is legal, valid and binding on both parties.	No commercial value
102.	Room 601 of Unit 1, Block No. 1, No. 18 Hongjiaoshi Road, Baijiao Technology Park, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科技園虹橋四路18號1幢1單元601房	The property comprises a residential unit and has a total gross floor area of approximately 97.78 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) for a lease term commencing from 1 March 2013 to 28 February 2014 at a monthly rent of RMB1,400. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority but it is not sure that the lease is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
103.	Room 201, Block No. 10 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮沙溪大道與寶珠路交匯處金逸豪庭10幢201房	The property comprises a residential unit and has a total gross floor area of approximately 120.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 15 April 2013 to 14 April 2014 at a monthly rent of RMB2,400. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
104.	Room 703, Block No. 13 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮沙溪大道與寶珠路交匯處金逸豪庭13幢703房	The property comprises a residential unit and has a total gross floor area of approximately 76.07 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 3 June 2013 to 3 June 2014 at a monthly rent of RMB1,900. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
105.	Room 901, Block No. T2 of Lanpowanhaoting, Lanbo Road, West District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市西區藍波路藍波灣豪庭T2幢901房	The property comprises a residential unit and has a total gross floor area of approximately 116.80 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 4 June 2013 to 3 December 2013 at a monthly rent of RMB2,870. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
106.	Room 3A02, Block No. 11 of Jinyihaoting, junction of Shaxi Avenue and Baozhu Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮沙溪大道與寶珠路交匯處金逸豪庭11幢3A02房	The property comprises a residential unit and has a total gross floor area of approximately 120.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 16 March 2013 to 15 March 2014 at a monthly rent of RMB2,300. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not sure that the lease is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
107.	Room 3A02, Block E21 of Huixingtai, No. 10 Qiguanxi Road, East District, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市東區岐關西路10號匯星台E21幢3A02房	The property comprises a residential unit and has a total gross floor area of approximately 139.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 6 April 2013 to 5 December 2013 at a monthly rent of RMB3,800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
108.	Room 1708, Block 8 of Zhongxinzuoan, junction of Boai Road and National Highway No. 105, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮博愛路與105國道交匯處中信左岸8幢1708房	The property comprises a residential unit and has a total gross floor area of approximately 107.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 15 May 2013 to 14 May 2014 at a monthly rent of RMB2,800. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
109.	Retail Unit No. 1063, Block 17 of Jinyihaoting, No. 1 Xinhao Road, Shaxi Town, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市沙溪鎮新濠路1號金逸豪庭17幢1063號商舖	The property comprises a retail unit and has a total gross floor area of approximately 60.52 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 1 April 2013 to 31 March 2014 at a monthly rent of RMB2,500. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
110.	Unit Nos. 2, to 4 on Level 15, Block A2, Phase 3 of Shengjing Garden, Zhongshansi Road, Zhongshan City, Guangdong Province, the PRC 中國廣東省中山市中山四路盛景園三期A2幢十五層2-4單元	The property comprises commercial units and has a total gross floor area of approximately 648.77 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 中山市萬聯房地產開發有限公司 (Zhongshan Wanlian Real Estate Development Co., Ltd.) for a lease term commencing from 1 August 2011 to 31 July 2014 at a monthly rent of RMB58,584. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not sure that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not sure that the lease is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
111.	Room 716 of Waimaoqinggong Building, No. 1002 Aiguo Road, Luohu District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市羅湖區愛國路1002號外貿輕工大廈716室	The property comprises a unit and has a total gross floor area of approximately 64.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 深圳市金海地投資有限公司 (Shenzhen Jinhaidi Investment Co., Ltd.) for a lease term commencing from 1 July 2013 to 30 June 2014 at a monthly rent of RMB3,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
112.	Room 210 on Level 2, No. 22 Lujingyi Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區綠景一路22號二層210房	The property comprises a residential unit and has a total gross floor area of approximately 32.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 佛山市玫瑰華業投資有限公司 (Foshan Meigui Huaye Investment Co., Ltd.) for a lease term commencing from 20 May 2013 to 19 November 2014 at a monthly rent of RMB1,000. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
113.	Room 211 on Level 2, No. 22 Lujingyi Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區綠景一路22號二層211房	The property comprises a residential unit and has a total gross floor area of approximately 38.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 佛山玫瑰園商業投資有限公司 (Foshan Meiguiyuan Commercial Investment Co., Ltd.) for a lease term commencing from 20 May 2013 to 19 January 2014 at a monthly rent of RMB1,000. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
114.	Room 3208, Block 1 of Yongqixijing, No. 383 Jinxing Center Road, Yuelu District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市岳麓區金星中路383號永祺西京1幢3208室	The property comprises a residential unit and has a total gross floor area of approximately 87.25 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) for a lease term commencing from 13 February 2013 to 13 February 2014 at a monthly rent of RMB2,480. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
115.	Unit 303, Block 25 of Rose Garden, Section 3 of Jinxingbei Road, Wangcheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區 金星北路三段 玫瑰園25幢303單元	The property comprises a residential unit and has a total gross floor area of approximately 149.36 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) for a lease term commencing from 26 February 2013 to 25 February 2014 at a monthly rent of RMB1,500. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
116.	Room 1-1103, Block 1 of Yuehuajiayuan Community, Yinshan Road, Guanshalin Street, Yuelu District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市岳麓區 觀沙嶺街道銀杉路 岳華嘉園社區1幢1-1103房	The property comprises a residential unit and has a total gross floor area of approximately 80.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) for a lease term commencing from 21 May 2013 to 20 May 2014 at a monthly rent of RMB1,500. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
117.	Meiguiyuan Community Hall, No. 208 of Section 3 of Jinxing Avenue, Xingchen Town, Wancheng District, Changsha City, Hunan Province, the PRC 中國湖南省長沙市望城區 星辰鎮金星大道三段208號 玫瑰園社區會堂	The property comprises a community hall and has a total gross floor area of approximately 740.00 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 長沙玫瑰園房地產開發有限公司 (Changsha Meiguiyuan Real Estate Development Co., Ltd.) free of rent. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, valid and binding on both parties.	No commercial value
118.	Unit 1107, No. 317 Yuexiu North Road, Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區 越秀北路317號1107號單元	The property comprises a residential unit and has a total gross floor area of approximately 82.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 16 April 2013 to 15 April 2014 at a monthly rent of RMB5,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, vaild and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
119.	Units 603 and 604, No. 7 Yingxixing Street, Wenming Road Yuexiu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市越秀區文明路迎思星街7號603及604房	The property comprises a residential unit and has a total gross floor area of approximately 119.92 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 10 July 2013 to 9 January 2014 at a monthly rent of RMB4,560. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
120.	A parcel of land situated at No. J2J3J4 of Nanbeitai Old Quarry, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區J2J3J4號地塊	The property comprises a parcel of land with a total site area of approximately 2,500.00 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 1 July 2013 to 30 June 2016 at a monthly rent of RMB4,787. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority but is legal, vaild and binding on both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
121.	Room 208, Unit 1, Block 16, Baoli Garden, Guicheng Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區桂城街道保利花園16幢1號單元208房	The property comprises a residential unit and has a total gross floor area of approximately 43.98 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 September 2013 to 31 August 2014 at a monthly rent of RMB4,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
122.	Units 1, 2 and 9, Block 1 of AIA Commercial Centre, No. 1 Denghu East Road, Guichengqi Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區桂城街道燈湖東路1號友邦金融中心1座第1、2及9單元	The property comprises a residential unit and has a total gross floor area of approximately 911.29 sq.m. The property is occupied by the Group as office. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 23 July 2013 to 22 July 2016 at a monthly rent of RMB68,346.75. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
123.	Room 1102, Block 3, Phase 2 of Times Candy, Liheng Road, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區里橫路時代糖果二期3幢1102室	The property comprises a residential unit and has a total gross floor area of approximately 87.32 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市三水裕華房地產發展有限公司 (Foshan Sanshui Yuhua Real Estate Development Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2013 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
124.	Room C6-810, Shanghui Garden, Chaoan North Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區朝安北路尚輝苑C6-810房	The property comprises a residential unit and has a total gross floor area of approximately 85.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) for a lease term commencing from 1 May 2013 to 30 April 2014 at a monthly rent of RMB2,600. According to the PRC legal opinion, the lessor has provided the Building Ownership Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
125.	Room 1205, Block 1 of Shanghui Garden, Chaoan North Road, Chancheng District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市禪城區朝安北路尚輝苑一座1205房	The property comprises a residential unit and has a total gross floor area of approximately 188.87 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 佛山市時代永亨投資有限公司 (Foshan Times Yongheng Investment Co., Ltd.) for a lease term commencing from 5 August 2013 to 4 August 2014 at a monthly rent of RMB3,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
126.	A parcel of land situated at Times Road, Dongcheng Street, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區東城街道時代路地塊	The property comprises a parcel of land with a total site area of approximately 9,946.67 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 1 October 2012 to 30 September 2017 at a monthly rent of RMB25,000. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
127.	A parcel of land situated at west of Times Road, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區時代路西側一地塊	The property comprises a parcel of land and has a total gross floor area of approximately 4,549.10 sq.m. The property is occupied by the Group for own use. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 20 February 2013 to 19 February 2018 at a monthly rent of RMB40,500. According to the PRC legal opinion, the lessor has not provided the State-owned Land Use Rights Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
128.	Room 301, Block 4 of Nantian New Estate, Beihu First Road, Luocun Street, Nanhai District, Foshan City, Guangdong Province, the PRC 中國廣東省佛山市南海區羅村街道北湖一路藍天新苑4幢301房	The property comprises a residential unit and has a total gross floor area of approximately 153.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 1 September 2013 to 31 August 2014 at a monthly rent of RMB3,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
129.	A unit situated at Fugang Coast Garden, No. 3 South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區增江大道南3號富港水岸花園一個單元	The property comprises a residential unit and has a total gross floor area of approximately 80.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) for a lease term commencing from 1 August 2013 to 1 August 2014 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
130.	Unit 501, No. 1 of Street 1 of Country Garden Li Garden, South of Zengjiang Avenue, Zengcheng District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市增城區增江大道南碧桂園荔園一街1號501號	The property comprises a residential unit and has a total gross floor area of approximately 110.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市富杰投資有限公司 (Guangzhou Fujie Investment Co., Ltd.) for a lease term commencing from 1 December 2011 to 30 November 2013 at a monthly rent of RMB2,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
131.	A unit situated at Nanxing Garden, Nancan Town, Panyu District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市番禺區南村鎮南興花苑 一個單元	The property comprises a residential unit and has a total gross floor area of approximately 113.30 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣東廣昌實業發展有限公司 (Guangdong Guangchang Industrial Development Co., Ltd.) for a lease term commencing from 16 January 2013 to 15 January 2014 at a monthly rent of RMB2,230. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
132.	Unit 902, No. 3 of Street No.7 of Country Garden Cuipanxuan, Nansha District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市南沙區碧桂園翠畔軒七街3號902單元	The property comprises a residential unit and has a total gross floor area of approximately 152.96 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州市時代宏泰投資有限公司 (Guangzhou Times Hongtai Investment Co., Ltd.) for a lease term commencing from 15 September 2013 to 14 September 2014 at a monthly rent of RMB3,200. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
133.	A unit situated at No. 1996 Guangzhou Avence North, Tianhe District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區廣州大道北1996號一個單元	The property comprises a residential unit and has a total gross floor area of approximately 84.35 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 廣州天朗商貿有限公司 (Guangzhou Tianlang Trading Co., Ltd.), for a lease term commencing from 12 July 2013 to 11 July 2014 at a monthly rent of RMB4,300. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
134.	Unit 1906, Hengfushangyu International Apartment, junction of Renmen First Road and Guangming North Road, Qingcheng District Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區人民一路與光明北路的交匯處恒福上域國際公寓1906單元	The property comprises a residential unit and has a total gross floor area of approximately 48.01 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 8 May 2013 to 7 May 2014 at a monthly rent of RMB1,200. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
135.	Unit 1008, Lijing Haoting, No. 1 Fengxiang Avenue, Qingcheng District, Qingyuan City, Guangdong Province, the PRC 中國廣東省清遠市清城區鳳翔大道一號麗晶豪庭1008單元	The property comprises a residential unit and has a total gross floor area of approximately 88.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 清遠市榮景投資有限公司 (Qingyuan Rongjing Investment Co., Ltd.) for a lease term commencing from 18 September 2013 to 17 September 2014 at a monthly rent of RMB2,000. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
136.	Room 403, Block 7, Jinghua Holiday Bay, North of Shengping Avenue, Pingsha Town, Jinwan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市金灣區平沙鎮升平大道北側京華假日灣7幢403房	The property comprises a residential unit and has a total gross floor area of approximately 60.09 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市勝輝房地產開發有限公司 (Zhuhai Shenghui Real Estate Development Co., Ltd.) for a lease term commencing from 9 August 2013 to 9 August 2014 at a monthly rent of RMB2,400. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
137.	Unit 903, Block 14, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側金雞路南側珠海時代廊橋14幢903單元	The property comprises a residential unit and has a total gross floor area of approximately 90.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 1 January 2013 to 31 December 2014 at a monthly rent of RMB2,100. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
138.	Unit 405, Block 17, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市前山區岱山路東側金雞路南側珠海時代廊橋17幢405單元	The property comprises a residential unit and has a total gross floor area of approximately 83.39 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 10 July 2013 to 9 July 2014 at a monthly rent of RMB2,400. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
139.	Unit 1203, Block 15, Zhuhai Times Laguna, East of Daishan Road, South of Jinji Road, Qianshan District, Zhuhai City, Guangdong Province, the PRC 中國廣東省 珠海市前山區岱山路東側金雞路南側珠海時代廊橋15幢1203單元	The property comprises a residential unit and has a total gross floor area of approximately 89.00 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 1 July 2013 to 30 June 2014 at a monthly rent of RMB2,100. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value
140.	Unit 304, Block 8, Xuri Huating, No. 625 Qiaohunan Road, Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區橋湖南路625號旭日華廷8幢304單元	The property comprises a residential unit and has a total gross floor area of approximately 84.08 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司(Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 1 September 2013 to 28 February 2014 at a monthly rent of RMB1,300. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, vaild and binding to both parties.	No commercial value

VALUATION CERTIFICATE

	Property	Description and tenancy particulars	Market value in existing state as at 30 September 2013
141.	Room 707 of Unit 2, Block 18, Rongtai Heting, No. 515 Jinji Road, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市香洲區金雞路515號榮泰河庭18幢2單元707房	The property comprises a residential unit and has a total gross floor area of approximately 65.54 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海市時代豐卓投資有限公司 (Zhuhai Times Fengzhuo Investment Co., Ltd.) for a lease term commencing from 8 October 2013 to 7 October 2014 at a monthly rent of RMB2,200. According to the PRC legal opinion, the lessor has provided the State-owned Land Use Rights Certificate of the property and is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value
142.	Level 3 of Block 2, District B of Commercial Centre, Hongqiaosi Road, Baijiao Technology Park Doumen District, Zhuhai City, Guangdong Province, the PRC 中國廣東省珠海市斗門區白蕉科技園虹橋四路商業中心B區2幢3樓	The property comprises a unit and has a total gross floor area of approximately 300 sq.m. The property is occupied by the Group as staff dormitory. The property is leased from an independent third party to 珠海國基房地產開發有限公司 (Zhuhai Guoji Real Estate Development Co., Ltd.) for a lease term commencing from 1 July 2013 to 29 February 2016 at a monthly rent of RMB2,500. According to the PRC legal opinion, the lessor has not provided the Building Ownership Certificate of the property and it is not certain that the lessor is entitled to lease the property. The lease has not been registered in the relevant authority and it is not certain that the lease is legal, valid and binding to both parties.	No commercial value

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of Cayman Islands company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 14 November 2007 under the Companies Law. The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (the "Memorandum") and the Amended and Restated Articles of Association (the "Articles").

1. MEMORANDUM OF ASSOCIATION

(a) The Memorandum provides, *inter alia*, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and since the Company is an exempted company that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.

(b) By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on 19 November 2013 with effect from the Listing Date. The following is a summary of certain provisions of the Articles:

(a) Shares

(i) Classes of shares

The share capital of the Company consists of ordinary shares.

(ii) Share certificates

Every person whose name is entered as a member in the register of members shall be entitled to receive a certificate for his shares. No shares shall be issued to bearer.

Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, and shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by some other person(s) appointed by the Board for the purpose. As

regards any certificates for shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person. Every share certificate issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words "restricted voting" or "limited voting" or "non-voting" or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares. The Company shall not be bound to register more than 4 persons as joint holders of any share.

(b) Directors

(i) Power to allot and issue shares and warrants

Subject to the provisions of the Companies Law, the Memorandum and Articles and without prejudice to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any share may be issued on terms that upon the happening of a specified event or upon a given date and either at the option of the Company or the holder thereof, they are liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

(ii) Power to dispose of the assets of the Company or any subsidiary

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Companies Law to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(iii) Compensation or payments for loss of office

Payments to any present Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually or statutorily entitled) must be approved by the Company in general meeting.

(iv) Loans and provision of security for loans to Directors

There are provisions in the Articles prohibiting the making of loans to Directors and their associates which are equivalent to provisions of Hong Kong law prevailing at the time of adoption of the Articles.

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective associates, or if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(v) Disclosure of interest in contracts with the Company or with any of its subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and, upon such terms as the Board may determine,

and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters namely:

(aa) the giving of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(bb) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(cc) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(dd) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates; or

(ee) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(vi) Remuneration

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree or failing agreement, equally, except that in such event any Director holding office for only a portion of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits

or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with other companies (being subsidiaries of the Company or with which the Company is associated in business), or may make contributions out of the Company's monies to, such schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

In addition, the Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above.

(vii) Appointment, retirement and removal

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least 7 days.

A Director is not required to hold any shares in the Company by way of qualification nor is a Director required to retire upon reaching any particular age.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and the Company may by ordinary resolution appoint another in his place. The number of Directors shall not be less than two.

In addition to the foregoing, the office of a Director shall be vacated:

(aa) if he resigns his office by notice in writing delivered to the Company at the registered office or head office of the Company for the time being or tendered at a meeting of the Board;

(bb) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

(cc) if, without special leave, he is absent from meetings of the Board for six (6) consecutive months, and the Board resolves that his office is vacated;

(dd) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(ee) if he is prohibited from being a director by law;

(ff) if he ceases to be a director by virtue of any provision of law or is removed from office pursuant to the Articles;

(gg) if he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or

(hh) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director or Directors and other person(s) as the Board thinks fit, and from time to time it may also revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(viii) Borrowing powers

Pursuant to the Articles, the Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the Companies Law, to issue debentures, debenture stock, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The provisions summarized above, in common with the Articles of Association in general, may be varied with the sanction of a special resolution of the Company.

(ix) Register of Directors and officers

Pursuant to the Companies Law, the Company is required to maintain at its registered office a register of directors, alternate directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

(x) Proceedings of the Board

Subject to the Articles, the Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

(c) Alterations to the constitutional documents

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed by the Company by special resolution.

(d) Variation of rights of existing shares or classes of shares

Subject to the Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or in the case of a shareholder being a corporation, by its duly authorized representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and any holder of shares of the class present in person or by proxy may demand a poll.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(e) Alteration of capital

The Company may, by an ordinary resolution of its members, (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and (h) reduce its share premium account in any manner authorized and subject to any conditions prescribed by law.

The Company may by special resolution reduce its share capital or undistributable reserve in any manner authorized and subject to any conditions prescribed by law.

(f) Special resolution — majority required

In accordance with the Articles, a special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or by proxy or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 clear days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given. However, except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right and, in the case of an annual general meeting, if so agreed by all members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 clear days' notice has been given.

Under Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An "ordinary resolution", by contrast, is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 14 clear days' notice has been given and held in accordance with the Articles. A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

(g) Voting rights (generally and on a poll) and right to demand a poll

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting on a show of hands, every member who is present in person or by proxy or being a corporation, is present by its duly authorised representative shall have one vote, and on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or installments is treated for the foregoing purpose as paid up on the share. Notwithstanding anything contained in the Articles, where more than one proxy is appointed by a member which is a Clearing House (as defined in the Articles) (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded or otherwise required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles). A poll may be demanded by:

(i) the chairman of the meeting; or

(ii) at least two members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

(iii) any member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(iv) a member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Should a Clearing House or its nominee(s), be a member of the Company, such person or persons may be authorised as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised in accordance with this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s), as if such person were an individual member including the right to vote individually on a show of hands.

Where the Company has knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(h) Annual general meetings

The Company must hold an annual general meeting each year. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

(i) Accounts and audit

The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of the Company and of all other matters required by the Companies Law necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any account or book or document of the Company except as conferred by the Companies Law or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the rules of the stock exchange of the Relevant Territory (as defined in the Articles), the Company may send summarized financial statements to shareholders who has, in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles), consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by any other documents as may be required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles), and must be sent to the shareholders not less than 21 days before the general meeting to those shareholders that have consented and elected to receive the summarized financial statements.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The auditors shall audit every balance sheet and profit and loss account of the Company in each year and prepare an auditors' report thereon to be annexed thereto.

(j) Notices of meetings and business to be conducted thereat

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution must be called by at least 21 days' notice in writing, and any other extraordinary general meeting shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting, and particulars of the resolution(s) to be considered at that meeting, and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the Company's register of members or by leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside Hong Kong, notice, if given through the post, shall be sent by prepaid airmail letter where available. Subject to the Companies Law and the Listing Rules, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned that it has been so published.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

(i) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued shares giving that right.

All business transacted at an extraordinary general meeting shall be deemed special business and all business shall also be deemed special business where it is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

(aa) the declaration and sanctioning of dividends;

(bb) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;

(cc) the election of Directors in place of those retiring;

(dd) the appointment of auditors;

(ee) the fixing of the remuneration of the Directors and of the auditors;

(ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% in nominal value of its existing issued share capital (or such other percentage as may from time to time be specified in the rules of the Stock Exchange) and the number of any securities repurchased by the Company since the granting of such mandate; and

(gg) the granting of any mandate or authority to the Board to repurchase securities in the Company.

(k) Transfer of shares

Subject to the Companies Law, all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such form prescribed by the Stock Exchange and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers in any case in which it in its discretion thinks fit to do so, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof.

The Board may, in its absolute discretion, at any time and from time to time remove any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share option scheme upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognize any instrument of transfer unless a fee of such maximum sum as the Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the Listing Rules (as defined in the Articles), be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine.

Fully paid shares shall be free from any restriction with respect to the right of the holder thereof to transfer such shares (except when permitted by the Stock Exchange) and shall also be free from all liens.

(l) Power of the Company to purchase its own shares

The Company is empowered by the Companies Law and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirement imposed from time to time by the Articles, code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.

(m) Power of any subsidiary of the Company to own shares in the Company

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

(n) Dividends and other methods of distribution

The Company in general meeting may declare dividends in any currency but no dividend shall be declared in excess of the amount recommended by the Board.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide:

(i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, although no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and

(ii) all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, installments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared on the share capital of the Company, the Board may resolve:

(aa) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(bb) that the members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Upon the recommendation of the Board, the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, but in the case of joint holders, shall be addressed to the holder whose name stands first in the register of members of the Company in respect of the shares at his address as appearing in the register, or addressed to such person and at such address as the holder or joint holders may in writing so direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the

holder's or joint holders' risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or installments payable upon any shares held by him, and in respect of all or any of the monies so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

(o) Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that it shall not preclude the use of the two-way form. Any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

(p) Calls on shares and forfeiture of shares

The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by installments. If the sum payable in respect of any call or installment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or installments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve not less than 14 days' notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice will name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being the Registered Office or a Registered Office or another place within the Relevant Territory. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, nevertheless, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20% per annum as the Board may prescribe.

(q) Inspection of corporate records

Members of the Company have no general right under the Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. However, the members of the Company will have such rights as may be set forth in the Articles. The Articles provide that for so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect during business hours any register of members of the Company maintained in Hong Kong (except when the register of member is closed) without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as its directors may, from time to time, think fit.

(r) Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class.

(s) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarized in paragraph 3(f) of this Appendix.

(t) Procedures on liquidation

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

(i) if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, then the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively; and

(ii) if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, on the shares held by them respectively.

In the event that the Company is wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

(u) Untraceable members

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

In accordance with the Articles, the Company is entitled to sell any of the shares of a member who is untraceable if:

(i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares have remained uncashed for a period of 12 years;

(ii) upon the expiry of the 12 years and 3 months period (being the 3 months notice period referred to in sub-paragraph (iii)), the Company has not during that time received any indication of the existence of the member; and

(iii) the Company has caused an advertisement to be published in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles) giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the stock exchange of the Relevant Territory (as defined in the Articles) has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

(v) Subscription rights reserve

Pursuant to the Articles, provided that it is not prohibited by and is otherwise in compliance with the Companies Law, if warrants to subscribe for shares have been issued by the Company and any rights attaching to such warrants remain exercisable and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

3. CAYMAN ISLANDS COMPANY LAW

The Company was incorporated in the Cayman Islands as an exempted company on 14 November 2007 subject to the Companies Law. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

(a) Company operations

As an exempted company, the Company must conduct its operations mainly outside the Cayman Islands. Moreover, the Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its registered capital.

(b) Share capital

In accordance with the Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. The Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares

shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

(i) paying distributions or dividends to members;

(ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(iii) any manner provided in section 37 of the Companies Law;

(iv) writing-off the preliminary expenses of the company; and

(v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, the Companies Law provides that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

It is further provided by the Companies Law that, subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorized to do so by its articles of association, by special resolution reduce its share capital in any way.

The Articles include certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

(c) Financial assistance to purchase shares of a company or its holding company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company when proposing to grant such financial assistance discharge their duties of care and acting in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

(d) Purchase of shares and warrants by a company and its subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. Nonetheless, if the articles of association do not authorize the manner and terms of purchase, a company cannot purchase any of its own shares without the manner and terms of purchase first being authorized by an ordinary resolution of the company. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Under Section 37A(1) the Companies Law, shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if (a) the memorandum and articles of association of the company do not prohibit it from holding treasury shares; (b) the relevant provisions of the memorandum and articles of association (if any) are complied with; and (c) the company is authorised in accordance with the company's articles of association or by a resolution of the directors to hold such shares in the name of the company as treasury shares prior to the purchase, redemption or surrender of such shares. Shares held by a company pursuant to section 37A(1) of the Companies Law shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Companies Law.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) Dividends and distributions

With the exception of sections 34 and 37A(7) of the Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see sub-paragraph 2(n) of this Appendix for further details). Section 37A(7)(c) of the Companies Law provides that for so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

(f) Protection of minorities and shareholders' suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss v. Harbottle* and the exceptions thereto) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge:

(i) an act which is *ultra vires* the company or illegal;

(ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and

(iii) an irregularity in the passing of a resolution the passage of which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members thereof holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report thereon.

Moreover, any member of a company may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

(g) Disposal of assets

There are no specific restrictions in the Companies Law on the power of directors to dispose of assets of a company, although it specifically requires that every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interest of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(h) Accounting and auditing requirements

Section 59 of the Companies Law provides that a company shall cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters with respect to which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company and (iii) the assets and liabilities of the company.

Section 59 of the Companies Law further states that proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If the Company keeps its books of account at any place other than at its registered office or at any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

(i) Exchange control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

(j) Taxation

Pursuant to section 6 of the Tax Concessions Law (2011 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Cabinet:

(i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and

(ii) in addition, that no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

(aa) on or in respect of the shares, debentures or other obligations of the Company; or

(bb) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2011 Revision).

The undertaking for the Company is for a period of twenty years from 27 November 2007.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

(k) Stamp duty on transfers

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(l) Loans to directors

The Companies Law contains no express provision prohibiting the making of loans by a company to any of its directors. However, the Articles provide for the prohibition of such loans under specific circumstances.

(m) Inspection of corporate records

The members of the company have no general right under the Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

(n) Register of members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. The Companies Law contains no requirement for an exempted company to make any returns of members

to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands.

(o) Winding up

A Cayman Islands company may be wound up either by (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company occurs where the Company so resolves by special resolution that it be wound up voluntarily, or, where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due; or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or where the event occurs on the occurrence of which the memorandum or articles provides that the company is to be wound up. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the

interests of the contributories and creditors. A supervision order shall take effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, there may be appointed one or more persons to be called an official liquidator or official liquidators; and the court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one persons are appointed to such office, the court shall declare whether any act required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

(p) Reconstructions

Reconstructions and amalgamations are governed by specific statutory provisions under the Companies Law whereby such arrangements may be approved by a majority in number representing 75% in value of members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member would have the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, nonetheless the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

(q) Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

(r) Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

4. GENERAL

Appleby, the Company's legal adviser on Cayman Islands law, has sent to the Company a letter of advice which summarises certain aspects of the Cayman Islands company law. This letter, together with a copy of the Companies Law, is available for inspection as referred to in the paragraph headed "Documents Available for Inspection" in Appendix VI. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on November 14, 2007. We have established a principal place of business in Hong Kong at Room 1502, 15/F., Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong and were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on March 20, 2008. Mr. Shum, whose correspondence address is Room 1502, 15/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong, has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, our corporate structure and our Articles of Association are subject to the relevant laws and regulations of the Cayman Islands. A summary of the relevant laws and regulations of the Cayman Islands and of the Articles of Association is set out in the section headed "Summary of the Constitution of Our Company and Cayman Islands Company Law" in Appendix IV to this prospectus.

2. Changes in the Share Capital of Our Company

As of the date of our incorporation, our initial authorized share capital was HK$380,000 divided into 3,800,000 Shares of HK$0.10 each.

Pursuant to the resolutions in writing of the Shareholders passed on November 19, 2013, our authorized share capital was increased from HK$380,000 divided into 3,800,000 Shares of HK$0.10 each to HK$1,000,000,000 by the creation of an additional 9,996,200,000 Shares.

Immediately following the completion of the Global Offering and the Capitalization Issue but not taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme, the issued share capital of our Company will be HK$172,296,000 divided into 1,722,960,000 Shares, all fully paid or credited as fully paid, and 8,277,040,000 Shares will remain unissued.

Save for aforesaid and as mentioned in the section headed "— Resolutions in Writing of the Shareholders passed on November 19, 2013" below, there has been no alteration in the share capital of the Company since its incorporation.

3. Resolutions in Writing of the Shareholders Passed on November 19, 2013

(i) Pursuant to written resolutions of the Shareholders passed on November 19, 2013:

(a) the amended and restated Memorandum and Articles of Association were approved and adopted conditional upon and with effect from the Listing;

(b) the authorized share capital of our Company was increased from HK$380,000 divided into 3,800,000 Shares of HK$0.10 each to HK$1,000,000,000 divided into 10,000,000,000 Shares of HK$0.10 each by the creation of an additional 9,996,200,000 Shares of HK$0.10 each;

(c) conditional on (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue, Shares to be issued pursuant to the Global Offering and the Capitalization Issue and Shares to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option or options which may be granted under the Share Option Scheme); (ii) the entering into of the Price Determination Agreement between the Joint Global Coordinators and our Company on the Price Determination Date; (iii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:

(i) the Global Offering (including the grant of the Over-allotment Option) was approved and our Directors were authorized to approve the allotment and issue of the Shares, as the case may be, pursuant to the Global Offering on and subject to the terms and conditions thereof as set out in this prospectus and the Application Forms to be published by the Company in accordance with the Listing Rules;

(ii) the granting of the Over-allotment Option by the Company to the International Underwriters, exercisable by the Stabilizing Manager, on behalf of the International Underwriters, pursuant to which the Stabilizing Manager may require the Company to allot and issue up to an additional 15% of the number of Offer Shares (the "**Over-allotment Shares**") at the Offer Price, among others, to cover over-allocation in the International Offering was approved and the Directors were authorized to effect the same and to allot and issue the Over-allotment Shares upon the exercise of the Over-allotment Option;

(iii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed "— D. Share Option Scheme" below, were approved and adopted and our Directors were authorized to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme; and

(iv) conditional on the share premium account of our Company being credited as a result of the issue of the Offer Shares by our Company pursuant to the Global Offering, our Directors were authorized to capitalize HK$129,221,979.9 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,292,219,799 Shares. Such Shares to be allotted and issued to the Shareholders whose names are on the register of members of our Company on the date before the Listing Date in accordance with their respective shareholdings in our Company or in accordance with the direction of such Shareholder;

(d) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by the Shareholders in general meeting, Shares with a total nominal value not exceeding 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering and Capitalization Issue (but taking no account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or any Shares that may be allotted and issued pursuant to the exercise of any options under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;

(e) a general unconditional mandate was given to our Directors authorizing them to exercise all powers of our Company to repurchase on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10% of the aggregate nominal value of the share capital of our company in issue immediately following the completion of the Global Offering and the Capitalization Issue (but taking no account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or any Shares that may be allotted and issued pursuant to the exercise of any options under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first; and

(f) the general unconditional mandate mentioned in paragraph (d) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (e) above.

4. Corporate Reorganization

The companies comprising the Group underwent the Reorganization in preparation for the Listing. Please refer to the section "History and Corporate Structure — Our Reorganization" in this prospectus.

5. Changes in the Share Capital of Subsidiaries

Certain information on our subsidiaries is contained in the Accountant's Report in Appendix I to this prospectus. The following sets out the changes to the share capital made by the subsidiaries of our Company during the two years preceding the date of this prospectus:

Name of subsidiary	Date of change	Capital before change	Capital after change
Foshan Yongheng	December 11, 2012	RMB11,000,000	RMB35,000,000
Guangdong Guangchang	November 12, 2012	RMB4,230,000	RMB42,300,000
Guangzhou Tianlang	May 8, 2012	RMB1,000,000	RMB50,000,000
Qingyuan Rongjing	November 21, 2012	RMB5,000,000	RMB30,000,000
Guangzhou Hongtai	November 14, 2012	RMB11,000,000	RMB35,000,000
Zhuhai Shenghui	February 28, 2013	RMB10,000,000	RMB40,000,000
Guangzhou Lvdi Baiyun	August 15, 2013	RMB10,000,000	RMB20,000,000
Zhide Property Management	August 5, 2013	RMB100,000	RMB500,000
Zhuhai Jiayu	October 12, 2013	RMB10,000,000	RMB30,000,000

Save as set out above, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

6. Repurchases of Our Shares

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) Shareholders' approval

All proposed repurchases of Shares (which must be fully paid up) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the resolutions passed by our then Shareholders on November 19, 2013, a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10.0% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme), such mandate to expire at the conclusion of our next annual general meeting, the date by which our next annual general meeting is required by the Companies Law or by our Articles of Association or any other applicable laws of the Islands to be held or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever first occurs.

(ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with our Articles and the applicable laws and regulations of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Any purchase by our Company may be made out of the profits of our Company or out of a fresh issue of Shares made for the purpose of the purchase or, subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Companies Law, out of capital.

(b) Reasons for repurchases

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

(c) Funding of repurchases

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws and regulations of the Cayman Islands.

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

The exercise in full of the Repurchase Mandate, on the basis of 1,722,960,000 Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (and assuming that the Over-allotment Option is not exercised and no Share is issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), could accordingly result in up to 172,296,000 Shares being repurchased by our Company during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by Companies Law or the Articles or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the purchase mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first (the "**Relevant Period**").

(d) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company.

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

If, as a result of any repurchase of Shares, a shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25.0% of our Shares than in issue could only implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No connected person has notified our Company that he has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus that are or may be material:

(a) an equity transfer agreement dated December 30, 2011 entered into by Guangzhou Shengyu as transferor and Guangzhou Qinxi as transferee regarding the transfer of 100% equity interest in Qingyuan Rongjing from Guangzhou Shengyu to Guangzhou Qinxi at a consideration of RMB5,000,000;

(b) the Payment Deed dated January 20, 2012 entered into between our Company, Mr. Shum, Asiaciti Enterprises, Renowned Brand, East Profit (the "**Obligors**"), and Highup Holdings Limited (as the agent and a security trustee of itself and the other Investors) by which the aggregate repayment amount owed by the Obligors to the Noteholders was amended to approximately US$350.0 million, which was supplemented and amended by (i) a deed dated March 20, 2012 between the Obligors and Highup Holdings Limited and Sino-Ocean Land Capital Investment Limited and (ii) a confirmation letter dated March 22, 2013 issued by Highup Holdings Limited to the Obligors. Further details of the Payment Deed are disclosed under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus;

(c) an equity transfer agreement dated January 20, 2012 entered into by Guangzhou Bolang as transferor and Times Real Estate as transferee regarding the transfer of 100% equity interest in Guangzhou Shengyu from Guangzhou Bolang to Times Real Estate at a consideration of RMB120,000,000;

(d) an equity transfer agreement dated February 1, 2012 entered into by Guangzhou Qinxi as transferor and Times Real Estate as transferee regarding the transfer of 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi to Times Real Estate at a consideration of RMB2,500,000;

(e) an equity transfer agreement dated February 20, 2013 entered into by Guangzhou Qingchu as transferor and Guangzhou Junbao as transferee regarding the transfer of 100% equity interest in Guangzhou Tiansi from Guangzhou Qingchu to Guangzhou Junbao at a consideration of RMB250,500,000;

(f) an equity transfer agreement dated August 15, 2012 entered into by Guangzhou Qinxi as transferor and Times Real Estate as transferee regarding the transfer of 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi to Times Real Estate at a consideration of RMB2,500,000;

(g) a capital increase and equity transfer agreement dated September 28, 2012 entered into by Gaoying Taifu as transferor and Guangzhou Shengyu as transferee, pursuant to which, Guangzhou Shengyu acquired 90% equity interest in Guangdong Guangchang by paying an amount of RMB38,070,000 for the increase in the capital of Guangdong Guangchang;

(h) an equity transfer agreement dated November 16, 2012 entered into by Guangzhou Shengyu as transferor and Zhongshan Tianyue as transferee regarding the transfer of 40% equity interest in Guangzhou Hongtai from Guangzhou Shengyu to Zhongshan Tianyue at a consideration of RMB14,000,000;

(i) an equity transfer agreement dated November 26, 2012 entered into by Gaoying Taifu as transferor and Guangzhou Shengyu as transferee regarding the transfer of 10% equity interest in Guangdong Guangchang from Gaoying Taifu to Guangzhou Shengyu at a consideration of RMB15,000,000;

(j) an equity transfer agreement dated November 28, 2012 entered into by Guangzhou Shengyu as transferor and Ruici Chunhua as transferee regarding the transfer of 50% equity interest in Zhongshan Tianyue from Guangzhou Shengyu to Ruici Chunhua at a consideration of RMB5,000,000;

(k) an equity transfer agreement dated November 28, 2012 entered into by Guangzhou Shengyu as transferor and Ruici Qiushi as transferee regarding the transfer of 50% equity interest in Zhongshan Tianyue from Guangzhou Shengyu to Ruici Qiushi at a consideration of RMB5,000,000;

(l) an equity transfer agreement dated December 17, 2012 entered into by Ms. Guan Wanji (關婉姬), Mr. Cen Jiancai (岑建財) and Mr. Cen as transferors and Guangzhou Yongtai as transferee regarding the transfer of 35%, 35% and 30% equity interest in Guangzhou Zhide from Ms. Guan Wanji (關婉姬), Mr. Cen Jiancai (岑建財) and Mr. Cen at a consideration of RMB3,500,000, RMB3,500,000 and RMB3,000,000, respectively;

(m) an equity transfer agreement dated January 6, 2013 entered into by Mr. Yan Le (嚴樂) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 50% equity interest in Zhuhai Guoji from Mr. Yan Le (嚴樂) to Guangzhou Shengyu at a consideration of RMB2,500,000;

(n) an equity transfer agreement dated January 20, 2013 entered into by Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) as transferors and Guangzhou Shengyu as transferee regarding the transfer of 26% and 25% equity interest in Zhuhai Jinwu from Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) to Guangzhou Shengyu at a consideration of RMB260,000 and RMB250,000, respectively;

(o) an equity transfer agreement dated March 4, 2013 entered into by Guangzhou Bolang as transferor and Guangzhou Shengyu as transferee regarding the transfer of 20% equity interest in Zhuhai Jingrun from Guangzhou Bolang to Guangzhou Shengyu at a consideration of RMB8,760,000;

(p) an equity transfer agreement dated March 6, 2013 entered into by Guangzhou Bolang as transferor and Times Group as transferee regarding the transfer of 35% equity interest in Guangzhou Yongtai from Guangzhou Bolang to Times Group at a consideration of RMB3,850,000;

(q) an equity transfer agreement dated March 7, 2013 entered into by Guangzhou Mingtai as transferor and Guangzhou Yongtai as transferee regarding the transfer of 100% equity interest in Guangzhou Huaya from Guangzhou Mingtai to Guangzhou Yongtai at a consideration of RMB11,000,000;

(r) an equity transfer agreement dated March 14, 2013 entered into by Mr. Zhang Jiasheng (張家盛) as transferor and Guangzhou Zhide as transferee regarding the transfer of 4.9505% equity interest in Zhide Technology from Mr. Zhang Jiasheng (張家盛) to Guangzhou Zhide at a consideration of RMB500,000;

(s) an equity transfer agreement dated March 14, 2013 entered into by Zhuhai Tianchen as transferor and Guangzhou Shengyu as transferee regarding the transfer of 20% equity interest in Guangzhou Zichen from Zhuhai Tianchen to Guangzhou Shengyu at a consideration of RMB2,000,000;

(t) an equity transfer agreement dated March 26, 2013 entered into by Guangzhou Zhide as transferor and Guangzhou Zhengyuan Investment Co., Ltd. (廣州市正元投資有限公司) as transferee regarding the transfer of 100% equity interest in Foshan Zhide Wangu from Guangzhou Zhide to Guangzhou Zhengyuan Investment Co., Ltd. (廣州市正元投資有限公司) at a consideration of RMB10,000;

(u) an equity transfer agreement dated March 27, 2013 entered into by Guangzhou Tianyi as transferor and Pairuan Technology as transferee regarding the transfer of 100% equity interest in Zhuhai Shengyuan from Guangzhou Tianyi to Pairuan Technology at a consideration of RMB1,000,000;

(v) an equity transfer agreement dated May 27, 2013 entered into by Ms. Zhong Xingmei (鍾杏梅) as transferor and Times Real Estate as transferee regarding the transfer of 70% equity interest in Foshan Meigui Huaye from Ms. Zhong Xingmei (鍾杏梅) to Times Real Estate at a consideration of RMB196,546,000;

(w) an equity transfer agreement dated May 27, 2013 entered into by Mr. Luo Zhiwen (羅志文) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 18% equity interest in Foshan Meigui Huaye from Mr. Luo Zhiwen (羅志文) to Guangzhou Shengyu at a consideration of RMB50,540,400;

(x) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaoping (何少平) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meigui Huaye from Mr. He Shaoping (何少平) to Guangzhou Shengyu at a consideration of RMB14,039,000;

(y) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaofan (何少凡) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meigui Huaye from Mr. He Shaofan (何少凡) to Guangzhou Shengyu at a consideration of RMB14,039,000;

(z) an equity transfer agreement dated May 27, 2013 entered into by Ms. Luo Yuanping (羅苑萍) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 2% equity interest in Foshan Meigui Huaye from Ms. Luo Yuanping (羅苑萍) to Guangzhou Shengyu at a consideration of RMB5,615,600;

(aa) an equity transfer agreement dated May 27, 2013 entered into by Ms. Zhong Xingmei (鍾杏梅) as transferor and Times Real Estate as transferee regarding the transfer of 70% equity interest in Foshan Meiguiyuan from Ms. Zhong Xingmei (鍾杏梅) to Times Real Estate at a consideration of RMB131,033,000;

(bb) an equity transfer agreement dated May 27, 2013 entered into by Mr. Luo Zhiwen (羅志文) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 18% equity interest in Foshan Meiguiyuan from Mr. Luo Zhiwen (羅志文) to Guangzhou Shengyu at a consideration of RMB33,694,200;

(cc) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaoping (何少平) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meiguiyuan from Mr. He Shaoping (何少平) to Guangzhou Shengyu at a consideration of RMB9,359,500;

(dd) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaofan (何少凡) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meiguiyuan from Mr. He Shaofan (何少凡) to Guangzhou Shengyu at a consideration of RMB9,359,500;

(ee) an equity transfer agreement dated May 27, 2013 entered into by Ms. Luo Yuanping (羅苑萍) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 2% equity interest in Foshan Meiguiyuan from Ms. Luo Yuanping (羅苑萍) to Guangzhou Shengyu at a consideration of RMB3,743,800;

(ff) an agreement dated June 5, 2013 and a supplemental agreement dated July 22, 2013 entered into between Guangzhou Pige, Times Real Estate, Guangzhou Shengyu, Times Group and Guangzhou Tianhe, pursuant to which Guangzhou Pige transferred 100% equity interest in Guangzhou Tianhe to Times Real Estate, Guangzhou Shengyu and Times Group at RMB140,000,000;

(gg) a joint development agreement dated June 19, 2013 entered by Times Real Estate and Guangzhou Lvdi, pursuant to which Times Real Estate acquired 50% equity interest of Guangzhou Lvdi Baiyun through increasing its registered capital by RMB5,000,000;

(hh) a supplemental joint development agreement dated June 28, 2013 entered by Times Real Estate and Guangzhou Lvdi, pursuant to which Times Real Estate agreed to increase the registered capital of Guangzhou Lvdi Baiyun by RMB10,000,000 to maintain its shareholding in Guangzhou Lvdi Baiyun as agreed in the agreement dated June 19, 2013 as set out in item (gg) above;

(ii) an equity transfer agreement dated July 2, 2013 entered into by Guangzhou Shengyu as transferor and Daye Trust as transferee regarding the transfer of 20% equity interest in Guangzhou Nanying from Guangzhou Shengyu to Daye Trust at a consideration of RMB72,000,000;

(jj) an equity transfer agreement dated July 5, 2013 entered into by Mr. Yan Le (嚴樂) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 40% equity interest in Zhuhai Guoji from Mr. Yan Le (嚴樂) to Guangzhou Shengyu at a consideration of RMB2,000,000;

(kk) an equity transfer agreement dated July 5, 2013 entered into by Ms. Deng Fen (鄧芬) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 10% equity interest in Zhuhai Guoji from Ms. Deng Fen (鄧芬) to Guangzhou Shengyu at a consideration of RMB500,000;

(ll) the Restructuring Deed dated July 12, 2013 entered into between our Company, Mr. Shum, Asiaciti Enterprises, Renowned Brand, East Profit and Highup Holdings Limited, in respect of, among others, the revised payment schedule for the amounts owed but not yet fallen due by the Obligors to the Investors and the modification of the security given by the Obligors to the Investors under the Note Subscription Agreement and the Exchangeable Notes. Further details of the Restructuring Deed are disclosed under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus;

(mm) an equity transfer agreement dated October 8, 2013 entered into by Guangzhou Shengyu as transferor and Guangzhou Zhuorui as transferee regarding the transfer of 40% equity interest in Zhuhai Jiayu from Guangzhou Shengyu to Guangzhou Zhuorui at a consideration of RMB12,000,000;

(nn) an equity transfer agreement dated November 11, 2013 entered into by Fogang Runxin as transferor and Zhongrong International Trust as transferee regarding the transfer of 100% equity interest in Guangzhou Zhuorui from Fogang Runxin to Zhongrong International Trust at a consideration of RMB10,000,000;

(oo) the Deed of Non-competition;

(pp) the Deed of Indemnity dated November 21, 2013 given by our Controlling Shareholders in favor of our Company (for itself and as trustee for each of its present subsidiaries) in respect of, amongst others, taxation and property matters referred to in the paragraph headed "— Other Information — Tax and other indemnities" in this Appendix;

(qq) the cornerstone placing agreement dated November 19, 2013 and entered into between Fusion Capital Limited, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Fusion Capital Limited has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares;

(rr) the cornerstone placing agreement dated November 19, 2013 and entered into between Ms. Xiong, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Ms. Xiong has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK$100,000,000, rounded down to the nearest whole board lot of 1,000 Shares;

(ss) the cornerstone placing agreement dated November 20, 2013 and entered into between Guangzhou Highsun, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Guangzhou Highsun has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares;

(tt) the cornerstone placing agreement dated November 22, 2013 and entered into between Yue Xiu Securities, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Yue Xiu Securities has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares; and

(uu) the Hong Kong Underwriting Agreement.

2. Intellectual Property Rights of Our Group

(a) Trademarks

As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which, in the opinion of our Directors, are material to our business:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
	301058184AA	37	Our Company	Hong Kong	February 25, 2008	February 24, 2018
	301058184AB	45	Our Company	Hong Kong	February 25, 2008	February 24, 2018

As of the Latest Practicable Date, the following trademarks were licensed to our Group which, in the opinion of our Directors, are material to our business:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Expiry Date
	4403399	36	Times Development Group *(Note 1)*	PRC	April 6, 2019
	1675744	36	Times Development Group *(Note 1)*	PRC	November 27, 2021
	1699569	37	Times Development Group *(Note 1)*	PRC	January 13, 2022
	4403411	39	Times Development Group *(Note 1)*	PRC	June 27, 2018
	4403412	39	Times Development Group *(Note 1)*	PRC	June 27,2018
	4403413	41	Times Development Group *(Note 1)*	PRC	June 27, 2018
	4403414	37	Times Development Group *(Note 1)*	PRC	December 13, 2019
	4403415	43	Times Development Group *(Note 1)*	PRC	June 27, 2018

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Expiry Date
	4403416	36	Times Development Group *(Note 1)*	PRC	June 27, 2018
	4403417	36	Times Development Group *(Note 1)*	PRC	June 27, 2018
	4403418	42	Times Development Group *(Note 1)*	PRC	August 27, 2018
	7459826	43	Times Development Group *(Note 1)*	PRC	November 13, 2020
	7459836	43	Times Development Group *(Note 1)*	PRC	August 6, 2021
	7459885	41	Times Development Group *(Note 1)*	PRC	August 6, 2021
	7459935	39	Times Development Group *(Note 1)*	PRC	August 6, 2021
	7459960	37	Times Development Group *(Note 1)*	PRC	October 20, 2021
	7459981	36	Times Development Group *(Note 1)*	PRC	February 20, 2021
	7459986	36	Times Development Group *(Note 1)*	PRC	November 13, 2020
	7460002	37	Times Development Group *(Note 1)*	PRC	November 13, 2020
	7460028	39	Times Development Group *(Note 1)*	PRC	December 13, 2020
	7462606	41	Times Development Group *(Note 1)*	PRC	January 13, 2021

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Expiry Date
	7577841	36	Times Development Group *(Note 1)*	PRC	June 27, 2021
	7577851	36	Times Development Group *(Note 1)*	PRC	August 6, 2021

Note:

1. On March 13, 2013, Times Group entered into the Trademark License Agreement with Times Development Group. Pursuant to the Trademark License Agreement (which was amended and supplemented by a supplemental agreement dated July 1, 2013), Times Development Group granted an exclusive license to us to use the Trademark on a royalty free basis for a period commencing from March 13, 2013 and ending on March 12, 2033. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of Trademark License Agreement are valid, binding and enforceable against the parties thereto.

(b) Domain names

As of the Latest Practicable Date, our Group was the registered proprietor of the following domain name which, in the opinion of our Directors, is material to our business:

Domain name	Name of Registered Proprietor	Date of Registration	Expiry Date
timesgroup.cn	Times Real Estate	December 3, 2003	December 3, 2015

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of the Directors and the chief executive of our Company in the shares, underlying shares and debentures of our Company and its associated corporations

Immediately following completion of the Global Offering and the Capitalization Issue (without taking into account of any Shares that may be issued under the Over-allotment Option or the Share Option Scheme), the interests or short positions of Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, under Section 352 of the SFO, to be entered in the register referred to in that

section, or which will be required, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**"), to be notified to our Company once the Shares are listed will be as follows:

(i) Interest in Shares

Name of Director	Nature of Interest	Number of Shares[(1)]	Approximate percentage of shareholding interest
Mr. Shum *(Notes 1 and 2)*	Interest in controlled corporation	1,292,220,000L	75%

Notes:

1. The letter "L" denotes the person's long position in the Shares.

2. Mr. Shum's interest in our Company is held through Asiaciti Enterprises, a company owned as to 60% by Renowned Brand, which is in turn wholly-owned by Mr. Shum, and 40% by East Profit which is in turn wholly owned by Ms. Li, spouse of Mr. Shum.

(ii) Interest in associated corporation of our Company

Name of Director	Name of associated corporation	Nature of Interest	Number of shares[(1)]	Approximate percentage of shareholding interest in the associated corporation
Mr. Shum *(Note 1)*	Asiaciti Enterprises	Interest in controlled corporation	120	60%
Mr. Shum	Renowned Brand	Beneficial owner	1	100%

Note:

1. The issued shares of Asiaciti Enterprises is owned as to 60% by Renowned Brand which is in turn wholly owned by Mr. Shum.

(b) Interests and short positions of the Substantial Shareholders in the Shares and Underlying Shares

So far as our Directors are aware, immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares that may be issued under the Over-allotment Option or the Share Option Scheme), the following persons, (not being Directors or chief executive of our Company) will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares[(1)]	Approximate percentage of interest in our Company immediately following the completion of the Global Offering and the Capitalization Issue
Mr. Shum *(Notes 1, 2, 3, 4)*	Interest in controlled corporation	1,292,220,000L	75%
Ms. Li *(Notes 1, 2, 3, 4)*	Interest in controlled corporation	1,292,220,000L	75%
Renowned Brand *(Notes 1, 2)*	Interest in controlled corporation	1,292,220,000L	75%
East Profit *(Notes 1, 3)*	Interest in controlled corporation	1,292,220,000L	75%
Asiaciti Enterprises *(Notes 1, 4)*	Beneficial owner	1,292,220,000L	75%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) Renowned Brand is wholly owned by Mr. Shum.

(3) East Profit is owned wholly owned by Ms. Li, spouse of Mr. Shum.

(4) Asiaciti Enterprises is owned as to 60% by Renowned Brand and 40% by East Profit which is in turn wholly owned by Ms. Li, spouse of Mr. Shum.

So far as the Directors are aware, immediately following completion of the Global Offering, the following persons will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any members of the Group other than the Company.

Name of shareholder	Name of the Group member	Capacity	Approximate percentage of shareholding
Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司) .	Guangzhou Guangdechang	Beneficial owner	30%
Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司)	Guangzhou Guangdechang	Beneficial owner	15%
Guangzhou Dafushi	Guangzhou Junbao	Beneficial owner	30%
Shanghai Dingzhong	Zhuhai Jinwu	Beneficial owner	25%
Mr. Liu Chunguang (劉春光)	Zhuhai Jinwu	Beneficial owner	24%
Zhongshan Tianyue	Guangzhou Hongtai	Beneficial owner	40%
Daye Trust.	Guangzhou Nanying	Beneficial owner	20%
Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司)	Guangzhou Hengde	Beneficial owner	30%
Guangzhou Lvdi	Guangzhou Lvdi Baiyun	Beneficial owner	50%
Guangzhou Zhuorui	Zhuhai Jiayu	Beneficial owner	40%

2. Particulars of Service Contracts

(a) Executive Directors

Each of the executive Directors has entered into a service contract with our Company under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either the executive Director or our Company.

The appointments of the Executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles.

(b) Independent Non-executive Directors

Each of the independent non-executive Directors has signed an appointment letter with our Company for a term of three years with effect from the Listing Date. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed Director's fee. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

(c) Others

(i) Save as disclosed above, none of the Directors has entered into any service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

(ii) None of the Directors or any past Directors of any members of our Group has been paid any sum of money for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013 (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a Director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

(iii) There has been no arrangement under which a Director has waived or agreed to waive any remuneration or benefits in kind for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013.

(iv) None of the Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

3. Competing Interest of Directors

Please refer to the section "Relationship with Controlling Shareholders" in this prospectus.

4. Fees or Commissions Received

Save as disclosed in this prospectus, no commissions, discounts, agency fee, brokerages or other special terms has been granted in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

5. Disclaimers

Save as disclosed in this prospectus:

(a) none of the Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed;

(b) none of our Directors nor any of the parties listed in the section headed "— Other Information — Consents of Experts" below has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus, been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(c) none of our Directors nor any of the parties listed in the section headed "— Other Information — Consents of Experts" below, is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(d) save for the Underwriting Agreements, none of the parties listed in the section headed "— Other Information — Consents of Experts" below:

  (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or

  (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group;

(e) none of the Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)); and

(f) none of the Directors, their respective associates or Shareholders of our Company is interested in more than 5% of the issued share capital of our Company has any interests in the five largest suppliers.

D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of the Shareholders passed on November 19, 2013. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

(a) Purpose

The Share Option Scheme is a share incentive scheme and is established to enable our Company to grant options to the Eligible Participants (as defined in paragraph (b) below) as incentives or rewards for their Contribution they had or may have made to our Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

(i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of our Group; and

(ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of our Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (e) below to:

(i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;

(ii) any directors (including independent non-executive directors) of our Company or any of its subsidiaries;

(iii) any advisers, consultants, suppliers, customers, distributors and agents to our Company or any of its subsidiaries; and

(iv) any such other persons who in the sole opinion of the Board, will contribute or have contributed to our Company and/or any of its subsidiaries.

Upon acceptance of the option, the grantee shall pay HK$1.00 (or an equivalent amount in RMB) to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

(c) Maximum number of Shares

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following the completion of the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), being 172,296,000 Shares,

excluding for this purpose Shares which would have been issued on the exercise in full of options in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company, but not canceled, lapsed or exercised). Subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of the Shares in issue as of the date of the approval by the Shareholders in general meeting; and/or

(ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by our Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph (q) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

(d) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

(i) the issue of a circular by our Company which shall comply with Rules 17.03(4) and 17.06 of the Listing Rules containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

(ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine.

(e) Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will be at less the higher of:

(i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and

(iii) the nominal value of a Share.

(f) Granting options to connected persons

Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or any of their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and

(ii) having an aggregate value in excess of HK$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant,

such further grant of options will be subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting by way of a poll at which all connected persons of our Company shall abstain from voting in favor of the resolution concerning the grant of such options at the general meeting, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our Company to the Shareholders pursuant to the above paragraph shall contain the following information:

(i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

(ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;

(iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

(iv) the information required under Rule 2.17 of the Listing Rules.

(g) Restrictions on the times of grant of Options

A grant of options may not be made when inside information has come to the knowledge of the Company until such inside information has been announced pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

(i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual results, half-year, quarterly or other interim period (whether or not required under the Listing Rules);

(ii) the deadline for our Company to publish an announcement of results of the Company for (i) any year or half-year period in accordance with the Listing Rules; and (ii) any quarterly or any other interim period, where the Company has elected to publish such results (whether or not required under the Listing Rules), and ending on the date of actual publication of the results for such year, half year, quarterly or interim period (as the case may be), and where the grant of options is to a Director;

(iii) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(iv) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(h) Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do.

(i) Time of exercise of Option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised

will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the date of its adoption.

(j) Performance target

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(k) Rights on ceasing employment or death

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries:

(i) by any reason other than death, ill-health, injury, disability or termination of his employment on the grounds specified in paragraph (r)(v) below, the grantee may exercise the option up to the entitlement of the grantee as of the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or

(ii) by reason of death, ill-health, injury or disability, his personal representative(s) may exercise the option within a period of 12 (or such longer period as the Board may determine) months from such cessation or death of such grantee, failing which it will lapse.

(l) Rights on dismissal

If the grantee of an Option ceases to be an employee of our Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of our group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our group, or has been convicted of any criminal offense involving his integrity or honesty, his Option will lapse and not be exercisable after the date of termination of his employment.

(m) Rights on takeover

If a general or partial offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional, the grantee of an option shall be entitled to exercise the Options (to the extent not already exercised) to its full extent at any time within 14 days after the date on which such general offer becomes or is declared unconditional.

(n) Rights on winding-up

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid.

(o) Rights on compromise or arrangement between our Company and its members or creditors

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme of arrangement and there upon each grantee shall be entitled to exercise the option in whole or in part at any time prior to 12 noon (Hong Kong time) on the Business Day immediately prior to the date of the proposed meeting directed to be convened by the relevant court.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the relevant court, the rights of grantees to exercise their respective options shall with effect from such date of the making of the order by the relevant court be restored in full but only to the extent not already exercised and shall become exercisable.

(p) Ranking of Shares

No dividends shall be payable in relation to shares that are the subject of options that have not been exercised. The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise. Shares issued on the exercise of an option shall not be entitled to any rights attaching to shares by reference to a record date preceding the date of allotment.

(q) Effect of alterations to capital

In the event of any alteration in the capital structure of our Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer (if there is a price dilutive element), consolidation, sub-division or reduction of share capital of our Company in accordance with applicable laws and regulatory requirements, such corresponding alterations (if any) shall be made in the number or of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of our Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on September 5, 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of our Company for which any grantee of an option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value.

The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(r) Expiry of option

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(i) the date of expiry of the option as may be determined by the Board;

(ii) the expiry of any of the periods referred to in paragraphs (k), (l), (m), (n) or (o);

(iii) the date on which the scheme of arrangement of our Company referred to in paragraph (o) becomes effective;

(iv) subject to paragraph (n), the date of commencement of the winding-up of our Company;

(v) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his relationship with our group on any one or more of the following grounds:

(1) that he has been guilty of serious misconduct;

(2) that he has been convicted of any criminal offense involving his integrity or honesty or in relation to an employee of our group;

(3) that he has become insolvent, bankrupt or has made arrangements or compositions with his creditors generally; or

(4) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

(vi) the date on which the Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (h) above or the options are canceled in accordance with paragraph (t) below.

(s) Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

(i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and

(ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted,

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall remain in compliance with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(t) Cancellation of Options

Subject to paragraph (h) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing.

(u) Termination of the Share Option Scheme

Our Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(v) Administration of the Board

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(w) Condition of the Share Option Scheme

The Share Option Scheme is conditional on:

(i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of options to be granted under the Share Option Scheme;

(ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise;

(iii) the approval of the rules of the Share Option Scheme by our Shareholders in general meeting; and

(iv) the commencement of dealings in the Shares on the Stock Exchange.

(x) Disclosure in annual and interim reports

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

(y) Present status of the Share Option Scheme

As of the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of the options to be granted under the Share Option Scheme.

E. OTHER INFORMATION

1. Tax and other indemnities

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favor of each member of our Company (being the contract referred to in paragraph (a) of the section headed "— Further Information About Our Business — Summary of Material Contracts"

above) to provide indemnities on a joint and several basis in respect of, among other matters, taxation resulting from income, profits or gains earned, accrued or received as well as any property claim to which any member of our Group may be subject and payable on or before the date when the Global Offering becomes unconditional.

2. Litigation

As of the Latest Practicable Date, we were not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operations.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme).

4. Preliminary Expenses

The preliminary expenses of our Company are estimated to be approximately HK$54,600 and are payable by our Company.

5. Promoter

The Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

6. Taxation of holders of Shares

(a) Hong Kong

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration of, if higher, of the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax. Our Directors have been advised that no material liability for estate duty under the laws of China or Hong Kong would be likely to fall upon any member of the Group.

(b) Cayman Islands

No stamp duty is payable in the Cayman Islands on transfer of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(c) Consultation with professional advisers

Intending holders of the Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

7. Qualification of Experts

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

Name	Qualifications
UBS Securities Hong Kong Limited	A licensed corporation registered for Type 1 (dealing in securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities under the SFO
Haitong International Capital Limited	A licensed corporation registered for Type 6 (advising on corporate finance) of the regulated activities under the SFO
Ernst & Young	Certified Public Accountants, Hong Kong
Commerce & Finance	PRC legal advisers
Appleby	Cayman Islands attorney-at-law
DTZ Debenham Tie Leung Limited	Property valuer
Hart Giles, Solicitors & Notaries	A solicitors firm in Hong Kong

8. Consents of Experts

Each of UBS Securities Hong Kong Limited, Haitong International Capital Limited, Ernst & Young, Commerce & Finance, Appleby, DTZ Debenham Tie Leung Limited and Hart Giles, Solicitors & Notaries has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included in this prospectus the form and context in which it is respectively included.

9. Binding Effect

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

10. Miscellaneous

(a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:

(i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;

(iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(v) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.

(b) Our Directors confirm that:

(i) there has been no material adverse change in the financial or trading position or prospects of the Group since June 30, 2013 (being the date to which the latest audited consolidated financial statements of the Group were prepared); and

(ii) there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus.

(c) The principal register of members of our Company will be maintained in the Cayman Islands by Appleby Trust (Cayman) Ltd. and a branch register of members of our Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar and may not be lodged in the Cayman Islands.

(d) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.

(e) No company within our Group is presently listed on any stock exchange or traded on any trading system.

(f) The Directors have been advised that, under the Companies Law, the use of a Chinese name by the Company for identification purposes only does not contravene the Companies Law.

(g) The English and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption from Companies and prospectuses from Compliance Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the **WHITE**, **YELLOW** and **GREEN** Application Forms;

(b) the written consents referred to in the section headed "Statutory and General Information — Other Information — Consents of Experts" in Appendix V to this prospectus; and

(c) a copy of each of the material contracts referred to in the section headed "Statutory and General Information — Further Information About Our Business — Summary of Material Contracts" in Appendix V to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Sidley Austin at 39/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus:

(a) the amended and restated Memorandum and Articles of Association;

(b) the Accountant's Report from Ernst & Young, the text of which is set out in Appendix I to this prospectus;

(c) the report from Ernst & Young in respect of the unaudited pro forma financial information, the text of which is set out in Appendix II to this prospectus;

(d) the letter, the summary of values and valuation certificates relating to our property interests prepared by DTZ Debenham Tie Leung Limited, the texts of which are set out in Appendix III to this prospectus;

(e) the audited combined financial statements of the Group for the three years ended December 31, 2012 and the six months ended June 30, 2013;

(f) the letter of advice from Appleby, our Cayman Islands legal advisors, summarizing the constitution of our Company and certain aspects of Cayman Islands company law referred to in "Summary of Constitution of Our Company and Cayman Islands Company Law" in Appendix IV to this prospectus;

(g) the Companies Law;

(h) the legal opinions dated the prospectus date issued by Commerce and Finance Law Offices, our PRC legal advisers in respect of our Group's business operations and property interests in the PRC;

(i) the material contracts referred to in the section headed "Statutory and General Information — Further Information About Our Business — Summary of Material Contracts" in Appendix V to this prospectus;

(j) the service contracts and appointment letters entered into between the Company and each of the Directors referred to in the paragraph headed "Statutory and General Information — Further Information About Our Business — Particulars of Service Contracts" in Appendix V to this prospectus;

(k) the written consents referred to in the section headed "Statutory and General Information — Other Information — Consents of Experts" in Appendix V to this prospectus;

(l) the rules of the Share Option Scheme; and

(m) the legal opinion dated the prospectus date issued by Hart Giles, a solicitors firm in Hong Kong, our Hong Kong special legal advisors in respect of non-compliance of section 122 of the Companies Ordinance regarding certain subsidiaries of the Group.

TIMES PROPERTY HOLDINGS LIMITED

時代地產控股有限公司