OFFERING MEMORANDUM **CONFIDENTIAL**

COUNTRY GARDEN 碧桂園

Country Garden Holdings Company Limited

碧桂園控股有限公司

(incorporated with limited liability under the laws of the Cayman Islands)

US$550,000,000
7.875% Senior Notes due 2019

We will pay interest on the Notes on May 27 and November 27 of each year, commencing November 27, 2014. The Notes will mature on May 27, 2019. At any time and from time to time on or after May 27, 2017, the Company may redeem the Notes, in whole or in part, at the redemption prices set forth in "Description of the Notes—Optional Redemption," plus accrued and unpaid interest to (but not including) the redemption date. At any time prior to May 27, 2017, we may at our option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus a premium as set forth in this offering memorandum, and accrued and unpaid interest. At any time and from time to time prior to May 27, 2017, we may redeem up to 35% in aggregate principal amount of the Notes, at a redemption price equal to 107.875%, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of our capital stock. For a more detailed description of the redemption of the Notes, see "Description of the Notes—Optional redemption."

Upon the occurrence of a Change of Control Triggering Event, we must make an offer to repurchase all Notes outstanding at a purchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase.

The Notes are senior obligations of Country Garden Holdings Company Limited (the "Issuer"), guaranteed by our existing subsidiaries (the "Subsidiary Guarantors") (the "Subsidiary Guarantees") other than certain subsidiaries specified in "Description of the Notes" and those organized under the laws of the People's Republic of China (the "PRC") (the "Non-Guarantor Subsidiaries").

The Notes will (1) rank at least *pari passu* with all our other unsecured, unsubordinated indebtedness (subject to any priority rights pursuant to applicable law), (2) be effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries, including our subsidiaries in the PRC, and (3) be effectively subordinated to our secured obligations and those of the Subsidiary Guarantors, to the extent of the assets serving as security therefor. The Notes and the Subsidiary Guarantees will be secured by liens over the capital stock of the Subsidiary Guarantors, and pursuant to an intercreditor agreement (as amended and supplemented, the "Intercreditor Agreement"), rank *pari passu* with respect to such collateral with the Issuer's obligations under the indenture governing the US$375 million 11.750% Senior Notes due 2014 (the "2014 Notes"), the indenture governing the US$550 million 11.250% Senior Notes due 2017 (the "2017 Notes"), the indenture governing the US$400 million 10.500% Senior Notes due 2015 (the "2015 Notes"), the indenture governing the US$900 million 11.125% Senior Notes due 2018 (the "2018 Notes"), the indenture governing the US$750 million 7.50% Senior Notes due 2023 (the "2023 Notes") and the indenture governing the US$750 million 7.25% Senior Notes due 2021 ("the "2021 Notes"). See "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral."

For a more detailed description of the Notes, see "Description of the Notes" beginning on page 347.

Investing in the Notes involves risks. See "Risk factors" beginning on page 19.

The Notes will not be designated for trading in the Financial Industry Regulatory Authority, Inc.'s PORTAL market. Approval in-principle has been received for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. The listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Subsidiary Guarantors, their associated companies or the Notes.

Offering Price: 98.989%

The Offering Price set forth above does not include accrued interest, if any. Interest on the Notes will accrue from May 27, 2014.

The Notes and the Subsidiary Guarantees have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (1) to qualified institutional buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A ("Rule 144A") and (2) to a non-U.S. person (as defined in the Securities Act) outside the United States in compliance with Regulation S under the U.S. Securities Act ("Regulation S"). For a description of certain restrictions on resale or transfer, see the section entitled "Transfer restrictions."

It is expected that delivery of the Notes will be made on or about May 27, 2014 in New York, New York through the facilities of The Depository Trust Company ("DTC") against payment therefor in immediately available funds.

Joint Global Coordinators
(in alphabetical order)

Goldman Sachs (Asia) L.L.C. **J.P. Morgan**

Joint Lead Managers and Joint Bookrunners

Goldman Sachs (Asia) L.L.C. **J.P. Morgan** **BOC International** **HSBC**

Offering Memorandum dated May 15, 2014

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This offering memorandum does not constitute an offer to sell or a solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this offering memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this offering memorandum or that the information contained in this offering memorandum is correct as of any time after that date.

This offering memorandum is not a prospectus for the purposes of the European Union's Directive 2003/71/EC (and any amendments thereto) as implemented in member states of the European Economic Area (the "EU Prospectus Directive"). This offering memorandum has been prepared on the basis that all offers of the Notes made to persons in the European Economic Area will be made pursuant to an exemption under the EU Prospectus Directive from the requirement to produce a prospectus in connection with offers of the Notes.

IN CONNECTION WITH THIS OFFERING, GOLDMAN SACHS (ASIA) L.L.C. AND J.P. MORGAN SECURITIES PLC, AS STABILIZING MANAGERS, OR ANY PERSON OR ENTITY ACTING ON THEIR BEHALF, MAY OVER-ALLOT NOTES OR EFFECT PURCHASES AND SALES OF THE NOTES IN THE OPEN MARKET. THESE TRANSACTIONS MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, INCLUDE SHORT SALES, STABILIZING TRANSACTIONS AND PURCHASES TO COVER POSITIONS CREATED BY SHORT SALES. THESE ACTIVITIES MAY STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICE OF THE NOTES. AS A RESULT, THE PRICE OF THE NOTES MAY BE HIGHER THAN THE PRICE THAT OTHERWISE MIGHT EXIST IN THE OPEN MARKET. IF THESE ACTIVITIES ARE COMMENCED, THEY WILL BE CONDUCTED IN ACCORDANCE WITH APPLICABLE LAWS AND REGULATIONS AND MAY BE ENDED AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE ALLOTMENT OF THE BONDS. THESE ACTIVITIES WILL BE UNDERTAKEN SOLELY FOR THE ACCOUNT OF GOLDMAN SACHS (ASIA) L.L.C. AND J.P. MORGAN SECURITIES PLC, AS STABILIZING MANAGERS (OR ANY PERSON OR ENTITY ACTING ON THEIR BEHALF) AND NOT FOR THE ISSUER OR ON ITS BEHALF.

We, having made all reasonable inquiries, confirm that: (i) this offering memorandum contains all information with respect to us, our subsidiaries and affiliates referred herein and the Notes and the Subsidiary Guarantees that is material in the context of the issue and offering of the Notes; (ii) the statements contained in this offering memorandum relating to us and our subsidiaries and our affiliates are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this offering memorandum with regard to us and our subsidiaries and affiliates are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to us, our subsidiaries and affiliates, the Notes and the Subsidiary Guarantees, the omission of which would, in the context of the issue and offering of the Notes, make this offering memorandum, as a whole, misleading in any material respect; and (v) we have made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. We accept responsibility accordingly.

This offering memorandum is highly confidential. We are providing it solely for the purpose of enabling you to consider a purchase of the Notes. You should read this offering memorandum before making a decision whether to purchase the Notes. You must not use this offering memorandum for any other purpose, or disclose any information in this offering memorandum to any other person.

Notwithstanding anything to the contrary contained herein, a prospective investor (and each employee, representative, or other agent of a prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this offering memorandum and all materials of any kind that are provided to the prospective investor relating to such tax treatment and tax structure (as such terms are defined in United States Treasury Regulation section 1.6011-4). This authorization of tax disclosure is retroactively effective to the commencement of discussions with prospective investors regarding the transactions contemplated herein.

We have prepared this offering memorandum, and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes. By purchasing the Notes, you will be deemed to have acknowledged that you have made certain acknowledgements, representations and agreements as set forth under the section headed "Transfer restrictions" below.

No representation or warranty, express or implied, is made by the Initial Purchasers (as defined in the section headed "Plan of distribution"), The Bank of New York Mellon (the "Trustee", the "Paying and Transfer Agent" and the "Registrar" (the Paying and Transfer Agent and the Registrar collectively, the "Agents")) or any of their affiliates or advisors as to the accuracy or completeness of the information set forth herein, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation, whether as to the past or the future. Neither the Trustee nor the Agents have independently verified all of such information and they assume no responsibility for its accuracy or completeness.

Prospective investors in the Notes should rely only on the information contained in this offering memorandum. Neither we nor the Initial Purchasers, the Trustee or the Agents have authorized the provision of information different from that contained in this offering memorandum. The information contained in this offering memorandum is accurate in all material respects only as of the date of this offering memorandum, regardless of the time of delivery of this offering memorandum or of any sale of the Notes. Neither the delivery of this offering memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in our affairs or those of each of our respective subsidiaries or that the information set forth herein is correct in all material respects as of any date subsequent to the date hereof.

Each person receiving this offering memorandum acknowledges that: (i) such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy of, or to supplement, the information contained herein; (ii) such person has not relied on the Initial Purchasers, the Trustee, the Agents or any person affiliated with the Initial Purchasers, the Trustee or the Agents in connection with any investigation of the accuracy of such information or its investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning us, our subsidiaries and affiliates, the Notes or the Subsidiary Guarantees (other than as contained herein and information given by our duly authorized officers and employees in connection with investors' examination of us and the terms of the offering of the Notes) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us, the Initial Purchasers, the Trustee or the Agents.

The Notes and the Subsidiary Guarantees have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offense in the United States.

Prospective purchasers are hereby notified that sellers of the securities (the Notes and the Subsidiary Guarantees) may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. We are not, and the Initial Purchasers are not, making an offer to sell the Notes in any jurisdiction except where an offer or sale is permitted. The distribution of this offering memorandum and the offering of the Notes may in certain jurisdictions be restricted by law. Persons into whose possession this offering memorandum comes are required by us and the Initial Purchasers to inform themselves about and to observe any such restrictions. For a description of the restrictions on offers, sales and resales of the Notes and distribution of this offering memorandum, see the sections headed "Transfer restrictions" and "Plan of distribution" below.

This offering memorandum summarizes certain material documents and other information, and we refer you to them for a more complete understanding of what we discuss in this offering memorandum. In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. None of us, the Initial Purchasers, the Trustee, the Agents, or any of our or their respective affiliates or representatives is or are making any representation to you regarding the legality of an investment in the Notes by you under any legal, investment or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, business or tax advice. You should consult your own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Notes.

We reserve the right to withdraw the offering of Notes at any time, and the Initial Purchasers reserves the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective purchaser less than the full amount of the Notes sought by such purchaser. The Initial Purchasers and certain related entities may acquire for their own account a portion of the Notes.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED 1955, AS AMENDED ("RSA"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Certain definitions, conventions and currency presentation

We have prepared this offering memorandum using a number of conventions, which you should consider when reading the information contained herein. When we use the terms "we," "us," "our," the "Company," the "Group" and words of similar import, we are referring to Country Garden Holdings Company Limited itself, or to Country Garden Holdings Company Limited and its consolidated subsidiaries, as the context requires.

Market data and certain industry forecast and statistics in this offering memorandum have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although we believe this information to be reliable, it has not been independently verified by us or the Initial Purchasers or our or their respective directors and advisors, and neither us, the Initial Purchasers nor our or their respective directors and advisors make any representation as to the accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. Due to possibly inconsistent collection methods and other problems, the statistics herein may be inaccurate and should not be unduly relied upon. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. This offering memorandum summarizes certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents. In making an investment decision, each investor must rely on its own examination of us and the terms of the offering and the Notes, including the merits and risks involved.

In this offering memorandum, all references to "US$" and "U.S. dollars" are to United States dollars, the official currency of the United States; all references to "HK$" and "H.K. dollars" are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the PRC ("Hong Kong" or "HK"); all references to "RMB" or "Renminbi" are to the Renminbi, the official currency of the People's Republic of China.

We record and publish our financial statements in Renminbi. Unless otherwise stated in this offering memorandum, all translations from Renminbi amounts to U.S. dollars were made at the rate of RMB6.0537 to US$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2013, and all translations from H.K. dollars into U.S. dollars were made at the rate of HK$7.7539 to US$1.00, the noon buying rate in New York City for cable transfers payable in H.K. dollars as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2013. All such translations in this offering memorandum are provided solely for your convenience and no representation is made that the Renminbi amounts referred to herein have been, could have been or could be converted into U.S. dollars or H.K. dollars, or vice versa, at any particular rate or at all. For further information relating to the exchange rates, see "Exchange rates."

References to "the PRC" and "China" are to the People's Republic of China and, for the purposes of this offering memorandum, except where the context requires, do not include Hong Kong, Macau Special Administrative Region of the PRC ("Macau"), or Taiwan. "PRC government" or the "State" means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governmental entities) and instrumentalities thereof, or, where the context requires, any of them.

References to "Convertible Bonds" are to the Company's RMB-denominated U.S. Dollars settled 2.5% convertible bonds due 2013 which were fully redeemed on February 22, 2013. See "Management's discussion and analysis of financial condition and results of operations—Borrowings."

References to "Equity Swap" are to the equity swap in respect of our shares having a value of US$250.0 million at such time that we entered into with Merrill Lynch International on February 15, 2008, as amended, in connection with the Convertible Bonds, under which a portion of the proceeds from the issue of the Convertible Bonds of US$250.0 million were deposited with Merrill Lynch International as collateral for such equity swap. We terminated the Equity Swap on March 2, 2012. See "Management's discussion and analysis of financial condition and results of operations—Derivative financial instruments."

References to the "Asian Games City Project" are to the development of certain parcels of land located in the Panyu District of Guangzhou City that we, together with certain other property developers in the PRC, acquired pursuant to a land grant contract with the PRC government dated December 22, 2009, as amended and supplemented. The development of this project will be implemented through a project company (the "Asian Games City JV"), in which we, Agile Property Holdings Limited ("Agile"), Guangzhou R&F Properties Co., Ltd. ("R&F"), Shimao Property Holdings Limited ("Shimao") and Citic South (Group) Co. Ltd. ("Citic South") each holds a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken into account this project when calculating the number of our projects, the site area or GFA data included in this offering memorandum, unless otherwise specified. For additional information about the Asian Games City Project, see "Business—Asian Games City Project."

Unless otherwise stated, the site area and GFA data at our property developments presented in this offering memorandum do not include the site area and GFA attributable to our hotel properties or planned hotel developments.

In this offering memorandum, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purpose only. In the event of any inconsistency, the Chinese name prevails.

Forward-looking statements

This offering memorandum includes "forward-looking statements." All statements other than statements of historical fact contained in this offering memorandum, including, without limitation, those regarding our future financial position and results of operations, strategies, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include, the words "believe," "expect," "aim," "intend," 'will," "may," "anticipate," 'seek," "should," "estimate" or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the performance of the property market in places in which we engage in property development;
- future developments in the property market in places in which we engage or may engage in property development;
- the global economic environment and industry outlook generally;
- the availability of and changes to bank loans and other forms of financing;
- changes in political, economic, legal and social conditions in the places in which we engage or may engage in property development, including government policies concerning land supply, the availability and cost of project financing and mortgage financing, pre-sales, and the pricing and volume of our property developments;
- changes in competitive conditions and our ability to compete under these conditions;
- our ability to manage our growth and our geographically diversified business;
- our ability to acquire and develop land;
- cost and supply of construction materials and labor;
- the performance of the obligations and undertakings of the independent contractors under various construction, building, interior decoration and installation contracts;
- the timely repayments by purchasers of our properties of mortgage loans guaranteed by us;
- the performance of the obligations and commitments of our joint venture partners under the existing and future joint venture agreements;
- changes in currency exchange rates;
- delay in obtaining proper legal titles for our properties or necessary government approvals for our operations; and
- other factors beyond our control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk factors" and elsewhere in this offering memorandum. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this offering memorandum. Subject to the requirements of applicable laws, rules and regulations, we do not have any obligation to update or revise any forward-looking statements, 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 offering memorandum might not occur in the way we expect, or at all.

Available information

To permit compliance with Rule 144A under the Securities Act in connection with resales of the Notes, we are required to furnish upon request of a holder of the Notes and to any prospective purchaser designated by a holder of the Notes the information required to be delivered under Rule 144A(d)(4) if at the time of such request we are neither a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder. So long as any of the Notes remain outstanding, we will provide to the Trustee for forwarding to the holders of the Notes our semi-annual and annual financial statements.

Enforcement of civil liabilities

We are an exempted company incorporated in the Cayman Islands with limited liability, and each Subsidiary Guarantor is also incorporated outside the United States in jurisdictions such as the British Virgin Islands ("BVI") and Hong Kong. The Cayman Islands, BVI, Hong Kong and other jurisdictions have different bodies of securities laws from the United States and protections for investors may differ.

All of our assets and the assets of the Subsidiary Guarantors are located outside the United States. In addition, all of our directors and officers and the Subsidiary Guarantors' directors and officers are nationals or residents of countries other than the United States (principally, the PRC), and all or a substantial portion of such persons' assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon us, any of the Subsidiary Guarantors or such persons or to enforce against us or any of the Subsidiary Guarantors or such persons judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

We and each of the Subsidiary Guarantors expect to appoint Law Debenture Corporate Service Inc. as our and their respective agent to receive service of process with respect to any action brought against us or the Subsidiary Guarantors in the United States federal courts located in the Borough of Manhattan, The City of New York under the federal securities laws of the United States or of any state of the United States or any action brought against us or the Subsidiary Guarantors in the courts of the State of New York in the Borough of Manhattan, The City of New York under the securities laws of the State of New York.

Conyers Dill & Pearman (Cayman) Limited, our counsel as to Cayman Islands laws, has advised us that the courts of the Cayman Islands would recognize as a valid judgment, a final and conclusive judgment *in personam* obtained in the federal or state courts in the United States against the Company under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) or, in certain circumstances, an *in personam* judgment for non-monetary relief, and would give a judgment based thereon provided that: (a) such courts had proper jurisdiction over the parties subject to such judgment; (b) such courts did not contravene the rules of natural justice of the Cayman Islands; (c) such judgment was not obtained by fraud; (d) the enforcement of the judgment would not be contrary to the public policy of the Cayman Islands; (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of the Cayman Islands; and (f) there is due compliance with the correct procedures under the laws of the Cayman Islands.

Conyers Dill & Pearman, our counsel as to British Virgin Islands laws, has advised us that the courts of the British Virgin Islands would recognize as a valid judgment, a final and conclusive judgment *in personam* obtained in the federal or state courts in the United States against us under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) and would give a judgment based thereon provided that (a) such courts had proper jurisdiction over the parties subject to such judgment, (b) such courts did not contravene the rules of natural justice of the British Virgin Islands, (c) such judgment was not obtained by fraud, (d) the enforcement of the judgment would not be contrary to the public policy of the British Virgin Islands, (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of the British Virgin Islands and (f) there is due compliance with the correct procedures under the laws of the British Virgin Islands.

We have been advised by our Hong Kong legal advisor, Iu, Lai & Li, that Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. However, under Hong Kong common law, a foreign judgment (including one from a court in the United States predicated upon U.S. federal or state securities laws) may be enforced in Hong Kong by bringing an action in a Hong Kong court, and then seeking summary or default judgment on the strength of the foreign judgment, provided that the foreign judgment is for a debt or definite sum of money and is final and conclusive on the merits. In addition, the Hong Kong courts may refuse to recognize or enforce a foreign judgment if such judgment:

(a) was obtained by actual or constructive fraud or duress;

(b) was rendered by a foreign court that lacked the appropriate jurisdiction at the time according to Hong Kong rules;

(c) is contrary to Hong Kong rules of public policy or notion of natural justice; or

(d) is directly or indirectly for the payment of foreign taxes, penalties, fines or charges of a like nature.

Further, we have been advised by our PRC legal counsel, Jingtian & Gongcheng, and our Cayman Islands legal counsel, Conyers Dill & Pearman (Cayman) Limited, that there is uncertainty as to whether the courts of the PRC and the Cayman Islands, respectively, would (i) enforce judgments of the U.S. courts obtained against us or our directors and officers predicated upon the civil liability provisions of the federal securities laws of the United States or the securities laws of any state or territory within the United States or (ii) entertain original actions brought in the courts of the PRC and the Cayman Islands, respectively, against us or our directors and officers predicated upon the federal securities laws of the United States or the securities laws of any state or territory within the United States.

Exchange rates

PRC

The People's Bank of China ("PBOC") sets and publishes daily a central parity exchange rate with reference primarily to the supply and demand of the Renminbi against a basket of currencies in the market during the prior day. PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. Since 1994, the conversion of the Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, has been based on rates set by PBOC, which are set daily based on the previous day's interbank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to July 20, 2005, the official exchange rate for the conversion of the Renminbi to U.S. dollars was generally stable. Although Chinese governmental policies were introduced in 1996 to reduce restrictions on the convertibility of the Renminbi into foreign currency for current account items, conversion of the Renminbi into foreign exchange for capital items, such as foreign direct investment, loans or securities, requires the approval of the State Administration of Foreign Exchange ("SAFE") and other relevant authorities. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by 2% against the U.S. dollar. The PRC government has since made and in the future may make further adjustments to the exchange rate system. PBOC announces the closing price of a foreign currency traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each working day and makes it the central parity for the trading against the Renminbi on the following working day. On May 18, 2007, PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by PBOC. The floating band was further widened to 1.0% on April 16, 2012 and 2.0% on March 17, 2014. The PRC government has since made and in the future may make further adjustments to the exchange rate system. PBOC authorized the China Foreign Exchange Trading Centre, effective since January 4, 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi on each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and the over-the-counter exchange rate for the following business day.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfers in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

	Noon Buying Rate			
Period	**Low**	**Average[(1)]**	**High**	**Period End**
		(RMB per US$1.00)		
2009	6.8176	6.8295	6.8470	6.8259
2010	6.6000	6.7603	6.8330	6.6000
2011	6.2939	6.4475	6.6364	6.2939
2012	6.2221	6.3085	6.3879	6.2303
2013	6.0537	6.1412	6.2438	6.0537
October	6.0815	6.1032	6.1209	6.0943
November	6.0903	6.0929	6.0993	6.0922
December	6.0537	6.0738	6.0927	6.0537
2014				
January	6.0402	6.0509	6.0600	6.0590
February	6.0591	6.0816	6.1448	6.1448
March	6.1183	6.1729	6.2273	6.2164
April (through April 18, 2014)	6.1966	6.2121	6.2240	6.2240

Note :
(1) For yearly data, determined by averaging the daily rates during the relevant year. For monthly data, determined by averaging the daily rates during the relevant month.

Hong Kong

The H.K. dollar is freely convertible into the U.S. dollar. Since 1983, the H.K. dollar has been linked to the U.S. dollar at the rate of HK$7.80 to US$1.00. The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the "Basic Law"), which came into effect on July 1, 1997, provides that no foreign exchange control policies shall be applied in Hong Kong.

The market exchange rate of the H.K. dollar against the U.S. dollar continues to be determined by the forces of supply and demand in the foreign exchange market. However, against the background of the fixed rate system which applies to the issuance and withdrawal of Hong Kong currency in circulation, the market exchange rate has not deviated significantly from the level of HK$7.80 to US$1.00. The Hong Kong government has indicated its intention to maintain the link at that rate. Under the Basic Law, the H.K. dollar will continue to circulate and remain freely convertible. The Hong Kong government has also stated that it has no intention of imposing exchange controls in Hong Kong and that the H.K. dollar will remain freely convertible into other currencies, including the U.S. dollar. However, we cannot assure you that the Hong Kong government will maintain the link at HK$7.80 to US$1.00, or at all.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfers in H.K. dollars as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

	Noon Buying Rate			
Period	Low	Average(1)	High	Period End
	(HK$ per US$1.00)			
2009	7.7495	7.7513	7.7618	7.7536
2010	7.7501	7.7692	7.8040	7.7810
2011	7.7634	7.7793	7.8087	7.7663
2012	7.7493	7.7556	7.7699	7.7507
2013	7.7503	7.7565	7.7654	7.7539
October	7.7524	7.7536	7.7545	7.7530
November	7.7512	7.7523	7.7535	7.7526
December	7.7517	7.7535	7.7550	7.7539
2014				
January	7.7534	7.7578	7.7663	7.7642
February	7.7547	7.7585	7.7645	7.7608
March	7.7563	7.7612	7.7669	7.7567
April (through April 18, 2014)	7.7525	7.7546	7.7568	7.7539

Note :
(1) For yearly data, determined by averaging the daily rates during the relevant year. For monthly data, determined by averaging the daily rates during the relevant month.

Presentation of financial information

Our financial statements are prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), which differ in certain material respects from generally accepted accounting principles in the United States ("U.S. GAAP"). For a discussion of some of these differences, see "Summary of certain differences between HKFRS and U.S. GAAP." Our reporting currency is the Renminbi. See "Risk factors—Risks relating to the Notes—There may be less publicly available information about us than is available in certain other jurisdictions."

Glossary of technical terms

"commodity properties" . . . . residential properties, commercial properties and other buildings that are developed by property developers for the purposes of sale or lease after their completion.

"GFA" . . . . gross floor area.

"land use rights certificate" . . . . certificate issued by a local property and land resources bureau with respect to the land use rights.

"land grant contract" . . . an agreement between a property developer and a PRC land authority in respect of the grant of the state-owned land use rights of a parcel of land to such property developer.

"land use rights transfer agreement" . . . . an agreement in respect of the transfer of the land use rights of a parcel of land by the previous grantee of the land use rights in the secondary market.

"LAT" . . . . land appreciation tax.

"pre-sale" . . . . sales of properties prior to the completion of their construction, after the satisfaction of certain conditions under PRC laws and regulations.

"sq.km." . . . . square kilometer(s).

"sq.m." . . . . square meter(s).

Summary

This summary does not contain all the information that may be important to you in deciding to invest in the Notes. You should read the entire offering memorandum, including the section entitled "Risk factors" and the financial statements and related notes thereto, before making an investment decision.

Overview

We are one of the leading integrated property developers in the PRC, with substantially all of our assets and operations based in the PRC. Since the commencement of our property development activities in 1997, we have benefited from, and we expect to continue to benefit from, the growth in the property sector associated with the economic development in the PRC, particularly in Guangdong Province, which is one of the most affluent provinces and fastest growing economies in the PRC. Our primary business has been the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. The majority of our products are targeted towards end-user customers. As an integrated property developer, our lines of business also include construction, installation, fitting and decoration as well as property management. Our residential home projects are generally located in the suburban areas of first-tier cities and in the newly urbanized town centers of second- and third-tier cities. In December 2011, we expanded our operations into Malaysia. We are also planning to launch a new project in Sydney, Australia in the second half of 2014.

As of December 31, 2013, we had 171 projects at various stages of development. Of these projects, 75 were located in Guangdong Province: 14 in Guangzhou City, nine in Foshan City, 13 in Jiangmen City, seven in Zhaoqing City and the remaining in various other cities. We also had 93 projects located outside Guangdong Province, spanning 17 provinces, two autonomous regions, two municipalities in the PRC as well as two in the State of Selangor, Malaysia and one in the State of Johor, Malaysia.

As of December 31, 2013, our projects had an aggregate completed GFA of approximately 45,731,794 sq.m. We had an aggregate GFA under development of approximately 33,304,855 sq.m. and an aggregate GFA of approximately 39,082,290 sq.m. relating to properties held for future development as of the same date. We have obtained land use rights certificates, development and operation rights or land title in respect of the completed GFA, GFA under development and GFA held for future development. In addition, as of December 31, 2013, we had entered into land grant contracts or sale and purchase agreements in respect of land located in 40 cities in the PRC, one in the State of Johor, Malaysia as well as one in Sydney, Australia with an aggregate site area of approximately 9,086,377 sq.m. and an aggregate expected GFA of approximately 13,249,284 sq.m. for future development.

In addition, we are jointly developing the Asian Games City Project in Guangzhou City with several other PRC real estate developers, which occupies a site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 5.8 million sq.m. The Asian Games City Project is being developed by the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian

Games City Project into account when calculating the number of our projects, the site area or GFA data included in this offering memorandum. See "—Asian Games City Project" for more details.

We also develop hotels to complement our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to such residential projects and enhanced our brand recognition. As of December 31, 2013, we had developed and were operating seven five-star hotels and two four-star hotels, as well as 30 hotels which were developed in accordance with the five-star rating standard set forth in the "Star-Rating Standard for Tourist Hotels" (旅遊飯店星級的劃分與評定) issued by the PRC National Tourism Administration. In addition, we have 12 hotels under construction in accordance with the five-star standard and three hotels under construction in accordance with the four-star standard set forth in the "Star-Rating Standard for Tourist Hotels."

For the years ended December 31, 2012 and 2013, our total revenue was RMB41,891.0 million and RMB62,681.9 million (US$10,354.3 million), respectively, and our EBITDA was RMB12,268.6 million and RMB14,089.9 million (US$2,327.5 million), respectively.

Our shares have been listed on the Hong Kong Stock Exchange since April 20, 2007 under stock code 2007. Our market capitalization as of April 25, 2014 was HK$58,325.8 million.

Competitive strengths

We are one of the largest property developers in the PRC with one of the largest, geographically diversified, and low-cost land bank

As of December 31, 2013, we had an aggregate GFA under development and for future development in China of approximately 70,523,165 sq.m. for which we have obtained all the relevant land use rights certificates or development and operation rights or land title, spanning 18 provinces, two autonomous regions and two provincial level municipalities. In addition, as of December 31, 2013, we had entered into land grant contracts in respect of land in China with an aggregate site area of approximately 8,977,460 sq.m. for which we have applied for or were in the process of applying for land use rights certificates in 40 cities in China, with an aggregate expected GFA of approximately 12,893,727 sq.m. for future development. We expect that these new acquisitions will further increase the value and size of our land bank when we obtain the land use rights certificates.

We adopt a disciplined approach to land acquisition and development. We undertake market research and analysis as well as budget and financing planning prior to a land acquisition, which we believe enables us to exercise effective cost control. In addition, we continue to seek opportunities to acquire and develop land in close proximity to our existing mature projects. We believe such in-fill developments will lower potential execution risks given our experience with the local markets, service providers and target customers. For the three years ended December 31, 2011, 2012 and 2013, we estimate that our average unit land cost based on GFA was approximately 10% to 15% of our average unit selling price. We believe our low-cost land bank not only supports our future profitability but also gives us greater flexibility to diversify our product portfolio, to cater to a broader customer base, and to respond more effectively to changing market conditions.

We have an established business model which we believe has been successfully replicated in the markets where we operate

We focus on developing large-scale residential communities in the suburban areas of first-tier cities as well as the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We proactively seek to enhance the value of our properties by creating a better living environment through the provision of comprehensive community facilities and premium services in our master-planned communities. Our business model leverages on China's economic growth, increasing urbanization and rising standards of living. We believe that we have aligned our business development objectives with those of local governments, as our large-scale township developments raise the living standards of the local population and help improve the business environment of the local economies.

Over the last decade, we have successfully replicated our business model in 15 cities in Guangdong Province, with a total of 75 projects having an aggregate expected GFA of 56,460,588 sq.m. as of December 31, 2013. Since 2006, we have also implemented our business model outside Guangdong Province, with a total of 93 projects having an aggregate expected GFA of 59,794,371 sq.m. outside Guangdong Province in the PRC, and with three projects in Malaysia having a total expected GFA of 1,863,980 sq.m. as of December 31, 2013. We believe the success of Country Garden—Galaxy Palace, Country Garden—Phoenix City (Jurong), Country Garden—Ten Miles Golden Beach and Country Garden—Golden Beach, in particular, demonstrates our ability to replicate our business model and capitalize on our strong brand name in other provinces in China.

Our standardized operations enable us to provide high-quality and competitively priced products to our customers and to achieve quick asset turnover and attractive margins

We are one of the largest PRC property developers focusing on developing large-scale, multi-phase suburban residential communities in the PRC. We generally standardize principal features of our operations, such as land acquisition, project planning and design, procurement of raw materials, selection of contractors, sales and marketing and property management, which we believe enables us to:

- achieve economies of scale and increase operating efficiency through pooling internal resources, thereby helping to further improve our profit margins;
- ensure consistent product quality;
- strengthen our bargaining power with suppliers and contractors to obtain good quality supplies and services at relatively low costs, which help increase our pricing flexibility;
- smoothen project execution to achieve quick asset turnover; and
- respond rapidly to changes in market environment.

We believe that a combination of our strong brand recognition, high quality product mix and competitive pricing model has enabled us to pre-sell a substantial portion of the properties in our projects.

We maintain a robust liquidity position and have a strong credit profile

We actively manage our liquidity position by taking into account our development plans, capital needs and available cash and financing options. As of December 31, 2011, 2012 and 2013, our cash and cash equivalents amounted to RMB7.7 billion, RMB11.8 billion and RMB18.9 billion (US$3.1 billion), respectively. We believe our quick asset turnover model has enabled our projects to generate positive cash flow in a relatively short period after commencement of development to support further developments.

We believe we have developed a strong credit profile over the years relative to our peers and have become a preferred customer of a number of major commercial banks in the PRC. We also have access to the international capital markets through debt, equity and equity-linked offerings. While we have a strong credit profile, we closely monitor our leverage ratio with a view to maintaining a healthy capital structure.

We have a strong brand in Guangdong Province with increasing recognition nationwide

We believe our brand name "Country Garden" (碧桂園), as well as our guiding motto, "Country Garden—Giving you a five-star home" (碧桂園一給您一個五星級的家), have strong market recognition in Guangdong Province. We believe this market recognition is a result of our high quality products and services as we aim to provide our customers with not only pleasant and comfortable homes in a clean and safe environment, but also higher living standards supported by comprehensive community facilities and services such as restaurants and catering, shopping, sports and leisure, transportation, education and domestic assistance. This market recognition has helped us to achieve our leading position in the property market in Guangdong Province and to expand our operations into other PRC provinces. Since 2006, we have gradually expanded our operations into 17 provinces, two autonomous regions and two provincial level municipalities outside Guangdong in the PRC, and we believe we will receive increasing brand recognition in those markets. In 2006, we were one of the first two brands that were recognized by the State Administration for Industry and Commerce ("SAIC") as "China's Well-Known Trademarks" in the property sector.

We aim to strengthen the confidence and trust of our customers in our products and services, and to secure repeat customers and referrals for us, through an emphasis on quality property management and post-sales services. We believe that our strong financial performance demonstrates the trust that we have built with our customers and the recognition of our brand name and the quality of our products.

We have a highly effective management structure, experienced management team and professional workforce

We believe we have a highly effective management structure. Our headquarters in Guangdong Province vertically manages the principal functions of our operations, including land acquisitions, project design, human resources, financing planning and raw material procurement. As we expand into markets outside Guangdong, we have delegated certain functions such as project management and marketing to our project companies to facilitate smooth project execution, thereby enabling them to cater to local characteristics, shorten development cycle and quickly respond to changes in local market conditions.

Our senior management team has extensive industry knowledge, management skills and operating experience. Most of our management have been with us since our inception. In particular, Yeung Kwok Keung, Yang Erzhu, Su Rubo, Zhang Yaoyuan and Ou Xueming, our co-founders, have remained as a cohesive team and have focused on our property development business since 1997. We believe management's interest is aligned with our interest given their substantial shareholdings in our Company. As of December 31, 2013, our senior management (principally composed of our co-founders and their family members) in aggregate held an approximate 72.4% interest in our Company.

Business strategies

Continue to focus on core property development business with a well balanced mix of property developments within and outside Guangdong Province

We intend to continue to grow our core property development business. We will actively look for suitable opportunities to develop large-scale residential communities in suburban areas of first-tier cities in the PRC as well as attractive opportunities in the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We believe this strategy is not only in line with China's urbanization trend of expanding existing urban boundaries of major cities and creating new urban clusters around second- and third-tier cities, but also complements our successful formula of controlling costs through our low-cost land bank, large-scale production and quick asset turnover. We will also selectively look into opportunities outside of China, such as in Malaysia and Australia, as opportunities arise.

Since 2006, we have gradually expanded our operations outside Guangdong Province into 17 other provinces, two autonomous regions and two provincial level municipalities in China, as well as into Malaysia. We believe our geographical diversification efforts have provided us with a well balanced mix of property developments within and outside Guangdong Province in the PRC. Guangdong Province, which is one of the most affluent provinces and fastest growing economies in China, will remain our principal market. Guangdong Province recorded a GDP per capita of approximately RMB58,540.0 in 2013, which is significantly higher than the national average. We intend to continue to leverage our local knowledge and market reputation in Guangdong Province to further grow our business there. At the same time, we will continue to develop our existing projects in markets outside Guangdong Province, which have seen increased average selling prices over the years. Where suitable opportunities arise, we will also acquire more land and enter into new markets with high growth potential, within or outside the PRC. For example, we have expanded into and have three projects in Malaysia as of December 31, 2013. We are also planning to launch a new project in Sydney, Australia in the second half of 2014.

We also intend to continue to develop high quality hotels in our large residential communities, as we believe they enhance the value and attractiveness of our residential community projects as well as providing us with a recurring income stream from non-residential developments. We believe this strategy will improve our competitiveness during the land tender process, as high quality hotels are seen by local governments of second- and third-tier cities in the PRC as an important feature to attract visitors and improve the commercial appeal of the environment. We may consider engaging, and are currently in discussions with, certain international management firms to manage some of our hotels to further enhance the value of our hotel properties.

Continue to focus on developing properties having an attractive value-to-price ratio

We intend to continue to focus on our strategy of providing our customers with high-value properties at competitive prices. We will continue to leverage on our expertise and industry experience to develop large-scale integrated residential communities featuring value-added facilities and services that cater to a broad end user driven customer base. Our facilities include clubhouses, hotels, supermarkets, schools, clinics, sports and recreational facilities as well as food and beverage outlets, and our services include childcare, domestic assistance, property management, security and shuttle bus services for residents both within the projects as well as from projects to city centers. We endeavor to develop and refine our product design to accommodate changing market conditions and consumer preference. We will also encourage creativity and innovation in our product design through collaboration between our in-house experts and third-party professionals.

Maintain prudent financial management policies

We will continue to closely monitor our capital and cash positions, gauge our development scale and time our land acquisition and development schedule accordingly. We have budget and financing planning and cash management at the project level as well as the group level. We will continue to carefully manage our development cost for each project during the course of its development, with an emphasis on cost reduction and cost efficiency. We will actively manage our sales and pre-sales to ensure adequate cash flow for our ongoing capital requirements. We will also remain disciplined in our capital commitments and seek to maintain a balanced capital structure, as demonstrated through our share placement in February 2012.

Further strengthen our leading position and brand name recognition nationwide

We plan to further strengthen our leading position and our "Country Garden" brand name recognition in Guangdong Province and across China. To distinguish ourselves from our competitors, we plan to continue to promote the "five-star home" motto and apply this to the services offered to our existing and prospective customers to improve the living environment of our customers. We will continue to encourage our existing customers to refer potential purchasers to us through incentive schemes such as waiving property management fees.

Enhance effective internal management and controls

We intend to continue to adopt the best practices and standards in the industry for corporate governance and internal controls, drawing on senior management's expertise and experience to facilitate our operations and expansion. We intend to further streamline our internal management functions by clearly defining the responsibilities of each operating unit to ensure orderly and efficient operations and rapid responses to changes in market conditions.

We will continue to incentivize our management and employees and seek to attract and retain talent through a competitive remuneration package. We will continue to provide our employees with a variety of training and development programs to assist in their career development. We will also actively recruit new talent to optimize our human resources and enhance the productivity and competitiveness of our workforce.

Recent Developments

For the four months ended April 30, 2014, we achieved contracted sales of approximately RMB41.1 billion (US$6.8 billion) with contracted sales GFA of approximately 6.3 million square meters.[(1)]

On May 15, 2014, we entered into a subscription agreement to issue an aggregate principal amount of US$250,000,000 7.50% Senior Notes due 2019 (the "Private Notes"). The issuance of the Private Notes is subject to the fulfillment of certain conditions precedent under the subscription agreement and is expected to take place on or about June 5, 2014. See "Description of other material indebtedness—Private Notes."

General information

We were incorporated in the Cayman Islands on November 10, 2006, as an exempted company with limited liability, with the registered number CT-177345. Our principal place of business in the PRC is at Country Garden, Beijiao Town, Shunde District, Foshan, Guangdong, 528312, PRC. Our place of business in Hong Kong is at Rooms 901-904, 9th Floor, Manulife Provident Funds Place, 345 Nathan Road, Kowloon, Hong Kong. Our registered office is located at Cricket Square, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Our websites are *bgy.cn*, *bgy.com.cn*, *countrygarden.cn* and *countrygarden.com.cn*. Information contained on our websites does not constitute part of this offering memorandum.

Note:
(1) "Contracted sales" refer to purchase price of formal purchase contracts we entered into with purchasers of our properties. We compile contracted sales information (including contracted sales amounts, ASP and GFA) through our internal records, and such information has not been audited or reviewed by PricewaterhouseCoopers, Certified Public Accountants. As these sales and purchases contracts are subject to termination or variation under certain circumstances pursuant to their contractual terms, or subject to default by the relevant purchasers, they are not a guarantee of current or future contracted sales. Contracted sales information should in no event be treated as an indication of our revenue or profitability. Our subsequent revenue recognized from such contracted sales may be materially different from such contracted sales. Accordingly, contracted sales information contained in this offering memorandum should not be unduly relied upon as a measure or indication of our current or future operating performance.

The Offering

Terms used in this summary and not otherwise defined shall have the meanings given to them in "Description of the Notes."

Issuer	Country Garden Holdings Company Limited (the "Company").
Notes Offered	US$550,000,000 aggregate principal amount of 7.875% Senior Notes due 2019 (the "Notes").
Offering Price	98.989% of the principal amount of the Notes and accrued interest, if any.
Maturity Date	The Notes will mature on May 27, 2019.
Interest	The Notes will bear interest from and including May 27, 2014 at the rate of 7.875% per annum, payable semi-annually in arrears.
Interest Payment Dates	May 27 and November 27 of each year, commencing November 27, 2014.
Ranking of the Notes . . .	The Notes are: • general obligations of the Company; • senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; • at least *pari passu* in right of payment with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law); • guaranteed by the Subsidiary Guarantors on a senior basis, subject to the limitations described below under the caption "—The Subsidiary Guarantees" and in "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral;" • effectively subordinated to the other secured obligations of the Company and the Subsidiary Guarantors, to the extent of the value of the assets (other than the Collateral) serving as security therefor; and • effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries. In addition, on the Original Issue Date, subject to the limitations described in "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral," the Notes will be secured by a pledge of the Collateral as described below under the caption "Description of the Notes—Security" and will: • be entitled to a first priority lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement); and

- rank effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the Collateral pledged by the Company securing the Notes (subject to any priority rights of such unsecured obligations pursuant to applicable law).

Subsidiary Guarantees . . . . Each of the Subsidiary Guarantors will, jointly and severally, guarantee the due and punctual payment of the principal of, premium, if any, interest on, and all other amounts payable under, the Notes.

A Subsidiary Guarantee may be released in certain circumstances. See "Description of the Notes—The Subsidiary Guarantees—Release of the Subsidiary Guarantees."

The initial Subsidiary Guarantors that will execute the Indenture on the Original Issue Date will be Smart World Development Holdings Ltd, Angel View International Limited, Boavista Investments Limited, Estonia Development Ltd, Falcon Investments Development Ltd, Impreza Group Limited, Infiniti Holdings Development Limited, United Gain Group Ltd, Wise Fame Group Ltd, Country Garden (Hong Kong) Development Company Limited. These Subsidiary Guarantors consist of all of the Company's Restricted Subsidiaries other than the Non-Guarantor Subsidiaries (defined below). All of the Subsidiary Guarantors are holding companies that do not have significant operations. None of Power Great Enterprises Limited, the Unrestricted Subsidiaries (as defined in "Description of the Notes") and the Restricted Subsidiaries organized under the laws of the PRC (collectively, the "PRC Non-Guarantor Subsidiaries") will be a Subsidiary Guarantor on the Original Issue Date. See "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral—Our initial Subsidiary Guarantors do not currently have significant operations."

The Company will cause each of its future Restricted Subsidiaries (other than Persons organized under the laws of the PRC and Exempted Subsidiaries) to guarantee the payment of the Notes as a Subsidiary Guarantor. Notwithstanding the foregoing, the Company may elect to have any future Restricted Subsidiary organized outside the PRC not provide a Subsidiary Guarantee at the time such entity becomes a Restricted Subsidiary or ceases to be an Exempted Subsidiary, *provided* that, after giving effect to the Consolidated Assets of such Restricted Subsidiary, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors do not account for more than 20% of the Total Assets of the Company.

Any future Restricted Subsidiary, as defined under "Description of the Notes—Definitions" (other than subsidiaries organized under the laws of the PRC), will provide a guarantee of the Notes promptly after it becomes a Restricted Subsidiary. In the case of a Subsidiary Guarantor with respect to which the Company or any of its Restricted Subsidiaries is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% of the Capital Stock of such Subsidiary Guarantor, the Company may (i) release the Subsidiary Guarantees provided by such Subsidiary Guarantor and each of its Restricted Subsidiaries organized outside the PRC, (ii) discharge the pledge of the Capital Stock granted by such Subsidiary Guarantor, and (iii) discharge the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in such Subsidiary Guarantor, provided that after the release of such Subsidiary Guarantees, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors (including the Subsidiary Guarantors whose Subsidiary Guarantees were released) do not account for more than 20% of the Total Assets of the Company.

Ranking of Subsidiary Guarantees . . . . The Subsidiary Guarantee of each Subsidiary Guarantor:

- is a general obligation of such Subsidiary Guarantor;
- is effectively subordinated to secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- is senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such Subsidiary Guarantee; and
- ranks at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

In addition, subject to the limitations described in “Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral,” the Subsidiary Guarantees of each Subsidiary Guarantor Pledgor:

- will be entitled to a first ranking security interest in the Collateral (subject to any Permitted Liens and the Intercreditor Agreement) pledged by such Subsidiary Guarantor Pledgor, as described below under the caption “Description of the Notes—Security;” and
- will rank effectively senior in right of payment to the unsecured obligations of such Subsidiary Guarantor Pledgor with respect to the value of the Collateral securing such Subsidiary Guarantee (subject to any priority rights of such unsecured obligations pursuant to applicable law). See “Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral.”

Collateral . . . . The Company has pledged, or caused the initial Subsidiary Guarantor Pledgors to pledge, as the case may be, the Capital Stock of all of the initial Subsidiary Guarantors (the "Collateral") on a first priority basis to The Bank of New York Mellon as collateral agent (for the benefit of the trustee for the benefit of the holders of the 2014 Notes (the "2014 Trustee"), the trustee for the benefit of the holders of the 2017 Notes (the "2017 Trustee"), the trustee for the benefit of the holders of the 2015 Notes (the "2015 Trustee"), the trustee for the benefit of the holders of the 2018 Notes (the "2018 Trustee"), the trustee for the benefit of the holders of the 2023 Notes (the "2023 Trustee"), the trustee for the benefit of the holders of the 2021 Notes (the "2021 Trustee"), and each holder of pari passu secured indebtedness permitted under the 2014 Indenture, the 2017 Indenture, the 2015 Indenture, the 2018 Indenture, the 2023 Indenture and the 2021 Indenture) in order to secure the obligations of the Company and the Subsidiary Guarantor Pledgors under the 2014 Indenture, the 2017 Indenture, the 2015 Indenture, the 2018 Indenture, the 2023 Indenture and the 2021 Indenture.

On the Original Issue Date, the Collateral will secure on a *pari passu* basis the obligations of the Company (i) the 2014 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2014 Indenture, (ii) the 2017 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2017 Indenture, (iii) the 2015 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2015 Indenture, (iv) the 2018 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2018 Indenture, (v) the 2023 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2023 Indenture, (vi) the 2021 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2021 Indenture and (vii) the Notes and the Subsidiary Guarantees provided by the Subsidiary Guarantor Pledgors under the Indenture. The Collateral securing the Notes and the Subsidiary Guarantees may be released or reduced in the event of certain asset sales and certain other circumstances. In addition, the Company and each Subsidiary Guarantor Pledgor may incur additional Permitted Pari Passu Secured Indebtedness which would be secured by the Collateral on a *pari passu* basis with the Notes and the Subsidiary Guarantees, subject to the Intercreditor Agreement. See "Description of the Notes—Security—Intercreditor Agreement" and "Description of the Notes—Security."

Intercreditor Agreement . . . . The Company, the 2014 Trustee on behalf of the holders of the 2014 Notes, the 2017 Trustee on behalf of the holders of the 2017 Notes, the 2015 Trustee on behalf of the holders of the 2015 Notes, the 2018 Trustee on behalf of the holders of the 2018 Notes, the 2023 Trustee on behalf of the holders of the 2023 Notes, the 2021 Trustee on behalf of the holders of the 2021 Notes and The Bank of New York Mellon solely in its capacity as collateral agent and intercreditor agent (in each case referred to herein as the "Intercreditor/Collateral Agent") are each parties to an intercreditor agreement dated September 10, 2009 (as supplemented on each of September 23, 2009, April 22, 2010, August 11, 2010, February 23, 2011, January 10, 2013 and October 4, 2013) (the "Existing Intercreditor Agreement"). On or prior to the Original Issue Date, the Trustee on behalf of the holders of the Notes will have entered into a supplement to the Intercreditor Agreement with the parties to the Existing Intercreditor Agreement to supplement and amend the Existing Intercreditor Agreement (the Existing Intercreditor Agreement as supplemented and amended from time to time pursuant to the terms thereof, the "Intercreditor Agreement").

The Intercreditor Agreement will provide that enforcement actions in respect of the Collateral may be taken by the Intercreditor/Collateral Agent following an event of default under the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or the Notes.

Use of Proceeds .... We intend to use the net proceeds from this offering to refinance the 2017 Notes and other existing indebtedness and for general corporate purposes.

Optional Redemption .. At any time and from time to time on or after May 27, 2017, the Company may redeem the Notes, in whole or in part, at the redemption prices set forth in "Description of the Notes—Optional Redemption," plus accrued and unpaid interest to (but not including) the redemption date.

At any time prior to May 27, 2017, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date, as set forth in "Description of the Notes—Optional Redemption."

At any time and from time to time prior to May 27, 2017, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more sales of Common Stock of the Company in an Equity Offering at a redemption price of 107.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

Repurchase of Notes Upon a Change of Control Triggering Event . . . . Upon the occurrence of a Change of Control Triggering Event, the Company will make an offer to repurchase all outstanding Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to the repurchase date.

Redemption for Taxation Reasons . . . . . Subject to certain exceptions and as more fully described herein, the Company may redeem the Notes, as a whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Company for redemption, if the Company or a Subsidiary Guarantor would become obligated to pay certain additional amounts as a result of certain changes in specified tax laws or certain other circumstances. See "Description of the Notes—Redemption for taxation reasons."

Covenants . . . . The Notes, the Indenture governing the Notes and the Subsidiary Guarantees will limit the Company's ability and the ability of its Restricted Subsidiaries to, among other things:

- incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- declare dividends on its capital stock or purchase or redeem capital stock;
- make investments or other specified restricted payments;
- issue or sell capital stock of Restricted Subsidiaries;
- guarantee indebtedness of Restricted Subsidiaries;
- sell assets;
- create liens;
- enter into sale and leaseback transactions;
- enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants are subject to a number of important qualifications and exceptions described in "Description of the Notes—Certain covenants."

Transfer Restrictions . . .	The Notes will not be registered under the Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale. See "Transfer restrictions."
Form, Denomination and Registration	The Notes will be issued only in fully registered form, without coupons, in minimum denominations of US$200,000 of principal amount and integral multiples of US$1,000 in excess thereof and will be initially represented by one or more global notes registered in the name of a nominee of DTC.
Book-entry Only	The Notes will be issued in book-entry form through the facilities of DTC for the accounts of its participants, including Euroclear and Clearstream. For a description of certain factors relating to clearance and settlement, see "Description of the Notes—Book-entry; delivery and form."
Delivery of the Notes . . .	The Company expects to make delivery of the Notes, against payment in same-day funds on or about May 27, 2014 which the Company expects will be the seventh business day following the date of this offering memorandum referred to as "T+7." You should note that initial trading of the Notes may be affected by the T+7 settlement. See "Plan of distribution."
Trustee	The Bank of New York Mellon.
Principal Paying and Transfer Agent and Registrar	The Bank of New York Mellon.
Intercreditor Agent and Collateral Agent	The Bank of New York Mellon.
Listings	The Notes will not be designated for trading in the Financial Industry Regulatory Authority Inc.'s PORTAL market. Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. The listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the Company's associated companies or the Notes. The Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Notes are listed on the SGX-ST.
Governing Law	The Notes, the Subsidiary Guarantees, the Indenture and the Intercreditor Agreement will be governed by and will be construed in accordance with the laws of the State of New York.
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Notes, see "Risk factors."

Summary consolidated financial and other data

The following tables present our summary financial and other data. The summary financial data as of and for each of the fiscal years ended December 31, 2011, 2012 and 2013 (except for EBITDA data) is derived from our audited consolidated financial statements as of and for the years ended December 31, 2012 and 2013 and included elsewhere in this offering memorandum. Our financial information has been prepared and presented in accordance with HKFRS, which differ in certain material respects from generally accepted accounting principles in the United States ("U.S. GAAP"). For a discussion of some of these differences, see "Summary of certain differences between HKFRS and U.S. GAAP." The summary financial data below should be read in conjunction with "Management's discussion and analysis of financial condition and results of operations" and the consolidated financial information and the related notes included elsewhere in this offering memorandum.

Summary consolidated statement of comprehensive income information

(in millions, except percentages)	For the year ended December 31, 2011	2012	2013	2013
	(RMB)	(RMB)	(RMB)	(US$) (unaudited)
Revenue	34,748.3	41,891.0	62,681.9	10,354.3
Cost of sales	(22,752.6)	(26,551.5)	(43,713.3)	(7,220.9)
Gross profit	11,995.7	15,339.5	18,968.6	3,133.4
Other gains—net	43.1	103.3	64.3	10.6
Selling and marketing costs	(1,128.4)	(2,186.1)	(4,303.8)	(710.9)
Administrative expenses	(1,319.5)	(1,568.3)	(2,033.2)	(335.9)
Operating profit	9,590.9	11,688.4	12,695.9	2,097.2
Finance income	101.3	153.3	803.2	132.7
Finance costs	(221.5)	(279.7)	-	-
Finance income/(costs)—net	(120.2)	(126.4)	803.2	132.7
Share of results of an associate and a joint venture	120.9	(93.7)	(25.9)	(4.3)
Fair value changes on derivative financial instruments	15.2	73.6	-	-
Profit before income tax	9,606.8	11,541.9	13,473.2	2,225.6
Income tax expenses	(3,768.6)	(4,657.3)	(4,625.2)	(764.0)
Profit for the year	5,838.2	6,884.6	8,848.0	1,461.6
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
—Change in value of available-for-sale financial assets	-	-	6.3	1.0
—Currency translation differences	-	(6.1)	(78.9)	(13.0)
Other comprehensive loss for the year, net of tax	-	(6.1)	(72.6)	(12.0)
Total comprehensive income for the year	5,838.2	6,878.5	8,775.4	1,449.6
Profit attributable to:				
—Owners of the Company	5,813.2	6,852.7	8,514.1	1,406.4
—Non-controlling interests	25.0	31.9	333.9	55.2
	5,838.2	6,884.6	8,848.0	1,461.6
Total comprehensive income to:				
Owners of the Company	5,813.2	6,849.3	8,476.6	1,400.2
Non-controlling interests	25.0	29.2	298.8	49.4
	5,838.2	6,878.5	8,775.4	1,449.6
Dividends	2,163.5	2,527.3	3,105.8	513.0
Other Financial Data (unaudited)				
EBITDA[(1)]	10,442.6	12,268.6	14,089.8	2,327.5
EBITDA Margin[(2)]	30.1%	29.3%	22.5%	22.5%

Summary consolidated balance sheet information

(in millions)	2011	2012	2013	2013
				As of December 31,
	(RMB)	(RMB)	(RMB)	(US$) (unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment	8,055.3	11,613.9	15,828.3	2,614.6
Investment property	126.0	118.3	112.3	18.6
Intangible assets	18.5	22.7	43.5	7.2
Land use rights	1,326.1	1,390.2	1,865.1	308.1
Properties under development	26,551.4	25,700.5	40,080.1	6,620.8
Investment in an associate	204.7	114.4	56.8	9.4
Deferred income tax assets	1,299.3	1,449.3	1,800.0	297.3
Available-for-sale financial assets	-	-	206.3	34.1
Other non-current assets	-	201.7	33.3	5.4
	37,581.3	40,611.0	60,025.7	9,915.5
Current assets				
Properties under development	28,370.0	39,155.4	67,473.8	11,145.9
Completed properties held for sale	12,876.3	18,497.3	18,919.8	3,125.3
Inventories	248.8	347.5	572.9	94.6
Trade and other receivables	12,535.5	17,123.9	26,378.4	4,357.4
Prepaid taxes	3,305.1	3,927.1	6,189.2	1,022.4
Restricted cash	4,649.0	5,050.9	7,769.9	1,283.5
Cash and cash equivalents	7,744.4	11,809.0	18,909.7	3,123.7
	69,729.1	95,911.1	146,213.7	24,152.8
Total assets	107,310.4	136,522.1	206,239.4	34,068.3
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital and premium	15,382.2	19,368.7	20,169.0	3,331.7
Other reserves	1,367.9	1,902.0	2,194.1	362.4
Retained earnings				
—proposed final dividend	2,163.5	2,527.3	3,105.7	513.0
—others	10,076.7	13,779.1	18,484.8	3,053.5
	28,990.3	37,577.1	43,953.6	7,260.6
Non-controlling interests	1,077.0	1,307.3	2,057.5	339.9
Total equity	30,067.3	38,884.4	46,011.1	7,600.5
Liabilities				
Non-current liabilities				
Senior notes	14,204.5	14,213.2	20,711.5	3,421.3
Convertible bond	884.1	-	-	-
Bank and other borrowings	7,408.3	13,603.3	23,103.0	3,816.3
Deferred government grants	189.5	189.5	239.6	39.6
Deferred income tax liabilities	785.2	924.4	1,269.9	209.8
	23,471.6	28,930.4	45,324.0	7,487.0
Current liabilities				
Advanced proceeds received from customers	27,865.0	33,353.6	63,418.0	10,475.9
Trade and other payables	12,810.3	19,030.3	30,914.6	5,106.7
Derivative financial investments	919.8	-	-	-
Income taxes payable	5,707.4	7,227.2	8,137.5	1,344.2
Senior notes	-	-	2,348.0	387.9
Convertible bond	-	943.9	-	-
Bank and other borrowings	6,469.0	8,152.3	10,086.2	1,666.1
	53,771.5	68,707.3	114,904.3	18,980.8
Total liabilities	77,243.1	97,637.7	160,228.3	26,467.8
Total equity and liabilities	107,310.4	136,522.1	206,239.4	34,068.3
Net current assets	15,957.6	27,203.8	31,309.4	5,172.0
Total assets less current liabilities	53,538.9	67,814.8	91,335.1	15,087.5

Notes:

(1) EBITDA for any period consists of operating profit plus interest income, depreciation expenses of property, plant and equipment and investment property and amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA is not a standard measure under U.S. GAAP or HKFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to service debt and pay taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See "Management's discussion and analysis of financial condition and results of operations—Non-GAAP financial measures" for a reconciliation of our profit for the year under HKFRS to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

Risk factors

In addition to other information in this offering memorandum, you should carefully consider the following risk factors, together with all other information contained in this offering memorandum, before purchasing the Notes. The risks and uncertainties described below may not be the only ones that we face. Additional risks and uncertainties of which we are not aware or that we currently believe are immaterial may also adversely affect our business, financial condition or results of operations. If any of the possible events described below occurs, our business, financial condition or results of operations could be materially and adversely affected. In such case, we may not be able to satisfy our obligations under the Notes, and you could lose all or part of your investment.

Risks relating to our business

We are heavily dependent on the performance of the property market in the PRC, particularly in Guangdong Province, and may be affected by the performance of the property market in other places where we conduct our operations

Our business and prospects depend on the performance of the PRC property market. Any housing market downturn in China generally or in the regions where we have property developments could adversely affect our business, financial condition and results of operations. Our property developments currently are largely located in Guangdong Province. We established our business by developing private residential properties in Shunde District in 1997 and began expanding our project development activities to other locations in Guangdong Province in 1998. As of December 31, 2013, we had developed or were developing 75 projects in Guangdong Province and 93 projects outside Guangdong Province in the PRC. The projects in Guangdong Province and outside Guangdong Province in the PRC have an aggregate GFA (including completed properties, properties under development and properties for future development) of approximately 56,460,588 sq.m. and 59,794,371 sq.m., respectively. In addition, we have a 20% interest in the Asian Games City JV, which is developing the Asian Games City Project located in Guangdong Province and occupies an estimated site area of approximately 2,639,520 sq.m. As of December 31, 2013, we also had one project in Serendah and another project in Semenyih in the State of Selangor, Malaysia, and one project in Johor Bahru in the State of Johor, Malaysia, with a aggregate GFA of approximately 1,863,980 sq.m. Although we are pursuing further business opportunities in other locations, we intend to maintain and increase our market share in Guangdong Province.

Demand for private residential properties in the PRC, including Guangdong Province, has grown rapidly in the last decade but such growth is often coupled with volatility in market conditions and fluctuations in property prices. We cannot assure you that property development and investment activities will continue at past levels or that we will be able to benefit from future growth in the property market in Guangdong Province or the PRC. Any adverse developments in national and local economic conditions as measured by such factors as GDP growth (which has slowed down in recent years, with real GDP growth slowing to 7.7% in 2013 from 14.2% in 2007), employment levels, job growth, consumer confidence, interest rates and population growth in the PRC, particularly in the regions where our projects are located, may reduce demand and depress prices for our products and services and have a material adverse effect on our business, financial condition and results of operations. Demand for and prices of properties in the PRC are also directly affected by the macroeconomic control measures adopted by the PRC government from time to time. Since 2011, the PRC government has taken measures to control inflation and slow the price increases in the property market. See "—Risks relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth." Government policies aimed at reducing local government and corporate debt levels could also reduce liquidity in the economy, which in turn may affect the property market. Any adverse development in the condition of the property market in the PRC, or in other places where we conduct our operations, could have a material adverse effect on our business, financial condition and results of operations.

Increasing competition in the PRC may adversely affect our business, financial condition and results of operations

In recent years, a large number of property developers have undertaken property development and investment projects in Guangdong Province and elsewhere in the PRC. Our major competitors include large regional, national and overseas property developers (including a number of leading Hong Kong property developers), some of which may have better track records and greater financial and other resources than us. In addition, we also compete with small local homebuilders.

The intensity of the competition among property developers in Guangdong Province and other parts of the PRC for land, financing, raw materials and skilled management and labor resources may result in increased cost of land acquisition and construction, a decrease in property prices and delays in the government approval process. An oversupply of properties available for sale could also depress the prices of the commodity properties we sell. Any of the above may adversely affect our business, financial condition and results of operations.

In addition, the property markets in Guangdong Province and elsewhere in the PRC are rapidly changing. If we cannot respond to changes in market conditions in Guangdong Province or elsewhere or changes in customer preferences more swiftly or more effectively than our competitors, our business, results of operations and financial condition could be adversely affected.

We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations

The property development business is capital intensive. We finance our business primarily through a combination of internal funding, bank borrowings, capital markets financing (such as the offerings of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, our share placement in February 2012, the 2023 Notes and the 2021 Notes) and pre-sales and sales proceeds. We have also entered into trust financing arrangements and a perpetual loan for funding requirements. See "Description of other material indebtedness." Further, purchasers who choose to pay the purchase price in full without taking out a mortgage may not pay the full purchase price on time and this may affect our cashflow position. We also offer payment installment plans for our customers and may not collect the full purchase price upfront. We cannot assure you that we will have sufficient cash flow available for land acquisitions or property developments 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 terms acceptable to us or at all.

As of December 31, 2013, we had RMB56,248.8 million (US$9,291.6 million) of outstanding borrowings (including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes), of which RMB12,434.2 million (US$2,054.0 million) were short-term borrowings. After giving effect to this offering, we would have outstanding borrowings (including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes) of RMB59,493.5 million (US$9,827.6 million). Our total interest expense on bank borrowings, the Convertible Bonds, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes for the years ended December 31, 2011, 2012 and 2013 was RMB2,448.8 million, RMB3,097.1 million and RMB4,119.5 million (US$680.5 million), respectively.

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 that are beyond our control including, among other things, economic environment, financial market conditions and monetary policies of the governments. For example, the PRC government has in the past taken a variety of policy initiatives in the financial sector to tighten lending procedures for property developers including, among other things:

- forbidding PRC commercial banks from extending loans to property developers to finance land premiums;
- restricting PRC commercial banks from extending loans for the development of luxury residential properties;
- restricting the granting or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- restricting the granting or extension of revolving credit facilities to property developers that have a history of being included in land-related abuses, including misconduct related to changing the use of land, postponing construction or completion of projects or hoarding property;
- prohibiting commercial banks from taking commodity properties that have been vacant for more than three years as security for mortgage loans; and
- forbidding property developers from using borrowings obtained from any local banks to fund property developments outside that local region.

In addition, PBOC regulates the lending rates and reserve requirement ratios for commercial banks in the PRC. PBOC raised the benchmark one-year lending rate several times between 2004 and 2008. PBOC increased the reserve requirement ratio for commercial banks several times between 2006 and 2008 to curtail the overheating of the property sector. The reserve requirement refers to the amount of funds that banks must hold in reserve with PBOC against deposits made by their customers. After the commencement of the global economic slowdown in the second half of 2008, the PRC government adopted measures intended to stimulate economic development, including lowering benchmark lending rates and the reserve requirement ratios for commercial banks. However, PBOC increased the benchmark one-year lending rate and the reserve requirement ratios several times since 2010. In 2012, PBOC decreased both the one-year lending rate and the reserve requirement ratios twice. In April 2014, PBOC reduced the reserve requirement ratios of rural commercial and rural co-operative banks. Increases in the bank reserve requirement ratios may negatively affect the amount of funds available to commercial banks in China to lend to businesses, including us. The benchmark one-year lending rate is currently 6.00% and the current reserve requirement ratio ranges from 14.5% to 20.0%. We cannot assure you that PBOC will not further raise lending rates or reserve requirement ratios in the future, or that our business, financial condition and results of operations would not be adversely affected as a result of these adjustments.

The fiscal and other measures adopted by the PRC government from time to time may limit our flexibility and ability to use bank loans to finance our property developments and therefore may require us to maintain a relatively high level of internally-sourced cash. In November 2009, the PRC government raised the minimum down payment to 50% of the total land premium and required the land premium to be fully paid within one year after the signing of a land contract, subject to limited exceptions. In March 2010, the PRC government further tightened this requirement by setting a minimum price for land transfers of at least 70% of the benchmark price for land in the surrounding locality and requiring a bidding deposit of at least 20% of the applicable minimum land transfer price. Additionally, a land grant contract must be entered into within 10 working days of closing and the 50% down payment (taking into account any deposits previously paid) paid within one month of signing the land grant contract, with the balance to be paid in full within one year of the contract date in accordance with provisions of such contract, subject to limited exceptions. These new requirements may constrain our cash otherwise available for additional land acquisition and construction. We cannot assure you that we will have adequate resources to fund land acquisitions (including any unpaid land premiums for past acquisitions), or property developments, or to service our financing obligations, and our business and financial condition may be materially adversely affected. In addition, the increase in benchmark lending rates has led to higher interest rates for mortgage loans, which may depress demand in the property market in general.

If we are unable to make scheduled payments in connection with our debt and other fixed payment obligations as they become due, we may need to renegotiate the terms and conditions of such obligations or to obtain additional equity or debt financing. We cannot assure you that our renegotiation efforts would be successful or timely or that we would be able to refinance our obligations on acceptable terms or at all. If financial institutions decline to lend additional funds to us or to refinance our existing loans when they mature as a result of our credit risk and we fail to raise financing through other means, our financial condition, cash flow position and business prospects may be materially and adversely affected. You may find additional information in respect of the key terms of our outstanding obligations under the section entitled ''Description of other material indebtedness.'' We cannot assure you that we will be able to maintain the relevant financial ratios from time to time nor that we will not default. If we are unable to obtain forbearance or waiver arrangements with the relevant lenders and upon occurrence of any default, event of default or cross-default in the future, it could lead to, among other things, an acceleration in our debt financing obligations, which could in turn have a material and adverse effect on our financial condition.

We may not be successful in expanding into each new markets that we target in the PRC or overseas or in developing each new business segment that we explore

Since 2006, we have gradually expanded our operations into 17 provinces, two autonomous regions and two provincial level municipalities beyond Guangdong Province in the PRC. In December 2011, we have expanded our operations into Malaysia and also plan to launch a new project in Sydney, Australia in the second half of 2014. When opportunities arise, we expect to continue to expand our operations both within and outside the PRC. These new markets, including Malaysia and Australia where we have recently expanded into, may differ from our existing markets in terms of economic development level, topography, religion and culture, legal and regulatory practices and requirements, level of familiarity with contractors and business practices and customs, and customer tastes, behavior and preferences. These differences that exist in new markets, such as in Malaysia and Australia where we have recently expanded into, may also make it harder for us to secure local financings for our projects. In addition, when we enter into new markets, we will likely compete with developers who have an established local presence, are more familiar with local regulatory and business practices and have stronger relationships with local contractors, all of which may give them a competitive advantage over us. We cannot assure you that we will be able to enter into or operate in new markets successfully. Moreover, we normally are required to make significant capital investments for land acquisition, development planning, construction and other aspects of operations when we enter into a new market, such as Malaysia and Australia. It may take several years before revenue or positive cash flows can be generated from a new market.

Further, our plans include projects that differ significantly from our past and current projects in terms of targeted customers and business segments. Our primary experience to date has been in developing high quality residential properties for sale, construction, fitting and decoration of those properties, management of residential developments, and hotel operation. We have plans to expand into the business of developing office buildings in other areas in the PRC for our own use or for leasing to other companies. This is a relatively new business for us, and we cannot assure you that we will be successful in expanding into this area. We may not realize any revenue from this business, and even if revenue is realized, we cannot assure you that market demand for office space will be sufficient to provide us with an adequate return on our investment.

Our expansion and the need to integrate operations arising from our expansion, particularly into other fast growing cities in the PRC and outside the PRC, may place a significant strain on our managerial, operational and financial resources and further contribute to an increase in our financing requirements.

We may not be able to obtain a sufficient number of sites or retain sites suitable for property developments

We derive the majority of our revenue from the sale of properties that we have developed. This revenue stream is dependent on our ability to complete and sell our property developments. To maintain or grow our business in the future, we will be required to replenish our land reserve with suitable sites for developments. Our ability to identify and acquire a sufficient number of suitable sites is subject to a number of factors that are beyond our control.

The PRC government controls substantially all of the country's land supply and regulates the means by which property developers, including us, obtain land sites for property developments. As a result, the PRC government's land supply policies affect our ability to acquire land use rights for sites we identify and the costs of any acquisition. In May 2002, the PRC government introduced regulations requiring government departments and agencies to grant state-owned land use rights for residential or commercial property developments through public tender, auction or listing-for-sale. We are required to follow these procedures to acquire land use rights to desirable sites from the government, which may result in higher land premiums than those we previously paid. Although these regulations do not prevent privately held land use rights from being traded in the secondary market, the PRC government's policy to grant state-owned land use rights at competitive market prices is likely to increase the acquisition cost of land reserves generally in the PRC. If we fail to acquire sufficient land reserves in a timely manner and at acceptable prices, or at all, our business prospects, results of operations and financial condition may be materially and adversely affected.

In recent years, the PRC government has adopted a number of initiatives to control the growth of China's residential property sector and to promote the development of more affordable housing. For example:

- one initiative requires local governments, when approving new residential projects after June 1, 2006, to ensure at least 70% of their annual land supply (in terms of estimated GFA) consists of units that are less than 90 sq.m. in size;

- in an announcement made on May 30, 2006, the Ministry of Land and Resources of the PRC (the "Ministry of Land and Resources") has stated that land supply priority shall be given to ordinary commodity houses at middle to low prices and in medium to small sizes (including affordable housing);

- pursuant to the "Catalog of Restricted Use of Land (2012 Version Supplement)" (限制用地項目目錄(2012年本增補本)) and the "Catalog of Prohibited Use of Land (2012 Version Supplement)" (禁止用地項目目錄(2012年本增補本)) issued by the Ministry of Land and Resources in May 2012, the area of a parcel of land granted for commodity housing development shall not exceed seven hectares in small cities (towns), 14 hectares in medium cities or 20 hectares in large cities, and the plot ratio must exceed 1.0;

- the Notice on Resolutely Curbing the Rapid Rising of the House Price in Certain Cities (堅決遏制部分城市房價過快上漲的通知) issued by the State Council of the PRC (the "State Council") on April 17, 2010 also reiterated that the government will give high priority to supplying more affordable housing;

- according to the "Circular Concerning Issues on Strengthening Real Estate Land Supply and Supervision" (《關於加強房地產用地供應和監管有關問題的通知》) promulgated by the Ministry of Land and Resources on March 8, 2010, the supply of the land to be developed for indemnificatory housing, renovation of rundown residential areas and small or medium size self-use commercial housing shall be no less than 70% of the total land supply. Moreover, land supply for large-sized residential housing construction shall be strictly restricted, villa project shall be suspended and the area of a single parcel of land granted for commercial housing shall be strictly restricted; and

- the Notice on Continuing to Improve the Regulation and Control of 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) issued by the General Office of the State Council on February 26, 2013, which requires, among other things, expanding the development of ordinary commodity housing units and increasing the supply of land.

Additionally, the PRC central and local governments have implemented various measures to regulate the means by which property developers obtain land for property development (see "—The PRC government has implemented restrictions on the payment terms for land use rights"). The PRC government also controls land supply through zoning, land use regulations and other means. All these measures further intensify the competition for land in China among property developers.

As of December 31, 2013, we had two projects in the State of Selangor and one project in the State of Johor in Malaysia. We may have further operations outside of China in the future, which will also be subject to the relevant local government's policies and control over land supply and the property sector in general.

These policy initiatives and other measures adopted by the government from time to time may limit our ability to acquire suitable land for development or significantly increase land acquisition cost, which may have a material adverse effect on our business, financial condition and results of operations.

Our land may be forfeited to the PRC government if we fail to comply with the terms of the land grant contracts

Under PRC laws and regulations, if a property developer fails to develop land according to the terms of the land grant contract (including those relating to payment of fees, designated use of land, time for commencement and completion of development of the land), the relevant government authorities may issue a warning to, or impose a penalty on, the developer, or require the developer to forfeit the land. Under current PRC laws and regulations, if we fail to commence development within one year from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may serve a warning notice on us and impose an idle land fee on the land of up to 20.0% of the land premium. If we fail to commence development within two years from the commencement date stipulated in the land grant contract, the land is subject to forfeiture to the PRC government unless the delay in development is caused by government actions, force majeure or necessary preparatory work. According to the "Notice on Enhancing the Economical and Intensive Use of Land" (國務院關於促進節約集約用地的通知) promulgated by the State Council on January 3, 2008, this policy was reinforced. This notice states, among other things, that (i) policies in relation to the forfeiture of land use rights without compensation for land which has remained idle for more than two years 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, all provincial, regional and municipal governments are required to submit to the State Council reports on the status of the clearance and handling of idle land; (iv) the prohibition of land supply for villa projects shall continue; (v) the Ministry of Land and Resources and other authorities are required to 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 conditions such as plot ratio limits and the number and type of units 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 grant for residential development will consist of low-rent housing, economy housing, limited price housing and units of less than 90 sq.m. in size; and (vii) financial institutions are required to exercise caution when approving financing for any property developer who, after one year from the commencement date stipulated in the land grant contract, fails to complete at least one-third of the development of their project or provide at least 25% of the total investment in the project.

Moreover, according to the "Notice on Implementation of the State Council's Certain Opinions on Resolving Residence Difficulties of Urban Low-income Families and Further Strengthening Macro-control of Land Supply" (關於認真貫徹《國務院關於解決城市低收入家庭住房困難的若干意見》進一步加強土地供應調控的通知) issued by the Ministry of Land and Resources on September 30, 2007, even if the commencement of the land development is in compliance with the land grant contract, the land will be treated as idle land and the property developer may be restricted or prevented from participating in future bidding for 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) there has been a suspension of the development of the land for over one year in time without government approval. This notice also calls for control over supply of large land parcels and states that the development period for an individual parcel of land in principle should not exceed three years. On June 1, 2012, the Ministry of Land and Resources revised and promulgated the Measure for the Disposal of Idle Land (閑置土地處置辦法), that became effective on July 1, 2012 which further clarified the scope and definition of idle land, as well as the corresponding punishment measures compared to the old version. For more information on regulation, please refer to the section headed "Regulation—Development of a property project—Land for property development." Although the delays in the commencement of construction or the completion of certain of our property development did not lead to forfeiture of land or payment of idle land fee, we cannot assure you that circumstances leading to forfeiture of land or payment of idle land fees will not arise in the future. If we are required to forfeit land, to pay idle land fees or even to pay appreciation land premium, we will not be able to continue our property development on the forfeited land or recover the costs incurred for the initial acquisition of the forfeited land or recover development and other costs incurred up to the date of forfeiture, and our business, financial condition and results of operations may be adversely affected.

Our sales and pre-sales will be affected if mortgage financing becomes more costly or otherwise unavailable

Many 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. An increase in minimum down payment requirements for mortgage financing may reduce the attractiveness of mortgages as a source of financing for property purchases. Either of those measures or the suspension of mortgage financing may adversely affect the affordability of residential properties, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Since 2003, the PRC government has promulgated a range of laws, regulations and government policies regarding mortgage financing as a means to regulate the PRC property market. While the intent of these has generally been to reduce perceived speculation in the property market, during the recent global financial crisis the PRC government implemented a number of measures designed to stimulate the economy, including lowering the down payment requirements for purchasing residential properties and PBOC benchmark bank lending rates. However, since the fourth quarter of 2009, the PRC government has again enacted policies intended to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly. Measures currently in place include:

- requiring a minimum down payment of at least 30% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves (住房公積金) to buy an ordinary home with a unit floor area of more than 90 sq.m. for self-use;

- requiring a minimum down payment of at least 20% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of not more than 90 sq.m. for self-use;

- requiring a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property through mortgage financing. In the third quarter of 2013, several cities, including Guangzhou, Shanghai and Hangzhou, have increased the minimum down payment for purchasers of second residential properties to 70% of the purchase price;
- requiring commercial banks to suspend mortgage loans to customers for purchase of a third or further residential property, or to non-residents who cannot provide proof of local tax or social security insurance payments for more than a one-year period;
- limiting the availability of second housing reserve loans to families whose per capita living area is below the average in their locality and requiring that such loans be used only to purchase an ordinary home for self-use in order to improve their living conditions; and
- suspending the availability of housing reserve loans where the purchase is for a third (or further) residential property.

For commercial property buyers, PRC banks are not allowed to finance the purchase of any pre-sold properties. The minimum down-payment for commercial property buyers has been increased to 50% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark one-year bank lending interest rate and maximum maturities of no more than 10 years. In addition, mortgagee banks may not lend to any individual borrower if the monthly repayment of the anticipated mortgage loan would exceed 50% of the individual borrower's monthly income or if the total debt service of the individual borrower would exceed 55% of such individual's monthly income. Since 2013, as a result of foregoing factors, PRC banks have generally tightened mortgage lending, which had affected the demand in the property market in general. Our business, financial condition and results of operations may therefore be adversely affected.

For more information on the regulations adopted by the PRC government related to property financing, including dates of promulgation and authorizing governmental entities, see "Regulation—Legal supervision relating to property sector in the PRC—Property financing." Property purchasers in the PRC have been and will continue to be affected by these regulations.

We cannot assure you that the PRC government will not further increase 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. Nor can we assure you that such regulatory changes would not adversely affect our business, financial condition and results of operations.

We may not be able to successfully manage our growth

We have been rapidly expanding our operations in recent years, including our expansion to Malaysia in December 2011 and Australia in the second half of 2014. As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and to implement an effective management information system. To effectively manage our expanded operations, especially projects outside Guangdong Province and operations outside China, we need to recruit and strengthen internal training for managerial, accounting, internal audit, engineering, technical, sales and other staff to satisfy our development needs. As of December 31, 2011, 2012 and 2013, we had approximately 35,206, 40,243 and 64,772 full-time employees, respectively. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources. Further, we will be required to manage relationships with a greater number of customers, suppliers, contractors, service providers, lenders and other third parties, which may have a different background and local practices than those in our traditional markets. We will need to further strengthen our internal control and compliance functions to ensure that we are able to comply with our legal and contractual obligations and reduce our operational and compliance risks. We cannot assure you that we will not experience issues such as capital constraints, construction delays, operational difficulties at new operational locations or difficulties in adapting to local regulatory environment market conditions or culture, expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business or that our properties will be well received by the residents of the new markets. We also cannot assure you that our expansion plans will not adversely affect our existing operations and thereby have a material adverse effect on our business, financial condition, results of operations and future prospects.

We may be adversely affected by fluctuations in the global economy and financial markets

The global economic slowdown and turmoil in the global financial markets that started in the second half of 2008 have had a negative impact on the world economy, which in turn affected the PRC real estate industry and many other industries. Since then PRC and many other foreign economies have shown signs of recovery. In 2010, a financial crisis emerged in Europe, creating concerns about the ability of certain European nations to continue to service their sovereign debt obligations. On August 6, 2011, Standard and Poor's Ratings Services ("S&P") downgraded the rating for long-term United States debt to "AA+" from "AAA" for the first time in 70 years.

The outlook for the world economy and financial markets remains uncertain. In Europe, several countries are facing difficulties in refinancing sovereign debt. In the United States, the unemployment rate remains high. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a consequence of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, Eastern Europe and Africa, political unrest in various countries has resulted in economic instability and uncertainty. China's economic growth may slow due to weakened exports.

These and other issues resulting from the global economic slowdown and financial market turmoil have adversely affected, and may continue adversely affecting, homeowners and potential property purchasers, which may lead to a decline in the general demand for our products and erosion of their sale prices. In addition, any further tightening of liquidity in the global financial markets may negatively affect our access to the capital market and thereby liquidity. Therefore, if the global economic slowdown and turmoil in the financial markets crisis continue, our business, financial condition and results of operations may be adversely affected.

The PRC government has implemented restrictions on the payment terms for land use rights

On September 28, 2007, the Ministry of Land and Resources issued revised Rules on the Grant of State-owned Land Use Rights through Public Tender, Auction and Listing-for-sale (招標拍賣掛牌出讓國有建設用地使用權規定), which provide that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate and commence development on the land. This regulation became effective on November 1, 2007. As a result, property developers are no longer allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land in order to commence development, as had previously been the practice in many Chinese cities. On November 18, 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office issued the "Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant" (關於進一步加强土地出讓收支管理的通知), which raised the minimum down payment to 50% of the total land premium and required the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions. On March 8, 2010, the Ministry of Land and Resources issued the Circular on Strengthening Real Estate Land Supply and Supervision (關於加强房地產用地供應和監管有關問題的通知), under which the minimum price for a given land transfer is required to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and to pay the balance within one year of the contract date. On January 26, 2011, the State Council circulated Notice on Further Regulating the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知), which provides stricter management of housing land supply, among other things, that participants or individual biding on any land unit shall show proof of funding sources. On May 13, 2011, the Ministry of Land and Resources issued the "Opinions on Maintaining and Improving the System for the Grant of Land by way of Tender, Auction and Listing" (《關於堅持和完善土地招標拍賣掛牌出讓制度的意見》). According to the opinions, the base price for the land grant will take into consideration factors such as applicable laws, the proposed development and utilization of the land, land price, time of payment, development and construction duration, construction methods, the usage of land and previous dealings with the enterprise. The implementation of these regulations may increase land transfer prices and require property developers to maintain a higher level of working capital. We cannot assure you that we will be able to acquire land suitable for development at reasonable cost or that our cash flow position, financial condition or business plans will not be materially and adversely affected by the implementation of these regulations.

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

We have entered into land grant contracts or land grant confirmation letters or sale and purchase agreements to acquire certain parcels of land for which we have not yet obtained land use rights certificates or land title and we have not paid up all the land grant premium for some of these land parcels. As of December 31, 2013, these parcels of land occupied an aggregate site area of approximately 9,086,377 sq.m. with an aggregate expected GFA of approximately 13,249,284 sq.m. for future development. In addition, the Asian Games City JV has not obtained the land use rights certificates for approximately 0.4 million sq.m. of the site area of the Asian Games City Project. If we fail to complete the acquisition of these parcels of land in a timely manner, or at all, we will not be able to develop and sell properties on such land. We may not be able to acquire new land in replacement on terms acceptable to us, or at all. This would have a material adverse effect on our business, financial condition, results of operations and business prospects going forward. See "Business—Description of our property projects."

Our business and results of operations may be adversely affected if we fail to obtain, or there are material delays in obtaining, the requisite governmental approvals

The property industry is subject to extensive regulations whether in the PRC or in the overseas markets such as Malaysia and Australia. For example, to establish a property development subsidiary in China, we must go through various PRC governmental approval and filing procedures and obtain the requisite approvals and licenses for our investment in such subsidiary and its property development and related business operations. Our property development subsidiaries must comply with a variety of legal and regulatory requirements, as well as the policies and procedures established by local authorities to implement such laws and regulations. To undertake and complete a property development, a property developer must obtain permits, licenses, certificates and other approvals from the relevant administrative authorities at various stages of the property development, including land use rights documents, planning permits, construction permits, pre-sale permits and certificates or confirmations of completion and acceptance. Each approval is dependent on the satisfaction of a set of conditions. Failure to obtain, or material delays in obtaining the requisite governmental approvals for any of our projects could give rise to potential liabilities and substantially disrupt the development and sale of our developments, which would result in a material adverse effect on our business, results of operations and financial condition.

We are currently applying for approval of the property development for certain projects. We cannot assure you that we will not encounter significant problems in satisfying the conditions to the approvals necessary for our business operations or property development, or that we will be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time and to which we are subject or the particular processes related to the granting of the approvals. There may also be delays on the part of the administrative bodies in reviewing our applications and granting approvals. There have been instances where we did not obtain approvals on time. If we fail to obtain, or experience material delays in obtaining, the requisite governmental approvals, licenses and filings, our investment in our subsidiaries and the schedule of development and sale of our developments could be substantially disrupted, resulting in a material adverse effect on our business, financial condition and results of operations.

Our profit margin is sensitive to fluctuations in the cost of construction materials

Construction costs are one of the predominant components of our cost of sales. Construction costs encompass all costs for the design and construction of a project, including payments to third-party contractors, costs of construction materials, foundation and substructure, fittings, facilities for utilities and related infrastructure such as roads and pipelines. Historically, material costs have been the principal driver of the construction costs of our property development projects, with the cost of third-party contractors remaining relatively stable. However, as most of the material costs are often included in the construction costs paid to our contractors, it has been difficult for us to estimate such costs.

Construction costs may fluctuate as a result of the volatile price movement of construction materials such as steel and cement. We seek to reduce our exposure to short-term price fluctuations of construction materials and limit project cost overruns by centralizing our procurement to lower our purchase costs. We also manage the cost of outsourced construction work through a process of tenders which, among other things, takes into account procurement of principal construction materials such as steel and cement at fixed prices. In line with industry practice, if there is a significant price fluctuation (depending on the specific terms of each contract), we will be required to re-negotiate, top up or refund, depending on the price movement, existing construction contracts. Additionally, should our existing contractors fail to perform under their contracts, we might be required to pay more to contractors under replacement contracts. Our profit margin is sensitive to changes in market prices for construction materials and our project margins will be adversely affected if we are not able to pass all of the increased costs onto our customers.

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

Property developers in the PRC must obtain a formal qualification certificate (資質證書) in order to develop property in the PRC. According to the Provisions on Administration of Qualification of Real Estate Developers (房地產開發企業資質管理規定), newly established developers must first apply for a temporary qualification certificate (暫定資質證書), which can be renewed for a maximum of two additional one-year periods, by which time a formal qualification certificate must have been issued. Before commencing their business operations, entities engaged in property management, construction, or fitting and decoration are required to obtain qualification certifications in accordance with the Measures on Administration of Qualification of Property Service Enterprises (物業服務企業資質管理辦法) and the Provisions on Administration of Qualification of Construction Enterprises (建築業企業資質管理規定). Property developers in the PRC are required to produce a valid qualification certificate when they apply for a pre-sale permit. If the newly established property developer fails to commence a property development project within the one-year period when the provisional qualification certificate is in effect, it will not be allowed to extend its provisional qualification certificate. Experienced property developers must also apply for renewal of their qualification certificates every two to three years in most cities, subject to an annual verification by relevant governmental authorities. It is mandatory under government regulations that developers fulfill all statutory requirements before obtaining or renewing their qualification certificates.

Qualification certificates for property developers are subject to renewal on an annual basis. In reviewing an application to renew a qualification certificate, the local authority takes into account the property developer's registered capital, property development investments, history of property development and quality of property construction, as well as the expertise of the developer's management and whether the developer has any illegal or improper operations.

Each of our project companies, with the assistance of our group office, is responsible for the annual submission of its renewal application. If any one of our project companies is unable to meet the relevant qualification requirements, the local authorities will normally grant that project company, subject to a penalty of between RMB50,000 and RMB100,000, a grace period to rectify any insufficiency or non-compliance. Failure to satisfy the requirements within the specified time frame could result in rejection of the renewal application and revocation of the business license of the project company. As of the date of this offering memorandum, each of our project companies which are developing properties has obtained a valid qualification certificate except for 16 project companies, which are in the process of applying for extension or alteration of the qualification certificates and 28 project companies which are in the process of applying for issuance of the qualification certificates.

In addition, we have other non-property development related subsidiaries which also require qualification certificates to engage in their relevant operations. As of the date of this offering memorandum, these subsidiaries have obtained or are in the process of applying for the issuance or extension of such qualification certificates.

We cannot assure you that the qualification certificates of all of our existing project companies will continue to be renewed or extended or that formal qualification certificates for new project companies and our other non-property development related subsidiaries will be obtained in a timely manner, or at all. If our project companies or our other non-property development related subsidiaries are unable to obtain or renew their qualification certificates, as applicable, they will not be permitted to engage in or continue their businesses, which could have a material adverse effect on our business and financial condition.

We face significant property development risks before we realize any benefits from a development

Property developments typically require substantial capital outlays during the construction periods, and it may take months or years before positive cash flows, if any, can be generated by pre-sales or sales. The time and costs required to complete a property development may increase substantially due to many factors beyond our control, including the shortage or increased cost of material, equipment, technical skills and labor, adverse weather conditions, natural disasters, labor disputes, disputes with contractors, accidents, changes in government priorities and policies, changes in market conditions, delays in obtaining the requisite licenses, permits and approvals from the relevant authorities and other unforeseeable problems and circumstances. Any of these factors, individually or in the aggregate, may lead to a delay in completing, or failure to complete a property development and result in costs substantially exceeding those originally budgeted. Failure to complete a property development according to its original plan, if at all, may have an adverse effect on our reputation and could give rise to potential liabilities. As a result, our returns on investments, if any, might not be timely recognized or might be lower than originally expected.

We face risks relating to fluctuations of results of operations from period to period

Our results of operations tend to fluctuate from period to period. The number of properties that we can develop or complete during any particular period is limited due to the substantial capital required for land acquisition, demolition and resettlement and construction, as well as limited land supplies and lengthy development periods before positive cash flows may be generated. In addition, in recent years, we have begun to develop larger-scale property developments and, as a result, we develop properties in multiple phases over the course of several years. Typically, as the overall development moves closer to completion, the sales prices of the properties in such larger-scale property developments tend to increase because a more established residential community is offered to purchasers. In addition, seasonal variations have caused fluctuations in our revenues and profits from quarter to quarter. For example, our revenue and profits, recognized upon the delivery of properties, are often lower in the first half of a year than in the second half, and we will continue to experience fluctuations in revenue and profits on an interim basis. As a result, our results of operations fluctuate and our interim results do not proportionally reflect our annual results.

We rely on independent contractors

We expect that as our business grows in terms of the number of projects and geographical coverage, we will engage independent contractors to provide various services, including design, construction and installation, engineering, construction supervision, fitting and decoration, most of which have been provided primarily by our own subsidiaries to date. Historically, a majority of our construction work in Guangdong Province was undertaken by Guangdong Giant Leap Construction Co. Ltd ("Giant Leap Construction Co."), our wholly owned subsidiary. As we have expanded to regions outside Guangdong Province, we have outsourced more construction work which in turn has increased our reliance on independent contractors. While we may consider acquiring or setting up local construction companies in our major markets outside Guangdong Province, we expect that a substantial portion of our construction work outside Guangdong Province will continue to be undertaken by independent contractors. We cannot assure you of the availability of qualified independent contractors in the market at the time of our intended outsourcing, nor can we assure you that the services rendered by our independent contractors will always be satisfactory or meet our quality requirements. There have been instances where the independent contractors' performance was less than satisfactory, which in turn caused some quality issues and disputes between us and our customers.There have also been some instances where independent contractors failed to pay sub-contractors and as a result, we became parties to disputes related to such payments. While we endeavor to monitor the quality of our independent contractors' work, we cannot assure you that such issues will not arise in the future or that our business, results of operation, financial condition and reputation will not be materially and adversely affected as a result. Moreover, the completion of our property developments may be delayed, and we may incur additional costs, due to a contractor's financial or other difficulties. Any of these factors could have a material adverse effect on our business, financial condition and results of operations.

We face contractual and legal risks relating to the pre-sale of properties, including the risk that property developments may not be completed and the risk that changes in laws and regulations in relation to the pre-sales of properties may adversely affect our business, cash flow, financial condition and results of operations

We face contractual risks relating to the pre-sales of properties. For example, if we fail to meet the completion deadlines stated in pre-sale contracts, purchasers of pre-sold units have the contractual right to claim damages. If we still fail to deliver the properties to the purchasers within the grace period stipulated in the contract, the purchasers have the right of termination. If the actual GFA of a completed property delivered to purchasers deviates by more than 3% from the GFA originally stated in the pre-sale contracts, purchasers have the right of termination or the right to claim damages.

Proceeds from the pre-sales of our properties are an important source of funds for our property developments and have an impact on our liquidity position. On August 5, 2005, PBOC recommended in the "2004 Real Estate Financing Report" that the practice of pre-selling uncompleted properties be discontinued, on the grounds that it creates significant market risks and generates transactional irregularities. At the "two meetings" (the plenary session of the National People's Congress and that of the Chinese People's Political Consultative Conference) held in March 2006, a total of 33 delegates to the National People Congress, including Bai Hexiang, head of the Nanning Central Sub-Branch of PBOC put forward a motion to abolish the system for sale of forward delivery housing. In May 2006, Cheng Jiansheng, head of the Real Estate Finance Division of the Financial Market Department of

PBOC, published an article pointing out that the way to perfect the system for pre-sale of commodity properties (商品房) of China is to abolish the financing function of presale. On July 24, 2007, an economy research group under the National Development and Reforming Commission ("NDRC") proposed to change the existing system for sale of forward delivery housing into one for sale of completed housing. These recommendations have not been adopted by any PRC governmental authority and have no mandatory effect. On April 13, 2010, the Ministry of Housing and Urban-Rural Development of PRC (the "MOHURD") issued the Notice on Further Strengthening the Supervision of Real Estate Market and Improving the Pre-Sale System of Commodity Housing (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). The notice urges local governments to enact regulations on sale of completed commodity properties in light of local conditions, and encourages property developers to sell completed commodity properties. No local government has promulgated any such regulation for sale of completed commodity properties yet. We cannot assure you that PRC government authorities will not ban the practice of pre-selling uncompleted properties or implement further restrictions on the pre-sale of properties, such as imposing additional conditions for a pre-sale permit or further restrictions on the use of pre-sale proceeds. Proceeds from the pre-sale of our properties are an important source of financing for our property developments. Consequently, any restrictions on our ability to pre-sell our properties, including any increase in the amount of up-front expenditure we must incur prior to obtaining a pre-sale permit, would extend the time period required for recovery of our capital outlay and would result in our needing to seek alternative means to finance the various stages of our property developments. This, in turn, could have a material and adverse effect on our business, cash flow, financial condition and results of operations.

Resettlement negotiations may add costs or cause delays to our development projects

Under PRC laws and regulations, we are not responsible for the demolition and removal work for a site for development, unless the party responsible for the demolition and removal and the party subject to the demolition and removal fail to reach an agreement for compensation and resettlement, then either of them may apply for a ruling from the relevant governmental authorities. If a party is not satisfied with the ruling, it may initiate proceedings in a PRC court within three months from the date of service of such ruling, which may cause delays to the development of projects. Such proceedings and delays, if they occur, could adversely affect our reputation. In addition, any such delays to our development projects will lead to an increase in the cost and a delay in the expected cash inflow resulting from pre-sales of the relevant project and the recognition of sales as revenue upon completion, which may in turn adversely affect our business, financial position and results of operations.

We may not receive full compensation for assistance we provide to local governments to clear land for government land sales

In certain cases where we are interested in acquiring land, we assist local governments in clearing the land and relocating the original residents so that the land is ready for tender, auction and listing-for-sale. In such cases, we enter into land clearance agreements with the relevant land authorities, pursuant to which the relevant authorities are responsible for land planning, resident relocation and constructing municipal supporting facilities and we are responsible for providing funding for the land clearance and relocation and offering management services. After the land clearance is complete and the land is otherwise suitable for public land sale, the relevant land authority will organize a sale through a public tender, auction or listing-for-sale process. Under the land clearance agreements, we are reimbursed for expenses we incur for land clearance and relocation and we are entitled to a portion of the profit realized by the local government on the land sale. According to the land clearance agreements, we have exclusive rights to clear the land, but do not have the exclusive right to acquire the land. We do not control the timing of the sale of the land use rights in the land that we have cleared, nor do we set the price for which such land use rights are sold. Sales of the land use rights are conducted by the relevant local government land authorities, through a bidding, auction or listing-for-sale process and we are required to participate in such process if we want to acquire the land. We cannot assure you that we will win the bid in a timely manner or at all; nor can we assure you that the relevant land authority will achieve an optimal price for the sale of such land use rights. We cannot assure you that we will be reimbursed for the expenses that we incur in connection with such land clearance, nor can we assure you that we will receive any profit from such land use rights sales. In addition, we cannot assure you that the PRC government will not issue new laws or regulations which may revoke the reimbursement, profit allocation or other arrangements in the land clearance agreements that we have entered into with the local governments and, as a result, we may not be able to receive compensation for expenses we incurred in connection with the land clearance and allocation work. Further, the PRC State Council on January 3, 2008 issued the Notice to Enhance the Economical and Intensive Use of Land (關於促進節約集約用地的通知), which requires the use of a public bidding process in selecting companies to assist the local governments with land clearance work. This requirement may limit our ability to participate in such land clearance work in the future.

We guarantee the mortgages provided to our purchasers and, consequently, we are liable to the mortgagee banks if our purchasers default on their mortgage payments

We arrange for various banks to provide mortgage services to the purchasers of our properties in the PRC. In accordance with market practice, domestic banks require us to provide guarantees in respect of these mortgages. The majority of these guarantees are guarantees which are released upon the earlier of the issuance of the individual property ownership certificate (房產所有權證) to the owner of the property or the certificate of other rights of property (房地產他項權證) to the mortgage bank by the relevant housing administration department, which generally takes place within three months after we deliver the relevant property to the purchasers, or the full settlement of the mortgaged loans by the purchasers. Prior to 2003, we also provided guarantees for the mortgage loans of some of our customers which are discharged two years from the day the mortgage loans become due. In line with industry practice, we do not conduct independent credit checks on our customers but rely instead on the credit checks conducted by the mortgage banks. For further information on our outstanding guarantees for the mortgage loans of our customers, see note 37 to our consolidated financial statements as of and for the years ended December 31, 2012 and 2013, each of which is included elsewhere in this offering memorandum.

Although we have experienced a low rate of default on the mortgage loans we guarantee, there is no assurance that the default rate will not increase in the future. If such an increase occurs and our guarantees are called upon, our business, financial condition and results of operations could be adversely affected.

Disputes with joint venture partners may adversely affect our business

We have, and expect to have in the future, interests in joint venture entities in connection with our property development plans, including the Asian Games City JV, the project companies of our Malaysian projects and other joint venture entities described in this offering memorandum. In certain circumstances, our existing joint venture entities have relied on our financial support, and we expect they will continue to do so. In addition, in accordance with PRC law, certain matters relating to joint ventures require the consent of all parties to the joint venture. Our joint ventures may involve risks associated with the possibility that our joint venture partners may:

- have economic or business interests or goals inconsistent with ours;
- take actions contrary to our instructions, requests or our policies or objectives;
- be unable or unwilling to fulfill their obligations under the relevant joint venture agreements;
- have financial difficulties; or
- have disputes with us as to the scope of their responsibilities and obligations.

We cannot assure you that we will not encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

Any unauthorized use of our brand may adversely affect our business, and our trademark licensees may conduct their business in a way that is detrimental to our brand image

Our brand receives high recognition in China. Any unauthorized use of our brand may have a negative impact on our brand image and adversely affect our business. In addition, we have granted a non-exclusive license to certain related parties to use our brand. We do not have control over the conduct of these licensees or other companies which may use our brand without our authorization. As a result, our business and reputation could be adversely affected due to any unauthorized use of our brand.

We do not have insurance to cover potential losses and claims in our operations

We do not maintain insurance for the destruction of, or other damage to, our properties under construction. We carry property management liability insurance in connection with our property management business and accident insurance (i.e. employer's liability insurance) for our construction workers; however, we do not maintain insurance against other personal injuries or property damage that may occur during the construction of our properties. We also do not carry insurance coverage for the non-performance of contracts during construction and other risks associated with construction and installation work during the construction period.

Moreover, there are certain contingent liabilities for which insurance is not available on commercially practicable terms, such as losses caused by earthquake, typhoon, flooding, war and civil disorder.

We may not have sufficient funds to offset any such losses, damages or liabilities or to replace any property development that has been destroyed in the course of our operations and property development. In addition, any payments we make to cover losses, damages or liabilities could have a material adverse effect on our business, financial condition and results of operations.

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

We may be involved in disputes with various parties involved in the development and the sale of our properties, including contractors, suppliers, construction workers, partners and purchasers.

We may also be involved in disputes with various parties relating to our property management business including personal injury claims. These disputes may lead to legal or other proceedings, may result in substantial costs and diversion of resources and management's attention and may have a material adverse effect on our reputation and our ability to market and sell our properties. We have been involved in disputes with our customers with respect to quality of our properties and time of delivery and we may receive negative publicity from other potential disputes with customers in the future. We also have been involved in disputes with independent contractors with respect to project payment. In addition, most of our projects consist of multiple phases, and purchasers of our properties in earlier phases may file legal actions against us if our subsequent planning and development of the projects are perceived to be inconsistent with representations and warranties we made to them. Further, we may have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decrees that result in pecuniary liabilities and cause delays to our property developments. Although we think the legal or other disputes we have been involved in do not have a material adverse effect on our business, financial condition or results of operations, we cannot assure you that any disputes with parties involved in the development and sale of our properties in the future would not have a material adverse effect on our business, financial condition and results of operations or have a negative impact on our reputation or the "Country Garden" brand.

We are exposed to construction disputes and litigation

Giant Leap Construction Co. undertakes construction work for a substantial portion of our projects, as well as one project developed by a related party and a few third-party projects. Giant Leap Construction Co. may be subject to legal claims and proceedings instituted by our customers, subcontractors, workers and other parties involved in the projects undertaken by us from time to time. Such claims and proceedings include claims for compensation for late delivery of construction works and delivery of substandard works and claims in respect of personal injuries and labor compensation in relation to construction works.

We are not engaged in any litigation or arbitration of material importance and we are not aware of any material litigation or claim pending or threatened by or against us. However, we cannot assure you that we will not be engaged in any litigation or arbitration of material importance in the future. Although we have purchased insurance policies to cover potential litigation or arbitration claims, such claims may fall outside the scope or limit of our insurance coverage and our financial condition and results of operations may be adversely affected.

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

Property developers in the PRC are typically required to assist the purchasers to get the relevant individual property ownership certificates within 90 days of delivering the properties unless otherwise specified in the relevant sale and purchase agreements. Property developers, including us, generally elect to specify the deadline to apply for the individual property ownership certificates upon the provision of the necessary documents by the customers to allow sufficient time for the relevant application processes.

Under current regulations, we are required to submit the requisite governmental approvals in connection with our property developments, including land use rights documents and planning and construction permits, to the local bureau of land resources and housing administration within three months of receiving the completion and acceptance certificate for the relevant properties and apply for the general property ownership certificate for these properties. We are then required to submit, within a stipulated period after delivery of the properties, the relevant property sale and purchase agreements, identification documents for the purchasers and proof of payment of deed tax, together with the general property ownership certificate, for the bureau's review and the issuance of the individual property ownership certificates.

No material claim has been brought against us by any purchasers for late application for individual property ownership certificates on behalf of our customers in the years ended December 31, 2011, 2012 and 2013. However, we cannot assure you that we will not become liable to purchasers in the future for late application for individual property ownership certificates on behalf of our customers due to our own fault or reasons beyond our control, which may have a material adverse effect on our business.

Our branding and marketing strategy as well as our financial condition could be adversely affected if owners of the projects that we have developed elect to stop using us to provide property management services

Through our wholly owned property management subsidiary, Guangdong Country Garden Property Management Co. Ltd. ("Guangdong Management Co."), we provide property management services to the owners and users of each project that we have developed. These services include rental agency, security management, maintenance, clubhouse operations, gardening and landscaping and other customer services. We believe that property management is an integral part of our business and is very important to the successful marketing and promotion of our property developments. Under PRC law, owners may engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. If owners of the projects that we have developed elect to stop using us to provide property management services, our branding and marketing strategy as well as our revenue from the property management business would be adversely affected.

Our hotel operations involve uncertainties

Certain residential projects that we have developed or intend to develop include high-end hotel operations.

Our approach to our hotel business is not focused on the profit contribution derived directly from our hotel operations. Rather, we consider our hotel business a value enhancer to our brand recognition in the property market and an integral component of our overall residential project marketing strategy.

Most of our hotels are currently owned and operated by our own hotel companies. Although the managing staff at various levels have the relevant management experience, we could face considerable reputational and financial risks if the hotels are mismanaged. If we are unable to successfully manage our hotel business, it may have a material adverse effect on the results in that segment as well as our overall marketing strategy, financial condition and results of operations.

We have engaged third-party hotel management partners to manage our Maritim Hotel, Wuhu, Maritim Hotel, Shenyang, Hilton Wuhan Optics Valley and Hilton Foshan. In addition, we have signed a letter of understanding and management agreement with an international management firm with respect to some of our hotels under development or planning. Our results of operations may be affected by the performance of these hotel management partners, as well as any adverse publicity or other adverse developments relating to these companies or their brands generally. We may also consider engaging other international management companies to manage our hotels. We and the hotel management companies may have disagreements as to how the hotels should be managed or other matters. In general, under the terms of the management agreements, the third-party hotel management partners control the daily operations of the hotels. Thus, even if we believe our hotels are being operated inefficiently or in a manner that does not result in optimal or satisfactory occupancy rates, gross operating profit margins or other performance indicators, we may not be able to require the management partners to change the way they manage our hotels. Such cooperation with hotel management companies may not achieve positive results as anticipated.

There is no assurance that certain current ancillary facilities will continue to provide services to the owners or users of our property developments

The ancillary facilities within our residential communities enhance the value of our properties by improving the overall quality and value of the surrounding areas, thus offering a better living environment to the owners and users of our properties. However, we do not operate or manage some of the ancillary facilities, such as schools and hospitals. We cannot assure you that these facilities will continue to operate and provide services in our residential communities. In the event that these facilities cease to operate in our residential communities, our properties may become less attractive and competitive and this may adversely affect their value.

Any portion of our uncompleted and future property developments that are not in compliance with relevant laws and regulations will be subject to governmental approval and additional payments

The local government authorities inspect property developments after their completion and issue Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Reports (房屋建築工程和市政基礎設施工程竣工驗收備案表) if the developments are in compliance with the relevant laws and regulations. If the total constructed GFA of a property development exceeds the GFA originally authorized in the relevant land grant contracts or construction permit, or if the completed property contains built-up areas that do not conform to the plan authorized by the construction permit, the property developer may be required to pay additional amounts or take corrective actions with respect to such non-compliant GFA before a Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report can be issued to the property development.

We cannot assure you that local government authorities will not find that the total constructed GFA of our existing projects under development or any future property development exceeds the relevant authorized GFA upon completion. Moreover, we cannot assure you that we would have sufficient funding to pay any required additional land premium or to pay for any corrective action that may be required in a timely manner, or at all. Any of these circumstances may materially and adversely affect our reputation, our business, results of operations and financial condition.

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

Under PRC tax laws and regulations, our PRC subsidiaries are subject to LAT, which is collected by local tax authorities. All income from the sale or transfer of land use rights relating to state- owned land, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation in value as defined by the relevant tax laws. Certain exemptions are available for the sale of ordinary standard residential houses (普通標準住宅) if the appreciation value does not exceed 20% of the total deductible items as defined in the relevant tax laws. Sales of commercial properties are not eligible for the exemption. We estimate and make provision for the full amount of applicable LAT in accordance with the relevant PRC tax laws and regulations, but we only pay a portion of such provision each year as is required by the local tax authorities. For the years ended December 31, 2011, 2012 and 2013, our LAT expense was RMB1,448.6 million, RMB2,261.2 million and RMB1,634.8 million (US$270.0 million) respectively. As of December 31, 2013, our LAT provision balance was RMB3,536.9 million (US$584.3 million). Although we believe we have made sufficient LAT provisions, we cannot assure you that the tax authorities will agree with the basis on which we calculate our LAT obligations. There have been instances where the local PRC tax authorities disagreed with our calculation of the LAT and other tax obligations. In the event that they believe a higher LAT should be paid, our net profits after tax and cash flow will be adversely affected.

Further, on December 28, 2006, the State Administration of Taxation issued the Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知), which requires that:

- final settlement of LAT will be conducted on a project-by-project basis. For multi-phase projects, each phase will be required to undergo LAT clearance and settlement process;
- the appreciated value of ordinary residential properties and non-ordinary residential properties contained within a project shall be calculated separately; and
- property developers must conduct final settlement if one of the following conditions is satisfied:
    - the project is completed and has been sold entirely;
    - the project is transferred as a whole before the completion of the construction; or
    - only land-use rights are transferred.

This notice also stipulates that the PRC tax authorities may require the property developer to conduct final LAT settlement if any of the following conditions is met:

- for completed projects, the area sold exceeds 85% of the total saleable area or, though less than 85%, the rest of the saleable area has already been rented or is being self-used;
- the project has held a sale/pre-sale license for at least three years but has not been sold entirely;
- the taxpayer has applied for tax de-registration but the LAT settlement has not been conducted; or
- other situations set forth by the provincial PRC tax authorities.

On May 19, 2010, the SAT issued the Circular on Issues Concerning Settlement of Land Appreciation Tax (關於土地增值稅清算有關問題的通知) to clarify and strengthen the settlement of the land appreciation tax. Furthermore, on May 25, 2010, the SAT issued the Notice on Strengthening the Collection of Land Appreciation Tax (關於加強土地增值稅征管工作的通知), which requires that the minimum LAT prepayment rate shall be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region.

Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation and there are uncertainties how this notice will be enforced. In the event that the implementation rules promulgated in the cities in which our projects are located require us to settle all unpaid LAT, our cash flow may be adversely affected.

Potential liability for environmental problems could result in substantial costs

We are subject to a variety of laws and regulations concerning environmental protection. The particular environmental laws and regulations that apply to any given development site vary greatly according to the site's location and environmental condition, the present and former uses of the site and the nature of the adjoining properties. Requirements under environmental laws and conditions may result in delays to development schedules, may cause us to incur substantial compliance and other costs and may prohibit or severely restrict project development activity in environmentally-sensitive areas.

The PRC environmental regulations provide that each project developed by a property developer must undergo an environmental assessment, and an environmental impact assessment report be submitted to the relevant government authorities for approval before construction is commenced. If we fail to comply with such requirements, the local environmental authority may order us to suspend project construction until an environmental impact assessment report is submitted to and approved by such authority. The local environmental authority may also impose on us a fine of RMB50,000 to RMB200,000 in respect of such project. We are currently applying for the approval of environmental assessment for certain of our projects. We cannot assure you that we will be able to obtain these approvals in a timely manner.

In addition, PRC law requires environmental facilities included in property developments to pass inspection by the environmental authorities in order to obtain completion approval before commencing operations. Some of our property projects have environmental facilities that are subject to this requirement and are currently applying for inspection by the environmental authorities. We cannot assure you that we will be able to pass such inspections in a timely manner. If we fail to comply with this inspection requirement, the local environmental authorities may order us to suspend construction or use of the relevant facilities, which may disrupt our operations and adversely affect our business. Such authorities may also impose on us a fine below RMB100,000 in respect of such project. We cannot assure you that we will obtain such approvals in a timely manner. In the event that such completion approvals cannot be obtained or if a fine is imposed on us, our business and our financial condition may be adversely affected.

Although the environmental investigations conducted by local environmental authorities to date have not revealed any environmental liability that we believe would have a material adverse effect on our business, financial condition or results of operations, it is possible that these investigations did not reveal all environmental liabilities and that there are material environmental liabilities of which we are unaware. We cannot assure you that a future environmental investigation will not reveal any material environmental liability. Also, we cannot assure you that the PRC government will not change the existing laws and regulations or impose additional or stricter laws or regulations, the compliance with which may cause us to incur significant capital expenditure. In addition, there is no assurance that we would be able to comply with any such laws and regulations, in the PRC or elsewhere where we conduct or may conduct our operations. See "Business—Environmental matters" for further details of environmental matters.

The construction business and the property development business are subject to claims under statutorily mandated quality warranties

Under Regulations on the Administration of Quality of Construction Works (建設工程質量管理條例), all property development companies in the PRC must provide certain quality warranties for the properties they construct or sell. We are required to provide these warranties to our customers. We may sometimes receive quality warranties from third-party contractors we hire to construct our development projects. If a significant number of claims are 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 retention money retained by us is not sufficient to cover our payment obligations under the quality warranties, we could incur significant expenses in resolving such claims or face delays in correcting the related defects, which could in turn harm our reputation and have a material and adverse effect on our business, financial condition and results of operations.

Our success depends significantly on the continued services of our senior management team and other key personnel

Our future success depends significantly upon the continuing services of the members of our senior management team, in particular our chairman and executive director, Yeung Kwok Keung, and our executive director, Yang Erzhu, who have extensive experience in the property industry in the PRC. Yeung Kwok Keung is responsible for formulating development strategies, making decisions on investment projects and setting the direction of our operations and overall business management. Yang Erzhu oversees the outsourcing of construction and assists our chairman in investment planning. Our president and executive director, Mo Bin, also has extensive experience in property development and corporate management. If one or more of our senior executives or other personnel are unable or unwilling to continue in their present positions, we may be unable to replace them easily or at all, and our business may be disrupted and our financial condition and results of operations may be materially adversely affected.

In addition, we depend on the continued service of our executive officers and other skilled managerial and technical personnel, notably including our designers and architects. Competition for senior management and key personnel is intense, and the pool of qualified candidates is very limited. Our business could be adversely affected if we lose the services of our senior executives or key personnel without suitable replacements or if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing business.

Further, as we expect our business to continue to grow, we will need to recruit and train additional qualified personnel. If we fail to attract and retain qualified personnel, our business and prospects may be adversely affected.

The interests of our controlling shareholder may not always align with our interests

Our controlling shareholder, Yang Huiyan, beneficially owned approximately 58.19% of our Company as of December 31, 2013. The interests of our controlling shareholder may differ from our interests or the interests of our creditors, including the holders of the Notes. Our controlling shareholder could have significant influence in determining the outcome of any corporate transactions or other matters submitted to the 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. Our controlling shareholder also has the power to prevent or cause a change in control. Without the consent of our controlling shareholder, we may be prevented from entering into transactions that could be beneficial to us. As a company listed on the Hong Kong Stock Exchange, we are also required to maintain robust internal control and corporate governance procedures to ensure that our personnel will maintain confidentiality of sensitive and confidential information. Leakage of any confidential or price sensitive information, and the trading of our shares on the basis of such information, including by our controlling shareholder, may contravene relevant insider trading regulations. In addition, our controlling shareholder also holds interest in companies other than us. We cannot assure you that our controlling shareholder will act entirely in our interest or that any potential conflicts of interest will be resolved in our favor.

Land use rights certificates and building ownership certificates of certain of the properties owned or used by us have not been obtained

We have not obtained building ownership certificates for certain of our properties, including: a bowling alley in Shunde Country Garden, a health center in Shunde Country Garden Hospital and staff quarters in Lirendong. Our PRC legal advisor has advised us that because of the lack of building ownership certificates for these properties, we may be ordered by the relevant PRC government department to (i) remedy the defect and pay a fine which represents more than 2% but less than 4% of the consideration payable under the relevant construction agreement of these properties, (ii) compensate for losses suffered by the users of these properties or (iii) vacate these properties. In the event that any of these penalties is imposed on us, our business may be affected.

In addition, we lease certain land and buildings from third parties who have not obtained the relevant land use rights certificates or the building ownership certificates, as applicable. We use these properties mainly to create additional green space for our property developments or as housing for some of our employees. In the event that the leases with these third parties are invalidated due to defects in the leased properties' title, we will have to return or restore the properties, which may affect the overall appeal of the relevant property developments. We will also have to find substitute housing for employees living in such premises.

We may be treated as a PRC resident enterprise for PRC tax purposes, which may subject us to PRC income taxes on our worldwide income and PRC withholding taxes on interest we pay on the Notes

Under the Enterprise Income Tax Law (企業所得稅法)("EIT Law") and the implementation rules which both took effect on January 1, 2008, enterprises established outside the PRC whose "de facto management bodies" are located in China are considered "resident enterprises" for PRC tax purposes. The implementation rules define the term "de facto management body" as a management body that exercises full and substantial control and management over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation specified certain criteria for the determination of the "de facto management bodies" for foreign enterprises that are controlled by PRC enterprises. However, there have been no official implementation rules regarding the determination of the "de facto management bodies" for foreign enterprises that are not controlled by PRC enterprises (including companies such as ourselves).

We hold our shareholders' meetings and certain board meetings outside China and keep our shareholders' list outside China. However, most of our directors and senior management are currently based inside China and we keep our books of account inside China. The above elements may be relevant for the tax authorities to determine whether we are PRC resident enterprises for tax purposes. However, there is no clear standard published by the tax authorities for making such a determination.

Although it is unclear under PRC tax law whether we have a "de facto management body" located in China for PRC tax purposes, we take the position that we are not a PRC resident enterprise for tax purposes. We cannot assure you that the tax authorities will agree with our position. If we are deemed to be a PRC resident enterprise for EIT purposes, we would be subject to the PRC enterprise income tax at the rate of 25% on our worldwide income. Furthermore, we would be obligated to withhold PRC income tax of up to 7% on payments of interest and certain other amounts on the Notes to investors that are non-resident enterprises located in Hong Kong or 10% on payments of interest and other amounts on the Notes to investors that are non-resident enterprises located outside Hong Kong, because the interest and other amounts would be regarded as being derived from sources within the PRC. In addition, if we fail to do so, we may be subject to fines and other penalties. Similarly, any gain realized by such non-resident enterprise investors from the transfer of the Notes would be regarded as being derived from sources within the PRC and would accordingly be subject to a 10% PRC withholding tax.

PRC regulations relating to investment in offshore special purpose companies by PRC residents may subject our PRC resident shareholders to personal liability, limit our ability to contribute capital into or provide loans to our PRC subsidiary, limit our subsidiaries' ability to increase their registered capital, pay dividends or otherwise distribute profits to us, or otherwise adversely affect us

SAFE has promulgated several regulations, including the 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 Circular No. 75, issued on October 21, 2005, and its implementation rules, or the attachment of Circular No. 59, issued in November 2012, which require PRC residents and PRC corporate entities to register with local branches of SAFE in connection with their direct or indirect offshore investment activities.

Under these SAFE regulations, PRC residents who make, or have previously made, direct or indirect investments in offshore companies are required to register those investments with the local branch of SAFE. In addition, any PRC resident who is a direct or indirect shareholder of an offshore company is required to update the previously filed registration with the local branch of SAFE, to reflect any material change involving that offshore company's round-trip investment, capital variation, such as an increase or decrease in capital, transfer or swap of shares, merger, division, long-term equity or debt investment or creation of any security interest, and the PRC subsidiaries of the relevant offshore company are required to urge the PRC resident shareholders to do so. If any PRC shareholder fails to make the required initial SAFE registration or update the previously filed registration, the PRC subsidiaries of that offshore parent company may be prohibited from distributing their profits or the proceeds from any reduction in capital, share transfer or liquidation to their offshore parent company, and the offshore parent company may also be prohibited from injecting additional capital into its PRC subsidiaries.

Due to uncertainty concerning the reconciliation of these SAFE rules with other approval or registration requirements, it remains unclear how these rules, and any future legislation concerning offshore or cross-border transactions, will be interpreted, amended and implemented by the relevant government authorities. We attempt to comply, and attempt to ensure that our shareholders who are subject to these rules comply, with the relevant requirements. However, we cannot assure you that all of our shareholders who are PRC residents will comply with our request to make or update any applicable registrations or comply with other requirements of these or other related rules. The failure or inability of our PRC resident shareholders to make any required registrations or comply with other requirements may subject such shareholders to fines and legal sanctions and may also limit our ability to contribute additional capital or provide loans to (including using the proceeds from any equity or debt securities offerings) our PRC subsidiaries, limit our PRC subsidiaries' ability to increase their registered capital, pay dividends or otherwise distribute profits to us, or otherwise adversely affect us.

Our investments in the PRC are subject to the PRC government's control over foreign investment in the property sector

The PRC government has in the past imposed restrictions on foreign investment in the property sector to curtail the overheating of the property sector by, among other things, increasing the capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in China by foreign persons. On May 23, 2007, the Ministry of Commerce ("MOFCOM") and SAFE jointly issued the Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC (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), which, among other things, provides that:

- foreign investment in the property sector in the PRC relating to high-end properties should be strictly controlled;

- prior to obtaining approval for the establishment of foreign-invested real estate enterprises, either (i) both the land use right certificates and housing title certificates should be obtained, or (ii) contracts for obtaining land use rights or housing titles should be entered into;

- foreign-invested real estate enterprises approved by local authorities shall immediately register with MOFCOM through a filing made by the local authorities; and

- foreign exchange administration authorities and banks authorized to conduct foreign exchange business should not effect foreign exchange settlements of capital account items for those foreign-invested real estate enterprises which have not completed their filings with MOFCOM or fail to pass the annual inspection.

In June 2008, to strengthen regulation of foreign-invested real estate enterprises, MOFCOM issued the "Notice Regarding Completing the Registration of Foreign Investment in the Real Estate Sector" (關於做好外商投資房地產業備案工作的通知). According to this notice, when a foreign-invested real estate enterprise is established or increases its registered capital, the provincial level of MOFCOM is required to verify all filing materials regarding such foreign-invested real estate enterprise and to make a report to the national level of MOFCOM. This notice also requires that each foreign-invested real estate enterprise undertake only one approved property project. Further, on August 29, 2008, SAFE issued the "Circular on the Relevant Operating Issues Concerning Improving the Administration of Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises." Pursuant to this circular, Renminbi funds from the settlement of foreign currency capital of a foreign-invested enterprise must be used within the business scope of the enterprise as approved by the examination and approval department of the government, and cannot be used for domestic equity investment unless it is otherwise provided for in other regulations. As a result, we may not be able to increase the capital contribution to our project companies or equity investees and subsequently convert such capital contribution into Renminbi for equity investment or acquisitions in the PRC. These limitations on the flow of funds between us and our PRC subsidiaries could restrict our ability to act in response to changing market conditions and the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other amounts to us, or to satisfy their foreign currency denominated obligations. In November 2010, MOFCOM promulgated the Notice on Strengthening Administration of the Approval and Registration of Foreign Investment into the Real Estate Industry (關於加強外商投資房地產業審批備案管理的通知), which reiterated these limitations on foreign-invested real estate enterprises.

Restrictions imposed by the PRC government on foreign investment in the property sector may affect our ability to make further investments in our PRC subsidiaries and as a result may limit our business growth and have an adverse effect on our business, financial condition and results of operations.

For more information about policies adopted by the PRC government with respect to the PRC property sector, see "Regulation—Legal supervision relating to property sector in the PRC—Foreign-invested real estate enterprises."

PRC regulations relating to acquisitions of PRC companies by foreign entities may limit our ability to acquire PRC companies and adversely affect the implementation of our strategy as well as our business and prospects

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) (the "M&A Provisions") issued by six PRC ministries, including MOFCOM, effective from September 8, 2006, provide the rules with which foreign investors must comply should they seek to purchase by agreement the equities of the shareholders of a domestic non-foreign-invested enterprise or subscribe to the increased capital of a domestic non-foreign funded enterprise, and thus convert the domestic non-foreign-invested enterprise into a foreign invested enterprise to conduct asset merger and acquisition. It stipulates that the business scope upon acquisition of domestic enterprises must conform to the Foreign Investment Industrial Guidance Catalog, 2011 Version (外商投資產業指導目錄, 2011年修訂) issued by NDRC and MOFCOM, which restricts the scope of permitted foreign investment. It also provides the takeover procedures for equity interests in domestic companies.

Our PRC legal advisors have advised us that there are uncertainties as to how the M&A Provisions will be interpreted or implemented. If we decide to acquire a PRC company, we cannot assure you that we or the owners of such PRC company can successfully complete all necessary approval requirements under the M&A Provisions. This may restrict our ability to implement any acquisition strategy and adversely affect our business and prospects.

The PRC government has implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect our ability to deploy the funds raised in the offering in our business in the PRC

On May 23, 2007, MOFCOM and SAFE jointly issued the "Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC" (關於進壹步加強規範外商直接投資房地產業審批和監管的通知). On November 12, 2007, the General Affairs Department of SAFE issued the "Reply Regarding Issues Related to Foreign Debt Registration of Foreign Invested Real Estate Enterprises" (國家外匯管理局綜合司關於外商投資房地產企業外債登記有關問題的批復). On April 28, 2013, SAFE issued the "Notice Regarding Promulgation of Administrative Measures on Foreign Debt Registration" (國家外匯管理局關於發布《外債登記管理辦法》的通知), which became effective on May 13, 2013 and contains an appendix named the Operating Guidelines for Foreign Debt Registration Administration (外債登記管理操作指引). These notices indicate that SAFE will no longer process foreign debt registrations or foreign debt applications for the settlement of foreign exchange submitted by real estate enterprises with foreign investment that obtained authorization certificates from and registered with MOFCOM on or after June 1, 2007. These regulations effectively prohibit us from injecting funds into our PRC project companies by way of shareholder loans. Without the flexibility to transfer funds to PRC subsidiaries as loans, we cannot assure you that the dividend payments from our PRC subsidiaries will be available on each interest payment date to pay the interest due and payable under the Notes, or on the maturity date to pay the principal of the outstanding Notes.

In addition, equity contributions by us and our non-PRC subsidiaries to our PRC subsidiaries will require approvals from the commerce department of the local government and registration with MOFCOM, which may take considerable time and delay the actual contribution to the PRC subsidiaries. This may adversely affect the financial condition of the PRC subsidiaries and may cause delays to the development undertaken by such PRC subsidiaries. We cannot assure you that we have obtained or will obtain in a timely manner all relevant necessary approval certificates or registration for all our operating subsidiaries in the PRC to comply with this regulation.

Further, we cannot assure you that the PRC government will not introduce new policies that further restrict our ability to deploy in the PRC, or that prevent us from deploying in the PRC, the funds raised outside China. Therefore, we may not be able to use all or any of the capital that we may raise outside China to finance our projects in a timely manner or at all.

The national and regional economies in China and the places where we conduct our operations and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics

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

Risks relating to the property sector in the PRC

The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth

Our business is subject to extensive governmental regulation. As with other PRC property developers, we must comply with various requirements mandated by the PRC laws and regulations, including the policies and procedures established by local authorities designed to implement such laws and regulations. In particular, the PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry policies and other economic measures, such as control over the supply of land for property development, foreign exchange, property financing, taxation and foreign investment.

Between 2004 and the first half of 2008, in response to concerns over the scale of the increase in property investment and the overheating of the property sector in the PRC, the PRC government introduced policies to restrict development in the property sector, including:

- suspending or restricting land grants and development approvals for villas and larger-sized units;

- charging an idle land fee for land which has not been developed for one year starting from the commencement date stipulated in the land use rights grant contract and canceling land use rights for land which has not been developed for two years or more;

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

- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006, consist of units with floor area of less than 90 sq.m. per unit, and that projects which have received project approvals prior to this date but have not obtained construction permits to adjust their construction plan in order to be in compliance with this new requirement, with the exception of municipalities under direct administration of the PRC central government, provincial capitals and certain cities which may deviate from this ratio under special circumstances upon the approval by the Ministry of Construction (the "70:90 rule");

- tightening availability of bank loans to property developers and property purchasers of developed properties and increasing the reserve requirements for commercial banks;

- imposing or increasing taxes on short-term gains from second-hand property sales; and

- restricting foreign investment in the property sector by, among other things, increasing registered capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in China by foreign persons.

Regional and local governments are responsible for the implementation of the 70:90 rule. We have not seen this policy being stringently applied across all applicable regions in China. If for any reason, political, economic, social or otherwise, these regional or local governments begin to stringently implement this policy, this may lead to an oversupply of units with floor area of less than 90 sq.m., increasing competition in this market segment and affecting the prices and profit margins of such type of property. This may also affect our existing and future business development plans. As a result, our business, financial condition, results of operations and prospects may be adversely affected.

Beginning in the fourth quarter of 2009, the PRC government enacted policies intended to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly. Measures adopted include:

- requiring a minimum down payment of at least 30% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of more than 90 sq.m. for self-use;

- requiring a minimum down payment of at least 20% of the purchase price for the acquisition of the purchaser's first residential property (including his or her spouse and minor children) using housing reserves to buy an ordinary home with a unit floor area of not more than 90 sq.m. for self-use;

- requiring a minimum down payment of at least 60% with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property through mortgage financing. In the third quarter of 2013, several cities, including Guangzhou, Shanghai and Hangzhou, have increased the minimum down payment for purchasers of second residential properties to 70% of the purchase price;

- requiring commercial banks to suspend mortgage loans to customers for purchase of a third or further residential property, or to non-residents who cannot provide proof of local tax or social security insurance payments for more than a one-year period;

- eliminating preferential tax treatment for transfers of residential properties by property owners with respect to certain business taxes and effective from January 28, 2011, business tax is imposed on (i) the full amount of the transfer price upon the transfer of any residential property by an individual owner within five years from such individual owner's purchase and (ii) the difference between the transfer price and the original purchase price upon the transfer of any non-ordinary residential property by an individual owner more than five years from such individual owner's purchase;

- prohibiting all property companies with records of being involved in abuse of land, changing the use of land, postponing the construction commencement or completion date, hoarding properties or other non-compliance from obtaining bank loans for new projects or extension of credit facilities;

- limiting the availability of second housing reserve loans to families whose per capita living area is below the average in their locality and requiring that such loans be used only to purchase an ordinary home for self-use in order to improve their living conditions; and

- restricting purchasers (including their spouses and minor children) in certain targeted cities that are local residents with two or more residential properties, non-local residents with one or more residential properties or non-local residents that are unable to provide documentation certifying payment of local tax or social security for longer than a specified time period, from purchasing any residential properties.

The PRC government has continued to increase regulation over the property market since 2010. Policies restricting property purchases were adopted in nearly 50 cities in 2011, as compared to fewer than 25 cities in 2010. Regulations were promulgated at various levels to promote affordable housing. PRC regulatory measures in the real estate industry will continue to affect our business and results of operations. See "Regulation—Legal supervision relating to property sector in the PRC."

In addition, the State Council has recently approved on a trial basis the launch of property tax scheme in selected cities. The detailed measures will be formulated by the governments of the pilot provinces, autonomous regions or municipalities directly under the central government. On January 27, 2011, the governments of Shanghai and Chongqing issued their respective measures for implementing pilot property tax schemes, which became effective on January 28, 2011. Under the measures issued by the Shanghai government, property tax will be imposed on any purchase of a second (or further) residential property by local residents or any purchase of a residential property by non-local residents on or after January 28, 2011, at rates ranging from 0.4% to 0.6% based on 70% of the purchase price of the property. Under the measures issued by the Chongqing government, property tax will be imposed within the nine major districts of Chongqing, on (i) stand-alone residential properties (such as villas) owned by individuals, (ii) high-end residential properties purchased by individuals on or after January 28, 2011, the purchase prices per square meter of which are two or more times of the average price of new residential properties developed within the nine major districts of Chongqing in the last two years and (iii) the second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals who are not employed in and do not own an enterprise in Chongqing, at rates ranging from 0.5% to 1.2% of the purchase price of the property. These two governments may issue additional measures to tighten the levy of property tax. It is also expected that more local governments will follow Shanghai and Chongqing to impose property tax on commodity properties. The imposition of property tax on commodity properties will increase the purchasing cost of properties and is expected to have a negative impact on demand for properties in China, which in turn could have a material adverse effect on our business, financial condition and results of operations. Furthermore, the governments of Beijing and Guangzhou have recently adopted additional restrictive policies to curb property price increases. In September 2012, the Guangzhou government imposed restrictions on the pre-sale of certain high-priced properties, while the Beijing government issued a new requirement that local purchasers must present the original copy of the "second generation" personal identification cards for the review of their eligibility to purchase residential properties in Beijing.

Many cities in the PRC have already promulgated measures to restrict the number of residential properties one family is allowed to purchase. In order to implement the central government's requirement, other cities in China, including those where our property projects are located, may issue similar or other restrictive measures in the near future. In the third quarter of 2013, several cities, including Guangzhou, Shanghai and Hangzhou, have increased the minimum down payment for purchasers of second residential properties to 70% of the purchase price. Any such measures could have a material adverse effect on our business, financial condition or results of operations.

We cannot assure you that the PRC government will not adopt more stringent industry policies, regulations and measures in the future. For example, the PRC government may impose county-wide real estate tax in the near future. We are not sure whether such tax will be imposed and neither can we assess the adverse impact of this new tax on our business operations and financial results. If we fail to adapt our operations to new policies, regulations and measures that may come into effect from time to time with respect to the real property industry, or such policy changes disrupt our business or cause us to incur additional costs, our business, financial condition, results of operations and prospects may be materially and adversely affected. For more information about policies adopted by the PRC government with respect to the PRC property sector, see "Regulation."

The property industry in the PRC is still at an early stage, and the property market and related infrastructure and mechanisms have not been fully developed

Private ownership of property in the PRC is still in a relatively early stage of development. Although demand for private residential property in the PRC, including Guangdong Province, has grown rapidly in recent years, such growth is often coupled with volatility in market conditions and fluctuation in property prices. It is extremely difficult to predict by how much and when demand will develop, as many social, political, economic, legal and other factors, most of which are beyond our control, may affect the development of the market. The level of uncertainty is increased by the limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC.

The lack of a liquid secondary market for residential property may discourage investors from acquiring new properties. The limited amount of property mortgage financing available to PRC individuals, compounded by the lack of security of legal title and enforceability of property rights, may further inhibit demand for residential developments.

In addition, risk of property over-supply is increasing in parts of China, where property investment, trading and speculation have become overly active. In the event of actual or perceived over-supply, property prices may fall significantly and our revenue and profitability will be adversely affected.

Risks relating to the PRC

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

Substantially all of our assets are located in the PRC, and all of our revenue is derived from within the PRC. Accordingly, our results of operations, financial position and prospects are significantly subject to the economic, political and legal developments of the PRC.

The economy of the PRC differs from the economies of most developed countries in many respects, including but not limited to:

- political structure;

- level of government involvement;
- level of development;
- uncertainties in the implementation and enforcement of laws;
- growth rate;
- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a planned economy to a market-oriented economy. For the past three decades, the PRC government has implemented economic reform measures emphasizing utilization of market forces in the development of the PRC economy. The PRC government has implemented measures from time to time in order to prevent the PRC economy from overheating and will continue to do so according to its national development plans and fiscal or other policies. These measures may cause a decrease in the level of economic activity, including demand for residential and commercial properties and may have an adverse impact on economic growth in the PRC. If China's economic growth slows down further or if the Chinese economy experiences a recession, the growth or demand for our products may also slow down and our business, financial condition and results of operations will be adversely affected. See "—Risks relating to our business—We may be adversely affected by fluctuations in the global economy and financial markets."

In addition, demand for our products and our business, financial condition and results of operations may be adversely affected by:

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

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. 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 the appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted to a jurisdiction outside China to pay capital expenses such as the repayment of bank loans denominated in foreign currencies. The PRC government may also, at its discretion, restrict access to foreign currencies for current account transactions in the future. If the PRC foreign exchange control system prevents us from obtaining sufficient foreign currency to satisfy our currency demands, our PRC subsidiaries may not be able to pay dividends in foreign currencies to us and we may not be able to service our debt obligations denominated or settled in foreign currencies, such as the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes.

The PRC legal system has inherent uncertainties that could affect our business and results of operations as well as the interest of investors in the Notes

As majority of our business is conducted, and substantially all of our assets are located, in the PRC, our operations are generally affected by and subject to the PRC legal system and PRC laws and regulations.

Since 1979, the PRC government has promulgated laws and regulations in relation to general 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. In particular, legislation over the past 30 years has significantly enhanced the protections afforded to various forms of foreign investment in China. The legal system in China is continuing to evolve. Even where adequate laws exist in China, the enforcement of existing laws or contracts based on existing laws may be uncertain and sporadic, and it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. In addition, the PRC legal system is based on written statutes and their interpretation, and prior court decisions may be cited as reference but have limited weight as precedents.

Our primary operating subsidiaries were incorporated in China as "wholly foreign-owned enterprises." Although we or our wholly owned subsidiaries are the sole shareholders of, and therefore have full control over, these PRC entities, the exercise of our shareholder rights are subject to their respective articles of association and PRC laws applicable to foreign-invested enterprises in China, which may be different from the laws of other developed jurisdictions.

China has not developed a fully integrated legal system and recently-enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. The relative inexperience of China's judiciary in many cases also creates additional uncertainty as to the outcome of any litigation. In addition, interpretation of statutes and regulations may be subject to government policies reflecting domestic political changes. Furthermore, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation, implementation and enforcement of these laws and regulations involve uncertainties due to the lack of established practice available for reference. We cannot predict the effect of future legal development in China, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the inconsistencies between local rules and regulations and national law. As a result, there is substantial uncertainty as to the legal protection available to us and investors in the Notes. 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 retroactive effect. As a result, we may not be aware of our violation of these policies and rules until some time after the violation has occurred. This may also limit the remedies available to you as an investor and to us in the event of any claims or disputes with third parties.

Any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

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

Substantially all of our assets are located within the PRC. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States, the United Kingdom, Japan or most other western countries. Therefore, it may be difficult for you to enforce against us in the PRC any judgments obtained from non-PRC courts.

Risks relating to the Notes

We are a holding company and payments with respect to the Notes are structurally subordinated to liabilities, contingent liabilities and obligations of our subsidiaries

We are a holding company with no material operations. We conduct our operations primarily through our PRC subsidiaries. The Notes will not be guaranteed by any current or future PRC subsidiaries. Moreover, the Notes will not be guaranteed by certain Non-Guarantor Subsidiaries and under the terms of the Indenture, Subsidiary Guarantors may be able to release their Subsidiary Guarantees subject to certain conditions and become Non-Guarantor Subsidiaries. Our primary assets are ownership interests in our PRC subsidiaries, which are held through the Subsidiary Guarantors. The Subsidiary Guarantors do not have material operations. Accordingly, our ability to pay principal and interest on the Notes and the ability of the Subsidiary Guarantors to satisfy their obligations under the Subsidiary Guarantees will depend upon our receipt of principal and interest payments and the distributions of dividends from our subsidiaries.

Creditors, including trade creditors of our Non-Guarantor Subsidiaries and any holders of preferred shares in such entities, would have a claim on the Non-Guarantor Subsidiaries' assets that would be prior to the claims of the holders of the Notes. As a result, our payment obligations under the Notes will be effectively subordinated to all existing and future obligations of our Non-Guarantor Subsidiaries (including their obligations under guarantees issued in connection with our business), and all claims of creditors of our Non-Guarantor Subsidiaries will have priority as to the assets of such entities over our claims and those of our creditors, including holders of the Notes. As of December 31, 2013, indebtedness of our PRC subsidiaries constituted a large part of our total borrowings (other than our senior notes and offshore facilities). The Notes and the Indenture do not restrict the ability of our subsidiaries to issue certain categories of guarantees in the ordinary course of business. In addition, our secured creditors or those of any Subsidiary Guarantor would have priority as to our assets or the assets of the Subsidiary Guarantor securing the related obligations over claims of the holders of the Notes.

Our subsidiaries are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to us and our subsidiaries

As a holding company, we depend on the receipt of dividends and the interest or principal payments on intercompany loans or advances from our subsidiaries, including our PRC subsidiaries, to satisfy our obligations, including our obligations under the Notes. The ability of our subsidiaries to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of our subsidiaries, applicable laws and restrictions contained in the debt instruments of such subsidiaries. In addition, if any of our subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to us to make payments on the Notes. These restrictions could reduce the amounts that we receive from our subsidiaries, which would restrict our ability to meet our payment obligations under the Notes and the Subsidiary Guarantees.

PRC laws and regulations permit payment of dividends only out of net profits as determined in accordance with PRC accounting standards and regulations and such profits differ from profits determined in accordance with HKFRS in certain significant respects, including the use of different bases of recognition of revenue and expenses. Our PRC subsidiaries are required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserve funds that are not distributable as cash dividends. In practice, our PRC subsidiaries may pay dividends once a year at the end of each financial year. Some of our PRC subsidiaries are also subject to certain restrictions on dividend distributions under their loan agreements with certain PRC banks. As a result, some of our PRC subsidiaries may be restricted in their ability to transfer their profits to us whether in the form of dividends, loans or advances. Any limitation on the ability of our subsidiaries to pay dividends to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends, service our debts or otherwise fund and conduct our business. See "Description of other material indebtedness."

In addition, under the EIT Law and its implementation rules, dividends paid by our PRC subsidiaries to their non-PRC parent companies are subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated, which specifically exempts or reduces such withholding tax. Currently, there is no such treaty between the PRC and the British Virgin Islands, where substantially all of our non-PRC subsidiaries are incorporated. Pursuant to an avoidance of double taxation arrangement between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to 5%. As a result of such limitations, dividend payments from our PRC subsidiaries may not be sufficient to meet our payment obligations required by the Notes or to satisfy the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees, and there could be restrictions on payments required to pay off the Notes at maturity or as required for any early redemption.

In addition, our ability to lend offshore shareholder loans to our property developer subsidiaries in the PRC is fairly limited. See "—The PRC government has implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect our ability to deploy the funds raised in the offering in our business in the PRC." Furthermore, in practice, the market interest rate that our PRC non-property developer subsidiaries can pay with respect to offshore loans generally may not exceed comparable interest rates in the international finance markets. The interest rates on shareholders' loans paid by these subsidiaries, therefore, are likely to be lower than the interest rate for the Notes. Our PRC subsidiaries are also required to pay a 10% withholding tax on our behalf on the interest paid under any shareholders' loans. PRC regulations require approval by SAFE prior to any of our non-PRC subsidiaries making shareholder loans in foreign currencies to our PRC subsidiaries and require such loans to be registered with SAFE. Prior to payment of interest and principal on any such shareholder loan, the PRC subsidiaries must present evidence of payment of the 10% withholding tax on the interest payable in any such shareholder loan and evidence of registration with SAFE, as well as any other documents that SAFE or its local branch may require.

As a result of the foregoing, we cannot assure you that we will have sufficient cash flow from dividends or payments on intercompany loans or advances from our subsidiaries to satisfy our obligations under the Notes or the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees.

We may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly U.S. dollars

The Notes are denominated in U.S. dollars, while substantially all of our revenues are generated by our PRC operating subsidiaries and are denominated in Renminbi. Pursuant to reforms of the exchange rate system announced by PBOC on July 21, 2005, Renminbi-to-foreign currency exchange rates are allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, rather than being effectively linked to the U.S. dollar. Further on May 18, 2007, PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by PBOC. The floating band was further widened to 1.0% on April 16, 2012 and 2.0% on March 17, 2014. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. If such reforms were implemented and resulted in devaluation of Renminbi against the U.S. dollar, our financial condition and results of operations could be adversely affected because of our substantial U.S. dollar denominated indebtedness and other obligations. Such a devaluation could also adversely affect the value, translated or converted to U.S. dollars or otherwise, of our earnings and our ability to satisfy our obligations under the Notes.

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. To date, we have not entered into any hedging transactions to reduce our exposure to such risks. Following the offering of the Notes, we may enter into foreign exchange or interest rate hedging agreements in respect of our U.S. dollar–denominated liabilities under the Notes. These hedging agreements may require us to pledge or transfer cash and other collateral to secure our obligations under the agreements, and the amount of collateral required may increase as a result of mark-to-market adjustments. The Initial Purchasers and their affiliates may enter into such hedging agreements permitted under the Indenture governing the Notes, and these agreements may be secured by pledges of our cash and other assets as permitted under the Indenture. If we were unable to provide such collateral, it could constitute a default under such agreements.

We may not be able to repurchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or the Notes upon a change of control triggering event

We must offer to purchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes upon the occurrence of a change of control triggering event, at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest. See "Description of the Notes," "Description of other material indebtedness—2014 Notes—Change of control," "Description of other material indebtedness—2017 Notes—Change of Control," "Description of other material indebtedness—2015 Notes—Change of control," "Description of other material indebtedness—2018 Notes—Change of Control," "Description of other material indebtedness—2023 Notes—Change of Control" and "Description of other material indebtedness—2021 Notes—Change of control."

The source of funds for any such purchase would be our available cash or third-party financing. However, we may not have enough available funds at the time of the occurrence of any change of control triggering event to make purchases of the outstanding 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes, 2023 Notes, 2021 Notes or the Notes. Our failure to make the offer to purchase or purchase the outstanding 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes, 2023

Notes, 2021 Notes or the Notes would constitute an event of default under the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes, respectively. The event of default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If our other debt were to be accelerated, we may not have sufficient funds to purchase or otherwise satisfy our obligations under the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes and repay the debt.

In addition, the definition of change of control triggering event for purposes of the indenture governing the Notes does not necessarily afford protection for the holders of the Notes in the event of some highly leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalizations, although these types of transactions could increase our indebtedness or otherwise affect our capital structure or credit ratings. The definition of change of control triggering event for purposes of the indenture governing the Notes also includes a phrase relating to the sale of "all or substantially all" of our assets. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition under applicable law. Accordingly, our obligation to make an offer to purchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes, and the ability of a holder of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or the Notes to require us to purchase its notes pursuant to the offer as a result of a highly-leveraged transaction or a sale of less than all of our assets may be uncertain.

The terms of the Notes permit us to make investments in Unrestricted Subsidiaries and minority owned joint ventures

In light of land prices, the capital intensive nature of land acquisitions, sizes of projects, the competitive landscape and other factors, we may from time to time consider developing properties jointly with other property developers. As a result, we may need to make investments in joint ventures (including joint ventures in which we may own less than a 50% equity interest) and such joint ventures may or may not be Restricted Subsidiaries under the Indenture governing the Notes. Although the Indenture governing the Notes restricts us and our Restricted Subsidiaries from making investments in Unrestricted Subsidiaries or joint ventures, these restrictions are subject to important exceptions and qualifications. See the section entitled "Limitation on Restricted Payments" and the definition of "Permitted Investment" in "Description of the Notes." As of the date of this offering memorandum, we have designated a number of Unrestricted Subsidiaries. See "Corporate structure."

We may be able to redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest in the event we are required to pay additional amounts because we are treated as a PRC "resident enterprise"

In the event we are treated as a PRC "resident enterprise" under the EIT Law, we may be required to withhold PRC tax on interest payable to certain of our non-resident investors. In such case, we will, subject to certain exceptions, be required to pay such additional amounts as will result in receipt by a holder of a Note of such amounts as would have been received by the holder had no such withholding been required. As described under "Description of the Notes—Redemption for Taxation Reasons," in the event we are required to pay additional amounts as a result of certain changes in specified tax laws or certain other circumstances, including any change or interpretation or the stating of an official position that results in our being required to withhold tax on interest payments as a result of our being treated as a PRC "resident enterprise," we may redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest.

The insolvency laws of the Cayman Islands and other local insolvency laws may differ from U.S. bankruptcy laws or those of another jurisdiction with which the holders of the Notes are familiar

Because we are incorporated under the laws of the Cayman Islands, an insolvency proceeding relating to us, even if brought in the United States, may involve Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of United States federal bankruptcy law. In addition, the Subsidiary Guarantors are incorporated in the BVI and the insolvency laws of the BVI may also differ from the laws of the United States or other jurisdictions with which the holders of the Notes are familiar. Also, certain of our subsidiaries are incorporated in other jurisdictions such as Malaysia and Australia and the insolvency laws of these jurisdictions may also differ from the United States or a jurisdiction with which the holders of the Notes are familiar.

We conduct substantially all of our business operations through PRC-incorporated subsidiaries in China. We and our non-PRC Subsidiary Guarantors, as equity holders in our PRC subsidiaries, are necessarily subject to the bankruptcy and insolvency laws of China in a bankruptcy or insolvency proceeding involving any of such PRC subsidiaries. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may significantly differ from those of the United States and other jurisdictions with which the holders of the Notes are familiar. You should analyze the risks and uncertainties in the insolvency of the Cayman Islands, BVI, Malaysia, the PRC and other jurisdictions applicable to us carefully before you invest in our Notes.

We may be unable to obtain and remit foreign exchange

Our ability to satisfy our obligations under the Notes depends solely upon the ability of our subsidiaries in the PRC to obtain and remit sufficient foreign currency to pay dividends to us. Our PRC subsidiaries receive substantially all of their revenues in Renminbi. Our PRC subsidiaries must present certain documents to SAFE, its authorized branch, or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of the PRC (including, in the case of dividends, evidence that the relevant PRC taxes have been paid). Pursuant to the EIT Law, which became effective in January 1, 2008, if we are deemed a "non-resident enterprise," dividends distributed to us by our PRC subsidiaries and interest payments made to us by our PRC subsidiaries (to the extent permitted by law) are subject to a 10% withholding tax. Prior to making such interest payments, the relevant PRC subsidiary must also present evidence of payment of 10% withholding tax. If any such PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency, including the failure of SAFE to approve the registration of the relevant intercompany loans or to approve the payments under such loans, the PRC subsidiary will be unable to pay us dividends or interest and principal, when due, on the relevant intercompany loans, which may affect our ability to satisfy our obligations under the Notes.

We have substantial indebtedness and may incur substantial additional indebtedness in the future, which could adversely affect our financial health and our ability to generate sufficient cash to satisfy our outstanding and future debt obligations

We now have, and will continue to have after the offering of the Notes, a substantial amount of indebtedness. Our total borrowings, including both current and non-current borrowings, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes, as applicable, as of December 31, 2011, 2012 and 2013 were RMB28,965.9 million, RMB36,912.7 million and RMB56,248.8 million (US$9,291.6 million), respectively. After giving effect to this offering, we would have outstanding borrowings (including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes) of RMB59,493.5 million (US$9,827.6 million).

Our substantial indebtedness could have important consequences to you. For example, it could:

- limit our ability to satisfy our obligations under the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and other debt;
- increase our vulnerability to adverse general economic and industry conditions;
- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for or reacting to changes in our businesses and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less debt;
- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and
- increase the cost of additional financing.

In the future, we may from time to time incur substantial additional indebtedness and contingent liabilities. Although the indentures governing the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes restrict us and our Restricted Subsidiaries from incurring additional debt and contingent liabilities, these restrictions are subject to important exceptions and qualifications. Under the Notes, our ability to incur additional debt is subject to the limitation on indebtedness and preferred stock covenant. Under such covenant, we may incur (i) certain Permitted Indebtedness or (ii) additional indebtedness if we can, among other things, satisfy the Fixed Charge Coverage Ratio. The Fixed Charge Coverage Ratio is derived by dividing consolidated EBITDA by Consolidated Fixed Charges. Because our definition of Consolidated EBITDA includes our unrealized gains on valuation adjustments on our investment properties, our Consolidated EBITDA and therefore our ability to incur additional debt under such covenant, could be substantially larger when compared to other similarly situated PRC-based issuers of high-yield bonds whose covenant does not typically include unrealized gains in the calculation of their respective consolidated EBITDA. If we or our subsidiaries incur additional debt, the risks that we face as a result of our already substantial indebtedness and leverage could intensify.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. We anticipate that our operating cash flow will be sufficient to meet our anticipated operating expenses and to service our debt obligations as they become due. However, we may not generate sufficient cash flow for these purposes. If we are unable to service our indebtedness, we will be forced to adopt alternative strategies. These may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

In addition, the terms of the indentures governing the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes prohibit us from incurring additional indebtedness unless we are able to satisfy certain financial ratios, and contain other restrictions. Our ability to meet our financial ratios may be affected by events beyond our control. We cannot assure you that we will be able to meet these ratios. Certain of our financing arrangements also impose operating and financial restrictions on our business. See "Description of other material indebtedness." Such restrictions in the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and our other financing arrangements may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities we believe to be desirable, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in our business or the economy in general. Any of these factors could materially and adversely affect our ability to satisfy our obligations under the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and other debt.

If we are unable to comply with the restrictions and covenants in our debt agreements, the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or the Indenture governing the Notes, there could be a default under the terms of these agreements, which could cause repayment of our debt to be accelerated

If we are unable to comply with the restrictions and covenants in the Indenture governing the capitalize Notes, or our current or future debt and other agreements (including the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to us, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, some of our debt agreements, including the indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes, contain cross-acceleration or cross-default provisions. As a result, our default under one debt agreement may cause the acceleration of debt, including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes, or result in a default under our other debt agreements. 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. 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 operations are restricted by the terms of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes, which could limit our ability to plan for or to react to market conditions or meet our capital needs, which could increase your credit risk

The indentures governing the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes and the Notes include a number of significant restrictive covenants. These covenants restrict, among other things, our ability, and the ability of our restricted subsidiaries, to:

- incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- declare dividends on capital stock or purchase or redeem capital stock;
- make investments or other specified restricted payments;
- issue or sell capital stock of Restricted Subsidiaries;
- guarantee indebtedness of Restricted Subsidiaries;
- sell assets;
- create liens;
- enter into sale and leaseback transactions;
- enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants could limit our ability to plan for or react to market conditions or to meet our capital needs. Our ability to comply with these covenants may be affected by events beyond our control, and we may have to curtail some of our operations and growth plans to maintain compliance.

A trading market for the Notes may not develop, and there are restrictions on resales of the Notes

The Notes are a new issue of securities for which there is currently no trading market. The Notes will not be designated for trading on the PORTAL Market of the Financial Industry Regulatory Authority, Inc. Although approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST, we cannot assure you that we will be able to obtain or maintain such listing on the SGX-ST, or that a liquid trading market will develop. We have been advised that the Initial Purchasers intend to make a market in the Notes, but the Initial Purchasers are not obligated to do so and may discontinue such market making activity at any time without notice. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, you will only be able to resell your Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act. See "Transfer restrictions." We cannot predict whether an active trading market for the Notes will develop or be sustained.

The ratings assigned to the Notes may be lowered or withdrawn in the future

The Notes have been provisionally assigned a rating of BB by Standard and Poor's Ratings Services, Ba2 by Moody's Investors Service and BB+ by Fitch Ratings. The ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We cannot assure you that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. We have no obligation to inform holders of the Notes of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

The liquidity and price of the Notes following the offering may be volatile

The price and trading volume of the Notes may be highly volatile. Changes in our revenues, earnings and cash flows and proposals of new investments, strategic alliances or acquisitions, interest rates, prices for comparable companies, government regulations applicable to our industry and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. We cannot assure you that these developments will not occur in the future.

Certain facts and statistics are derived from publications not independently verified by us, the Initial Purchasers, the Trustee, the Agents or our or their respective advisors

Facts and statistics in this offering memorandum relating to China's economy and the property industry are derived from various official or other publications available in China. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, the Initial Purchasers, the Trustee, the Agents or our or their respective advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside China. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

There may be less publicly available information about us than is available in certain other jurisdictions

There may be less publicly available information about companies listed in Hong Kong than is regularly made available by public companies in certain other countries. In addition, our financial statements are prepared and presented in accordance with HKFRS, which differ in certain respects from U.S. GAAP which might be material to the financial information contained in this offering memorandum. We have not prepared a reconciliation of our consolidated financial statements and related footnotes between HKFRS and other GAAP. See "Summary of certain differences between HKFRS and U.S. GAAP."

Certain transactions that constitute "connected transactions" under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") will not be subject to the "Limitation on transactions with shareholders and affiliates" covenant

Our shares are listed on the Hong Kong Stock Exchange and we are required to comply with the Listing Rules, which provide, among other things, that any transaction between a listed company or any of its subsidiaries, on the one hand, and a "connected person" of such listed company, on the other hand, is a "connected transaction" that, if the value of such transaction exceeds the applicable de minimis thresholds, will require the prior approval of the independent shareholders of such listed company. The definition of "connected person" to a listed company includes, among others, any 10% or more shareholder of (i) such listed company or (ii) any subsidiary of such listed company. The concept of "connected person" also captures "associates," which include, among others, (a) any subsidiary of such "connected person," (b) any holding company of such "connected person" and any subsidiary of such holding company, and (c) any company in which such entity or entities mentioned in (a) and (b) above taken together has/have the power to exercise control, directly or indirectly, of 30% or more of the voting power of such company.

The "Limitation on Transactions with Shareholders and Affiliates" covenant in the Notes only applies to transactions between the Company or any Restricted Subsidiary, on the one hand, and (x) any holder (or any Affiliate of such holder) of 10% or more of any class of Capital Stock of the Company or (y) any Affiliate of the Company, on the other hand. As such, transactions between the Company or any Restricted Subsidiary, on the one hand, and an Affiliate of any Restricted Subsidiary, on the other hand, will not be captured by such covenant, even though they may be connected transactions under the Listing Rules and subject to any requirements under the Listing Rules are subject to the independent shareholders' requirement under the Listing Rules. As a result, we are not required by the terms of the Notes to ensure that any such transactions are on terms that are fair and reasonable, and we will not need to deliver officers' certificates or procure the delivery of fairness opinions of accounting, appraisal or investment banking firms to the trustee of the Notes for any such transactions.

We will follow the applicable corporate disclosure standards for debt securities listed on the SGX-ST, which may be different from those applicable to debt securities listed in certain other countries

We will be subject to reporting obligations in respect of the Notes to be listed on the SGX-ST. The disclosure standards imposed by the SGX-ST may be different than those imposed by securities exchanges in other countries or regions such as the United States or Hong Kong. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

Risks relating to the Subsidiary Guarantees and the Collateral

Our initial Subsidiary Guarantors do not currently have significant operations

Although we conduct substantially all of our business operations through our PRC subsidiaries, none of our current PRC subsidiaries will provide a Subsidiary Guarantee either upon issuance of the Notes or at any time thereafter. No future subsidiaries that may be organized under the laws of the PRC, or what are not permitted by applicable law or regulation to guarantee the Notes (the "Exempted Subsidiaries"), will provide a Subsidiary Guarantee at any time in the future.

Moreover, the Notes will not be guaranteed by certain Non-Guarantor Subsidiaries and under the terms of the Indenture Subsidiary Guarantors may be able to release their Subsidiary Guarantees subject to certain conditions and become Non-Guarantor Subsidiaries. In addition, certain of our offshore subsidiaries are permitted to not guarantee the Notes and have their capital stock pledged to secure the notes, if the consolidated assets of all these subsidiaries (other than the Exempted Subsidiaries) do not exceed 20% of our total assets, or if the applicable law or regulation does not allow such guarantee or pledge. As a result, the Notes will be effectively subordinated to all the debt and other obligations, including contingent obligations and trade payables, of the PRC subsidiaries. In addition, the Collateral will not include the capital stock of our existing or future PRC subsidiaries.

The initial Subsidiary Guarantors that will guarantee the Notes do not have significant operations. We cannot assure you that the initial Subsidiary Guarantors or any subsidiaries that may become Subsidiary Guarantors in the future would have the funds necessary to satisfy our financial obligations under the Notes if we are unable to do so.

Under the terms of the Notes, a Subsidiary Guarantor may be able to release its Subsidiary Guarantee if it sells or issues more than 20% of the Capital Stock of such Subsidiary Guarantor to a third party, as long as the consolidated assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors (including the New Non-Guarantor Restricted Subsidiaries) do not account for more than 20% of the our total assets.

The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees

Under bankruptcy laws, fraudulent transfer laws, insolvency laws or unfair preference or similar laws in the BVI and other jurisdictions where future Subsidiary Guarantors may be established or where insolvency proceedings may be commenced with respect to any such Subsidiary Guarantor, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things and where applicable, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

(1) incurred the debt with the intent to hinder, delay or defraud creditors (whenever the transaction took place, and irrespective of insolvency);

(2) put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given; or

(3) received no consideration, or received consideration in money or money's worth that is significantly less than the consideration supplied by the guarantor.

In the case of (2) and (3) above, a guarantee will only be voidable if it was entered into at a time when the guarantor was insolvent, or if it became insolvent as a consequence of doing so. Insolvency in this context under BVI law means that the guarantor is unable to pay its debts as they fall due. Additionally, a guarantee will only be voidable if it is given within the six-month period preceding the commencement of liquidation or within the two-year period, if the guarantor and the beneficiary are connected entities.

The measure of insolvency for purposes of the foregoing will vary depending on the laws of the jurisdiction which are being applied. Generally, however, a guarantor would be considered insolvent at a particular time if it were unable to pay its debts as they fell due or if the sum of its debts was then greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debt as they became absolute and matured.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantors. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Subsidiary Guarantors under the Subsidiary Guarantees will be limited to the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the guarantee, as it relates to such Subsidiary Guarantor, voidable under such applicable insolvency or fraudulent transfer laws. We cannot assure you that such limitation will be effective in preserving the enforceability of any of the Subsidiary Guarantees.

If a court voided a Subsidiary Guarantee, subordinated such guarantee to other indebtedness of the Subsidiary Guarantor, or held the Subsidiary Guarantee unenforceable for any other reason, holders of the Notes would cease to have a claim against that Subsidiary Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of such Subsidiary Guarantor, and would solely be creditors of us and any Subsidiary Guarantor whose guarantee was not voided or held unenforceable. We cannot assure you that, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the Notes.

The charge of certain Collateral may in certain circumstances be voidable

The charge of the Collateral may be voidable as a preference under insolvency or fraudulent transfer or similar laws of the Cayman Islands and the BVI at any time within six months of the creation of the charge or, under some circumstances, within a longer period. Charges of capital stock of future Subsidiary Guarantors may also be voidable as a preference under relevant insolvency or fraudulent transfer or similar laws. In addition, the charge of certain Collateral may be voided based on the analysis set forth under "—The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees."

If the charges of the Collateral were to be voided for any reason, holders of the Notes would have only an unsecured claim against us.

The value of the Collateral will likely not be sufficient to satisfy our obligations under the Notes

The Collateral will consist only of the capital stock of the initial Subsidiary Guarantors. The security interest in respect of certain Collateral may be released upon the disposition of such Collateral and any proceeds from such disposition may be applied, prior to repaying any amounts due under the Notes, to repay other debt or to make investments in properties and assets that will not be charged as additional Collateral.

The ability of the Collateral Agent, on behalf of the holders of the Notes, to foreclose on the Collateral upon the occurrence of an Event of Default or otherwise, will be subject in certain instances to perfection and priority issues. Although procedures will be undertaken to support the validity and enforceability of the security interests, we cannot assure you that the Trustee or holders of the Notes will be able to enforce the security interest.

The value of the Collateral in the event of a liquidation will depend upon market and economic conditions, the availability of buyers and similar factors. No independent appraisals of any of the Collateral have been prepared by or on behalf of us in connection with this offering of the Notes. Accordingly, we cannot assure you that the proceeds of any sale of the Collateral following an acceleration of the Notes would be sufficient to satisfy, or would not be substantially less than, amounts due and payable on the Notes. By their nature, some or all of the Collateral, in particular, the capital stock of the existing or any future Subsidiary Guarantor, may be illiquid and may have no readily ascertainable market value. Likewise, we cannot assure you that the Collateral will be saleable or, if saleable, that there will not be substantial delays in its liquidation.

Subject to the Intercreditor Agreement, the Collateral will be shared on a *pari passu* basis by the holders of the Notes, the holders of the 2014 Notes, the holders of the 2017 Notes, the holders of the 2015 Notes, the holders of the 2018 Notes, the holders of the 2023 Notes and the holders of the 2021 Notes. Accordingly, in the event of a default on the Notes, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes or the 2021 Notes and a foreclosure on the Collateral, any foreclosure proceeds would be shared by holders of secured indebtedness in proportion to the outstanding amounts of each class of secured indebtedness. The value of the Collateral securing the Notes and the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors is unlikely to be sufficient to satisfy the Company's and each of the Subsidiary Guarantor Pledgors' obligations under the Notes, the Subsidiary Guarantees and other pari passu secured indebtedness, and the Collateral securing the Notes and such Subsidiary Guarantee may be reduced or diluted under certain circumstances, including the issuance of Additional Notes and the disposition of assets comprising the Collateral, subject to the terms of the Indenture and the Intercreditor Agreement.

The pledge of certain Collateral may be released under certain circumstances

If we dispose of not less than 20% of the shares of a Subsidiary Guarantor, the Subsidiary Guarantees provided by such Subsidiary Guarantor and its subsidiaries, and the Collateral comprising the shares of these companies, may be released if the consolidated assets of our non-PRC subsidiaries (other than Exempted Subsidiaries) that do not guarantee the Notes do not account for more than 20% of our total assets immediately following such release. As a result, in the event we sell minority equity interests in our Subsidiary Guarantors in accordance with the terms of the Indenture, the Collateral will be reduced in value and scope, and holders of the Notes would be subject to increased risks.

The Intercreditor Agreement may affect our ability and the ability of the Subsidiary Guarantors to pay amounts due under the Notes and the Subsidiary Guarantees and may limit the rights of holders of the Notes to the Collateral

If so instructed by the holders of the Notes, the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or other permitted pari passu secured indebtedness (or their trustees or representatives) given under and in accordance with the Intercreditor

Agreement, the Intercreditor/Collateral Agent is required to take action to enforce the Collateral. Any such enforcement action will adversely affect our entitlement to receive dividend or other distributions from the Collateral, which will, in turn, have an adverse impact on our ability to fulfill our payment obligations under the Notes. Similarly, the Subsidiary Guarantors' ability to pay under the Subsidiary Guarantees will be adversely affected.

The Intercreditor Agreement limits the ability of holders of the Notes to enforce the Collateral, as only the Intercreditor/Collateral Agent is permitted to take enforcement actions. The Intercreditor/Collateral Agent, pursuant to the Intercreditor Agreement, the Security Documents and underlying indentures, has duties with respect to the Collateral pledged, assigned or granted. Under certain circumstances, such duties may conflict with the interests of the holders of the Notes and other secured parties.

If an Event of Default occurs under the Notes, the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or other permitted pari passu secured indebtedness, the holders of such indebtedness must decide whether to take any enforcement action with respect to the Collateral. Thereafter they may, through their respective trustee or representative, instruct the Intercreditor/Collateral Agent to take such action pursuant to the terms of the Intercreditor Agreement and the Security Documents. Such action may be adverse to holders of the Notes. In that event, the holders of the Notes would retain only the remedy to sue for payment on the Notes and the Subsidiary Guarantees.

Use of proceeds

We estimate that the net proceeds from this offering, after deducting the underwriting discount and other estimated expenses payable by us in connection with this offering will be approximately US$536 million. We intend to use the net proceeds from this offering to refinance the 2017 Notes and other existing indebtedness and for general corporate purposes.

Capitalization

The following table sets forth on an actual basis our consolidated cash and cash equivalents and capitalization as of December 31, 2013 and as adjusted to give effect to the Notes now being issued after deducting the underwriting discounts and commission and other estimated expenses of this offering and without taking into account the proposed issuance of the Private Notes and the refinancing of the 2017 Notes. The following table should be read in conjunction with the selected consolidated financial and other data, the audited consolidated financial statements and related notes included elsewhere in this offering memorandum. Except as otherwise disclosed in this offering memorandum, there has been no material change in our capitalization since December 31, 2013.

	As of December 31, 2013			
(in millions)	**Actual**		**As Adjusted**	
	RMB	**US$**	**RMB**	**US$**
Cash and cash equivalents(1)	18,909.7	3,123.7	22,154.4	3,659.7
Short-term borrowings(2)(3)				
Bank and other borrowings-secured	3,160.1	522.0	3,160.1	522.0
Bank and other borrowings-unsecured	6,926.1	1,144.1	6,926.1	1,144.1
2014 Notes	2,348.0	387.9	2,348.0	387.9
Total short-term borrowings	12,434.2	2,054.0	12,434.2	2,054.0
Long-term borrowings(3)(4)				
Bank and other borrowings-secured	21,754.3	3,593.6	21,754.3	3,593.6
Bank and other borrowings-unsecured	1,348.7	222.8	1,348.7	222.8
2017 Notes	3,374.7	557.5	3,374.7	557.5
2015 Notes	2,513.4	415.2	2,513.4	415.2
2018 Notes	5,599.8	925.0	5,599.8	925.0
2023 Notes	4,669.3	771.3	4,669.3	771.3
2021 Notes	4,554.3	752.3	4,554.3	752.3
Notes to be issued	-	-	3,244.7	536.0
Total long-term borrowings	43,814.5	7,237.7	47,059.2	7,773.7
Equity attributable to owners of the Company				
Issued share capital (HK$0.1 par value per share, 18,457,534,177 shares issued and fully paid)	1,789.7	295.6	1,789.7	295.6
Share premium	18,759.5	3,098.8	18,759.5	3,098.8
Treasury shares	(380.2)	(62.8)	(380.2)	(62.8)
Other reserves	2,194.1	362.4	2,194.1	362.4
Retained earnings	21,590.5	3,566.5	21,590.5	3,566.5
Total equity attributable to owners of the Company	43,953.6	7,260.5	43,953.6	7,260.5
Total capitalization(5)	100,202.3	16,552.2	103,447.0	17,088.2

Notes:

(1) Cash and cash equivalents exclude restricted cash of RMB7,769.9 million (US$1,283.5 million).

(2) Short-term borrowings include the current portion of long-term borrowings.

(3) As of December 31, 2013, our consolidated capital commitments were RMB49,056.6 million (US$8,103.6 million) and our contingent liabilities, most of which were in the form of guarantees that we have provided to our customers in relation to their purchase of our properties, amounted to approximately RMB31,443.7 million (US$5,194.1 million). See "Management's discussion and analysis of financial conditions and results of operations—Liquidity and capital resources—Contingent liabilities" and "—Capital commitments."

(4) Long-term borrowings exclude the current portion of long-term borrowings.

(5) Total capitalization equals total short-term borrowings and total long-term borrowings plus equity attributable to owners of the Company.

We continue to enter into short-term and long-term borrowings in the ordinary course of business, including construction and project loans. In addition, we may from time to time enter into other financing arrangements, including offshore facilities, trust financing arrangements and perpetual loan arrangements. See "Management's discussion and analysis of financial condition and results of operations—Liquidity and capital resources—Capital resources." Subsequent to December 31, 2013, we have drawn down an offshore facility in the amount of HK$400.0 million, partially drawn down another offshore facility in the amounts of US$38.7 million and HK$70.0 million and entered into a perpetual loan arrangement in the amount of RMB400.0 million. See "Description of other material indebtedness—Offshore facility agreements" and "Description of other material indebtedness—Perpetual Capital Instrument."

On May 15, 2014, we entered into a subscription agreement to issue an aggregate principal amount of US$250.0 million 7.50% Senior Notes due 2019. The issuance of the Private Notes is subject to the fulfillment of certain conditions precedent under the subscription agreement and is expected to take place on or about June 5, 2014. See "Description of other material indebtedness—Private Notes."

Selected consolidated financial and other data

The following tables present our selected financial and other data. The selected financial data as of and for each of the fiscal years ended December 31, 2011, 2012 and 2013 (except for EBITDA data) is derived from our audited consolidated financial statements as of and for the years ended December 31, 2012 and 2013 and included elsewhere in this offering memorandum. Our financial information has been prepared and presented in accordance with HKFRS, which differ in certain material respects from generally accepted accounting principles in the United States ("U.S. GAAP"). For a discussion of some of these differences, see "Summary of certain differences between HKFRS and U.S. GAAP." The summary financial data below should be read in conjunction with "Management's discussion and analysis of financial condition and results of operations" and the consolidated financial information and the related notes included elsewhere in this offering memorandum.

Selected consolidated statement of comprehensive income information

(in millions, except percentages)	2011	2012	2013	2013
	For the year ended December 31,			
	(RMB)	(RMB)	(RMB)	(US$) (unaudited)
Revenue	34,748.3	41,891.0	62,681.9	10,354.3
Cost of sales	(22,752.6)	(26,551.5)	(43,713.3)	(7,220.9)
Gross profit	11,995.7	15,339.5	18,968.6	3,133.4
Other gains—net	43.1	103.3	64.3	10.6
Selling and marketing costs	(1,128.4)	(2,186.1)	(4,303.8)	(710.9)
Administrative expenses	(1,319.5)	(1,568.3)	(2,033.2)	(335.9)
Operating profit	9,590.9	11,688.4	12,695.9	2,097.2
Finance income	101.3	153.3	803.2	132.7
Finance costs	(221.5)	(279.7)	-	-
Finance income/(costs)—net	(120.2)	(126.4)	803.2	132.7
Share of results of an associate and a joint venture	120.9	(93.7)	(25.9)	(4.3)
Fair value changes on derivative financial instruments	15.2	73.6	-	-
Profit before income tax	9,606.8	11,541.9	13,473.2	2,225.6
Income tax expenses	(3,768.6)	(4,657.3)	(4,625.2)	(764.0)
Profit for the year	5,838.2	6,884.6	8,848.0	1,461.6
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
—Change in value of available-for-sale financial assets	-	-	6.3	1.0
—Currency translation differences	-	(6.1)	(78.9)	(13.0)
Other comprehensive loss for the year, net of tax	-	(6.1)	(72.6)	(12.0)
Total comprehensive income for the year	5,838.2	6,878.5	8,775.4	1,449.6
Profit attributable to:				
—Owners of the Company	5,813.2	6,852.7	8,514.1	1,406.4
—Non-controlling interests	25.0	31.9	333.9	55.2
	5,838.2	6,884.6	8,848.0	1,461.6
Total comprehensive income to:				
Owners of the Company	5,813.2	6,849.3	8,476.6	1,400.2
Non-controlling interests	25.0	29.2	298.8	49.4
	5,838.2	6,878.5	8,775.4	1,449.6
Dividends	2,163.5	2,527.3	3,105.8	513.0
Other Financial Data (unaudited)				
EBITDA(1)	10,442.6	12,268.6	14,089.8	2,327.5
EBITDA Margin(2)	30.1%	29.3%	22.5%	22.5%

Selected consolidated balance sheet information

(in millions)	As of December 31, 2011	2012	2013	2013
	(RMB)	(RMB)	(RMB)	(US$) (unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment	8,055.3	11,613.9	15,828.3	2,614.6
Investment property	126.0	118.3	112.3	18.6
Intangible assets	18.5	22.7	43.5	7.2
Land use rights	1,326.1	1,390.2	1,865.1	308.1
Properties under development	26,551.4	25,700.5	40,080.1	6,620.8
Investment in an associate	204.7	114.4	56.8	9.4
Deferred income tax assets	1,299.3	1,449.3	1,800.0	297.3
Available-for-sale financial assets	-	-	206.3	34.1
Other non-current assets	-	201.7	33.3	5.4
	37,581.3	40,611.0	60,025.7	9,915.5
Current assets				
Properties under development	28,370.0	39,155.4	67,473.8	11,145.9
Completed properties held for sale	12,876.3	18,497.3	18,919.8	3,125.3
Inventories	248.8	347.5	572.9	94.6
Trade and other receivables	12,535.5	17,123.9	26,378.4	4,357.4
Prepaid taxes	3,305.1	3,927.1	6,189.2	1,022.4
Restricted cash	4,649.0	5,050.9	7,769.9	1,283.5
Cash and cash equivalents	7,744.4	11,809.0	18,909.7	3,123.7
	69,729.1	95,911.1	146,213.7	24,152.8
Total assets	107,310.4	136,522.1	206,239.4	34,068.3
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital and premium	15,382.2	19,368.7	20,169.0	3,331.7
Other reserves	1,367.9	1,902.0	2,194.1	362.4
Retained earnings				
—proposed final dividend	2,163.5	2,527.3	3,105.7	513.0
—others	10,076.7	13,779.1	18,484.8	3,053.5
	28,990.3	37,577.1	43,953.6	7,260.6
Non-controlling interests	1,077.0	1,307.3	2,057.5	339.9
Total equity	30,067.3	38,884.4	46,011.1	7,600.5
Liabilities				
Non-current liabilities				
Senior notes	14,204.5	14,213.2	20,711.5	3,421.3
Convertible bond	884.1	-	-	-
Bank and other borrowings	7,408.3	13,603.3	23,103.0	3,816.3
Deferred government grants	189.5	189.5	239.6	39.6
Deferred income tax liabilities	785.2	924.4	1,269.9	209.8
	23,471.6	28,930.4	45,324.0	7,487.0
Current liabilities				
Advanced proceeds received from customers	27,865.0	33,353.6	63,418.0	10,475.9
Trade and other payables	12,810.3	19,030.3	30,914.6	5,106.7
Derivative financial instruments	919.8	-	-	-
Income taxes payable	5,707.4	7,227.2	8,137.5	1,344.2
Senior notes	-	-	2,348.0	387.9
Convertible bond	-	943.9	-	-
Bank and other borrowings	6,469.0	8,152.3	10,086.2	1,666.1
	53,771.5	68,707.3	114,904.3	18,980.8
Total liabilities	77,243.1	97,637.7	160,228.3	26,467.8
Total equity and liabilities	107,310.4	136,522.1	206,239.4	34,068.3
Net current assets	15,957.6	27,203.8	31,309.4	5,172.0
Total assets less current liabilities	53,538.9	67,814.8	91,335.1	15,087.5

Notes:

(1) EBITDA for any period consists of operating profit plus interest income, depreciation expenses of property, plant and equipment and investment property and amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA is not a standard measure under either U.S. GAAP or HKFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to service debt and pay taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See "Management's discussion and analysis of financial condition and results of operations—Non-GAAP financial measures" for a reconciliation of our profit for the year under HKFRS to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

Management's discussion and analysis of financial condition and results of operations

The following discussion should be read in conjunction with our consolidated financial information together with the accompanying notes included elsewhere in this offering memorandum. Our consolidated financial statements were prepared in accordance with HKFRS.

This section includes forward-looking statements that involve risks and uncertainties. All statements, other than statements of historical facts, included in this section that address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses we made in light of experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances.

Unless the context otherwise requires, references to "2011," "2012" and "2013" in this offering memorandum are to our financial years ended December 31, 2011, 2012 and 2013, respectively. References to "associate" or "associates" in this section are to associates as defined in HKFRS.

Overview

We are one of the leading integrated property developers in the PRC, with substantially all of our assets and operations based in the PRC. Since the commencement of our property development activities in 1997, we have benefited from, and we expect to continue to benefit from, the growth in the property sector associated with the economic development in the PRC, particularly in Guangdong Province, which is one of the most affluent provinces and fastest growing economies in the PRC. Our primary business has been the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. The majority of our products are targeted towards end-user customers. As an integrated property developer, our lines of business also include construction, installation, fitting and decoration as well as property management. Our residential home projects are generally located in the suburban areas of first-tier cities and in the newly urbanized town centers of second- and third-tier cities. In December 2011, we expanded our operations into Malaysia. We are also planning to launch a new project in Sydney, Australia in the second half of 2014.

As of December 31, 2013, we had 171 projects at various stages of development. Of these projects, 75 were located in Guangdong Province: 14 in Guangzhou City, nine in Foshan City, 13 in Jiangmen City, seven in Zhaoqing City and the remaining in various other cities. We also had 93 projects located outside Guangdong Province, spanning 17 provinces, two autonomous regions, two municipalities in the PRC as well as two in the State of Selangor, Malaysia and one in the State of Johor, Malaysia.

As of December 31, 2013, our projects had an aggregate completed GFA of approximately 45,731,794 sq.m. We had an aggregate GFA under development of approximately 33,304,855 sq.m. and an aggregate GFA of approximately 39,082,290 sq.m. relating to properties held for future development as of the same date. We have obtained land use rights certificates, development and operation rights or land title in respect of the completed GFA, GFA under development and GFA held for future development. In addition, as of December 31, 2013, we had entered into land grant contracts or sale and purchase agreements in respect of land located in 40 cities in the PRC, one in the State of Johor, Malaysia as well as one in Sydney, Australia with an aggregate site area of approximately 9,086,377 sq.m. and an aggregate expected GFA of approximately 13,249,284 sq.m. for future development.

In addition, we are jointly developing the Asian Games City Project in Guangzhou City with several other PRC real estate developers which occupies an estimated site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 5.8 million sq.m. The Asian Games City Project is being developed by the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects, the site area or GFA data included in this offering memorandum. See "Business—Asian Games City Project" for more details.

We also develop hotels to complement our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to such residential projects and enhanced our brand recognition. As of December 31, 2013, we had developed and were operating seven five-star hotels and two four-star hotels, as well as 30 hotels which were developed in accordance with the five-star rating standard set forth in the "Star-Rating Standard for Tourist Hotels" (旅遊飯店星級的劃分與評定) issued by the PRC National Tourism Administration. In addition, we have 12 hotels under construction in accordance with the five-star standard and three hotels under construction in accordance with the four-star standard set forth in the "Star-Rating Standard for Tourist Hotels."

Certain profit or loss items

Revenue

Our revenue comprises primarily proceeds from the sale of properties and provision of services after the elimination of intra-group transactions. Our revenue is primarily generated from our four business segments, consisting of property development, construction, fitting and decoration, property management and hotel operation.

The table below sets forth the revenue by segments and their percentage of the total revenue:

	For the year ended December 31,					
	2011		2012		2013	
	Amount	Percentage of total revenue	Amount	Percentage of total revenue	Amount	Percentage of total revenue
	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Property development	33,193,982	95.5	40,011,972	95.5	60,043,348	95.8
Construction, fitting and decoration	240,881	0.7	314,278	0.8	866,871	1.4
Property management	511,719	1.5	592,311	1.4	777,129	1.2
Hotel operation	801,723	2.3	972,423	2.3	994,527	1.6
Total	34,748,305	100.0	41,890,984	100.0	62,681,875	100.0

Revenue from property development represents proceeds from the sale of our properties. As we derive a substantial amount of our total revenue from the property development segment, our results of operations for a given period are dependent upon the type and GFA of properties we have completed during that period, the market demand for those properties and the price we are able to obtain for such properties. Conditions in the property markets in which we operate change from period to period and are significantly affected by the general economic, political and regulatory developments in the PRC. See "—Key factors affecting our performance."

We recognize revenue from the sales of properties when the construction has been completed and the properties have been delivered to the purchasers with the collectability of related receivables reasonably is assured. For each of the years ended December 31, 2011, 2012 and 2013, we recognized revenue of RMB33,194.0 million, RMB40,012.0 million and RMB60,043.3 million (US$9,918.5 million) in connection with the delivery of an aggregate GFA of 5,895,762 sq.m., 6,158,231 sq.m. and 9,239,765 sq.m. of property, respectively.

Consistent with customary practice in the property development industry in the PRC, after satisfying the conditions for pre-sales according to PRC laws and regulations, we typically enter into purchase contracts with customers while the properties are still under development. See "Business—Property development—Pre-sales." Generally there is a time difference typically ranging from several months to one year between the time we commence pre-selling of properties under development and the delivery of properties to the purchasers. We do not recognize any revenue from the pre-sales of our properties until the development of such properties is completed and the properties are delivered to the purchasers, even though a portion of the purchase price for a property is typically paid at various stages prior to the delivery of properties. Before the delivery of a pre-sold property upon the completion of development, deposits, installments and purchase price or portions thereof received from our customers are recorded as "advanced proceeds received from customers," a current liability on our balance sheet.

Revenue from construction services is recognized in the accounting period in which the services are rendered by reference to completion of the specific transaction and assessed on the basis of the contract costs incurred up to the end of the reporting period as a percentage of the total estimated costs for each contract. Revenue from decoration, property management and hotel operation is recognized in the accounting period in which the services are rendered. The revenue generated by certain of our subsidiaries comprising the construction, fitting and decoration, property management and hotel operation segments from services provided to our projects is eliminated in our consolidated financial statements. Revenue generated from construction services (after elimination upon consolidation) represents mainly revenue generated from Qingyuan Country Garden, a project developed by a related party, Qingyuan Country Garden Property Development Co., Ltd. See "Related party Transactions—Construction, fitting and decoration services" for more details. For each of the three years ended December 31, 2011, 2012 and 2013, our construction, fitting and decoration segment generated revenue of RMB240.9 million, RMB314.3 million and RMB866.9 million (US$143.2 million), respectively; our property management segment generated revenue of RMB511.7 million, RMB592.3 million and RMB777.1 million (US$128.4 million), respectively; and our hotel operation segment generated revenue of RMB801.7 million, RMB972.4 million and RMB994.5 million (US$164.3 million), respectively.

Cost of sales

Cost of sales comprises the costs incurred from our four business segments. The table below sets forth the cost of sales by segments and their percentage of the total cost of sales:

	For the year ended December 31,					
	2011		2012		2013	
	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales
	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Property development	21,523,889	94.6	25,034,354	94.3	41,451,840	94.8
Construction, fitting and decoration	189,507	0.8	241,994	0.9	667,491	1.5
Property management	447,699	2.0	549,437	2.1	764,578	1.8
Hotel operation	591,539	2.6	725,695	2.7	829,348	1.9
Total	22,752,634	100.0	26,551,480	100.0	43,713,257	100.0

Cost of sales represents primarily the costs we incur directly for our property development activities which include construction, decoration and design costs, land use rights cost and business taxes and levies.

The table below sets forth for the periods indicated, the components of our cost of properties sold, and the percentage of the cost of properties sold represented by each component.

	For the year ended December 31,					
	2011		2012		2013	
	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales	Amount	Percentage of total cost of sales
	(RMB in thousands)	%	(RMB in thousands)	%	(RMB in thousands)	%
Construction, decoration and design costs	16,396,061	76.2	18,949,557	75.7	31,935,283	77.0
Land use rights cost	3,279,531	15.2	3,817,594	15.2	6,118,926	14.8
Business taxes and levies	1,848,297	8.6	2,267,203	9.1	3,397,631	8.2
Total	21,523,889	100.0	25,034,354	100.0	41,451,840	100.0

Properties under development are stated at the lower of cost and net realizable value. Net realizable value takes into account the price ultimately expected to be realized and the anticipated costs to complete the properties. Completed properties remaining unsold at the end of each financial period are stated at the lower of cost and net realizable value.

Construction, decoration and design costs. Construction, decoration and design costs comprise self-construction costs, outsourcing costs, fitting and decoration costs and design costs. The price of raw materials, the level of complexity of the construction and design and the luxury level in the decoration are the principal factors affecting the average construction costs. Therefore, construction costs of a property project may fluctuate if the conditions of the site require more complex designs and procedures or more expensive materials in order to provide the desired foundation support.

Land use rights cost. Land use rights cost represents costs relating to the acquisition of the rights to occupy, use and develop land, including land premiums, deed taxes and government surcharges and demolition and resettlement cost. The land costs are recognized as part of cost of sales upon the completion and delivery of relevant properties to the purchasers.

***Business taxes*.** Our PRC subsidiaries are subject to local business taxes. The effective business tax rate for each of our property development, construction, fitting and decoration, property management and hotel operation businesses as of December 31, 2013 was 5%, 3%, 5% and 5%, respectively. Business tax is levied on the revenue from the sales of properties or rendering of services. Accordingly, the total business tax recognized in our cost of sales increases or decreases along with the movement of revenue recognized.

Selling and marketing costs

Selling and marketing costs include advertising and promotion expenses relating to sales of properties, selling and marketing staff costs, including selling commissions for our sales staff, and other selling expenses.

Administrative expenses

Administrative expenses include primarily staff costs, materials consumption cost, depreciation, property tax and donations.

Finance costs

Finance costs consist primarily of interest costs as a result of bank borrowings and the issue of senior notes. Finance costs fluctuate from period to period due primarily to fluctuations in our level of outstanding indebtedness, the interest rates on our borrowings and the capitalization of borrowing costs.

Derivative financial instruments

Our derivative financial instruments consisted of the Equity Swap. We were a party to an Equity Swap with Merrill Lynch International dated February 15, 2008, for our shares having a value of US$250.0 million at such time. The Equity Swap became effective concurrently with the offering of our Convertible Bonds on February 22, 2008 and was amended on January 5, 2011. Upon the effectiveness of the Equity Swap we transferred cash collateral of US$250.0 million by way of an outright transfer of such amount to Merrill Lynch International. Upon early termination or termination at maturity, if the final price of our shares were higher than the initial price, we would have been entitled to receive a payment from Merrill Lynch International and if the final price were lower than the initial price, we would have been required to make a payment to Merrill Lynch International (which would be netted against the return of the cash collateral). The initial price was determined shortly after the time the Equity Swap was entered into in accordance with a formula set out in the confirmation documenting the Equity Swap (the "Confirmation"). The final price was determined by reference to a volume weighted average price determined based on the price at which Merrill Lynch International terminates or liquidates its hedge positions (subject to any price limit that we notify Merrill Lynch International of and certain other provisions of the Equity Swap) on a number of averaging dates determined in the manner set out in the Confirmation.

On March 2, 2012, we exercised our right to early termination and terminated the Equity Swap in whole. Measured by the termination price, the gain from the fair value change on the equity swap since January 1, 2012 to the termination date was approximately RMB73.6 million.

We were required by HKFRS to make a fair value assessment on the Equity Swap at each balance sheet date. In general, a fair value gain or loss, respectively, will be recognized if our share price on the current balance sheet date is higher or lower than the share price on the last balance sheet date. We had a fair value gain on the Equity Swap of RMB15.2 million, RMB73.6 million and nil for 2011, 2012 and 2013, respectively.

Income tax expenses

Enterprise Income Tax. Income tax expense represents PRC enterprise income tax accrued by our operating subsidiaries and provision for LAT. We are an exempted company in the Cayman Islands, and are not subject to Cayman Islands income tax. Our BVI companies holding our PRC subsidiaries are also not subject to BVI income tax. Our PRC subsidiaries are subject to enterprise income tax at a rate of 25% pursuant to the EIT Law.

Pursuant to the EIT Law, dividends distributed by our PRC subsidiaries to us or our non-PRC subsidiaries are subject to a withholding tax of 5% for enterprises incorporated in Hong Kong, subject to approval by the relevant authorities and 10% for enterprises incorporated outside of Hong Kong if we or our non-PRC subsidiaries, as the case may be, are deemed as a "non-resident enterprise."

LAT. The LAT expense recorded in our statement of comprehensive income for any given period represents the provision and payment for LAT with respect to the recognized revenue in that period.

Under PRC laws and regulations, our PRC subsidiaries engaging in property development are subject to LAT, which is collected by the local tax authorities. All income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as defined in the relevant tax laws, with certain exemptions available for the sale of ordinary standard residential houses if the appreciation value does not exceed 20% of the total deductible items as defined in the relevant tax laws. See "Regulation—Legal supervision relating to property sector in the PRC—H. Major taxes applicable to property developers—Land appreciation tax." Sales of commercial properties are not eligible for this exemption. Whether a property qualifies for the ordinary standard residential houses exemption is determined by the local government taking into consideration the property's plot ratio, aggregate GFA and sales price. Sales of properties with higher appreciation values are generally subject to higher LAT rates. On December 28, 2006, the State Administration of Taxation issued the Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (關於房地產開發企業土地增值稅清算管理有關問題的通知) which came into effect on February 1, 2007. Such notice provides further clarifications as to the settlement of LAT. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation. On May 19, 2010, the SAT issued the Circular on Issues Concerning Settlement of Land Appreciation Tax (關於土地增值稅清算有關問題的通知) to clarify and strengthen the settlement of the land appreciation tax. Furthermore, on May 25, 2010, the SAT issued the Notice on Strengthening the Collection of Land Appreciation Tax (關於加強土地增值稅徵管工作的通知), which requires that the minimum LAT prepayment rate shall be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region. We estimate and make provisions for the full amount of applicable LAT in accordance with the requirements set forth in the relevant PRC tax laws and regulations, but only pay a portion of such provisions each year as required by the local tax authorities under prevailing practice.

Our LAT expense for 2011, 2012 and 2013 was RMB1,448.6 million, RMB2,261.2 million and RMB1,634.8 million (US$270.0 million), respectively. Our LAT provision balance as of December 31, 2013 was RMB3,536.9 million (US$584.3 million).

Our effective income tax rate is affected by PRC enterprise income tax expense and LAT as described above. Our effective income tax rate is also affected by expenses incurred outside the PRC, such as the interest and other expenses incurred on the Convertible Bonds and senior notes, which are not deductible for purposes of PRC income tax. Our effective income tax rate was 39.2% in 2011, 40.4% in 2012 and 34.3% in 2013.

Non-controlling interests

Non-controlling interests represent our profits or losses after taxation that are attributable to minority shareholders of our non-wholly owned subsidiaries.

Key factors affecting our performance

Our business, financial condition and results of operations are affected by a number of factors, many of which are beyond our control, including those set out below.

Economic growth, speed of urbanization and demand for residential properties in China

Economic growth, urbanization and rising standards of living in China have been the main driving forces behind the increasing market demand for residential properties. Demand for residential properties in the PRC, including Guangdong Province, has grown rapidly in the last decade but such growth has often been coupled with volatility in market conditions and fluctuations in property prices. Developments in the economy and the rate of urbanization have in the past increased the demand for residential properties and affected pricing trends in the property sector in the cities and regions where we operate in China. We believe that these factors will continue to significantly affect our results of operations. China's rate of economic growth has slowed in recent years, and a portion of continuing economic growth has been driven by increased borrowing by local governments and corporations. During the first quarter of 2014, China's economy grew 7.4% from a year earlier, slower than the 7.7% growth rate in the last quarter of 2013. Further slowing in China's economic growth (including as a result of measures designed to control liquidity in the economy) could also affect our results of operations. See "Risk factors—Risks relating to our business—We are heavily dependent on the performance of the property market in the PRC, particularly in Guangdong Province, and may be affected by the performance of the property market in other places where we conduct our operations."

The slowdown of the worldwide economy from 2008 to early 2009, including that of China, resulted in the decline in real estate market sentiment, which have adversely affected property demand and average selling prices in many areas of China. In 2010, a financial crisis emerged in Europe, creating concerns about the ability of certain European nations to continue to service their sovereign debt obligations. On August 6, 2011, S&P downgraded the rating for long-term United States debt to "AA+" from "AAA" for the first time in 70 years. These events, coupled with ongoing political unrest in the Middle East, Eastern Europe and Africa, particularly the crisis in Crimea, have resulted that in an environment of macroeconomic uncertainty. It is difficult to determine the impact that any global economic slowdown and financial crisis may have on the property industry in China. If any global economic slowdown or financial market crisis eventuates, continues or worsens, our business prospects, revenues, cash flows and financial condition could be materially and adversely affected.

Regulatory measures in the property industry in China

PRC government policies and measures on property development and related industries have a direct impact on our business and results of operations. From time to time, the PRC government adjusts its macroeconomic control policies to encourage or restrict development in the private property sector through measures relating to, among other things, land grants, pre-sales of properties, bank financing and taxation. The PRC government has continued to increase regulation over the property market since 2010. Policies restricting property purchases were adopted in nearly 50 cities in 2011, as compared to fewer than 25 cities in 2010. In 2012, the PRC government continued to implement selected policies aimed at further cooling the real estate property market, though at the same time, the PRC government implemented selected measures to support the growth of the Chinese economy, such as lowering banks' reserve requirement ratio and reducing benchmark lending rates. On February 20, 2013, the PRC government released five new policies to regulate the real estate market, including new initiatives to control speculative property investments, increase housing and land supply and step up construction of affordable housing. On February 26, 2013, the State Council issued six property tightening measures, which included an income tax levy on homeowners of as high as 20% on profit made from selling their homes. The State Council also stated that local branches of the central bank in certain cities could increase their down payment rate and mortgage loan interest rate for homebuyers purchasing a second unit. Furthermore, the new measures stipulated that non-local families without a certain number of years of tax payment certificates would be banned from buying homes in the cities in which they currently reside. Regulations were also promulgated at various levels to promote affordable housing. PRC regulatory measures in the real estate industry will continue to affect our business and results of operations. See "Regulation—Legal supervision relating to property sector in the PRC," "Risk factors—Risk relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth," "Industry overview—The property industry in the PRC—Property reforms" and "Regulation" for more details.

We are also highly susceptible to any regulations or measures adopted by PBOC that may restrict bank lending to enterprises, particularly to property developers. Moreover, a substantial portion of our purchasers depend on mortgage financing to purchase our properties. Regulations or measures adopted by the PRC government that are intended to restrict the ability of purchasers to obtain mortgages or that increase the costs of mortgage financing may decrease market demand for our properties and adversely affect our sales revenue.

Ability to acquire suitable land for future property development

Our continuing growth will depend in large part on our ability to acquire quality land at prices that can yield reasonable returns. Based on our current development plans, we believe we have sufficient land reserves for property developments for the next three to five years. Assuming that the PRC economy continues to grow at a relatively high speed and demand for residential properties remains strong, we expect that competition among developers for land reserves that are suitable for property development will intensify. In addition, the public tender, auction and listing-for-sale practice in respect of the grant of state-owned land use rights is also likely to increase competition for land development and to increase land acquisition costs. Furthermore, in November 2009, the PRC government raised the minimum down-payment of land premium to 50% and required the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions. In March 2010, the Ministry of Land and Resources promulgated a notice to strictly regulate the transfer of land for commercial buildings. According to the notice, the area of a parcel of land granted for commodity residential development should be strictly restricted in accordance with the catalog of restricted use of land and the minimum price of the land transfer should not be less than 70% of the benchmark price of the place where the land being transferred is located, and the real estate developer's bid deposit should not be less than 20% of the minimum transfer price. See "Regulation." These changes of policy may materially and adversely affect our cash flow and our ability to acquire suitable land for our operations.

Pre-sales

Pre-sales constitute the most important source of our operating cash inflow during our project development process. PRC law allows us to pre-sell properties before their completion upon satisfaction of certain requirements and requires us to use the pre-sales proceeds to develop the projects 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-sales imposed by the PRC government, market demand for our properties subject to pre-sales and the number of properties we have available for pre-sale. Reduced cash flow from pre-sales of our properties will increase our reliance on external financing and will affect our ability to finance our continuing property developments.

Access to and cost of financing

Bank borrowing is another important source of funding for our property developments. As of December 31, 2011, 2012 and 2013, our outstanding bank and other borrowings amounted to RMB13,877.3 million, RMB21,755.6 million and RMB33,189.2 million (US$5,482.5 million), respectively. As commercial banks in China link the interest rates on their bank loans to benchmark lending rates published by PBOC, any increase in such benchmark lending rates will increase the interest costs related to our developments. 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 development.

We have also sought financing in the international capital markets through the offerings of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes, which generally give us a longer maturity term but bear higher interest rates than bank borrowings. Access to and cost of financing in the international capital markets is subject to a number of factors, including the global economic conditions and liquidity in the credit markets.

Timing of property development

The number of property developments that a developer can undertake during any particular period is limited due to the substantial amount of capital required for land acquisitions and construction costs as well as limited land supply. Property developments may take many months, or possibly years, before any pre-sale occurs. While pre-sales generate positive cash flow for us, no sales revenue is recognized in respect of such presold properties until development and the property is delivered to the purchaser. We aim to time the launch of pre-sales of our properties to coincide with strong periods of expected demand. As market demand is not stable, sales revenue in a particular period therefore depends on our ability to gauge the expected demand in the market at the launch time for completion of a particular project. As a result, our results of operations have fluctuated in the past and are likely to continue to fluctuate in the future.

Price volatility of construction materials

Our results of operations are affected by price volatility of construction materials such as steel and cement. The cost of construction materials constitutes the most important item in our construction costs. With a view to achieving economies of scale and lowering our purchase costs, we seek to use centralized procurement for projects undertaken by our own construction companies. However, any increase the cost in construction materials will increase our construction costs. If we cannot pass the increased costs on to our customers, our profitability will suffer.

Changes in product mix

The prices and gross profit margins of our products vary by the types of properties we develop and sell. Our gross profit margin is affected by the proportion of sales revenue attributable to our higher gross margin products compared to sales revenue attributable to lower gross margin products. Typically, our low-density units have commanded higher selling prices and gross profit margins than apartment units. Historically, a substantial portion of the projects we have developed have had low plot ratios, permitting us to increase our sales of low density units. Due to regulations in the PRC, we can no longer develop stand-alone villas on land acquired after May 2006. More recently, we have begun acquiring land with higher plot ratios, which will require us to increase the proportion of apartments that we develop and sell. We believe that we have a diversified product portfolio, and we are currently developing strategies to address changes in product mix that may result from such higher plot ratios, such as offering decorated apartment products. If we are unable to successfully develop and execute such strategies, our profit margins may decline as the proportion of our sales comprising apartments increases.

LAT

Our property developments are subject to LAT with respect to the appreciated value of the related land and improvements on such land. LAT applies to both domestic and foreign investors of property in China, irrespective of whether they are corporate entities or individual investors. Our LAT expense recognized on our statements of comprehensive income for each of the three years ended December 31, 2011, 2012 and 2013 was RMB1,448.6 million, RMB2,261.2 million and RMB1,634.8 million (US$270.0 million), respectively. As of December 31, 2013, our LAT provision on our balance sheets was RMB3,536.9 million (US$584.3 million). We prepay LAT with reference to our pre-sales proceeds and the tax rates set out by local tax authorities. See "Risk factors—Risks relating to our business—The relevant PRC tax authorities may challenge the basis on which we calculate our LAT obligations," "—Certain income statement items—Cost of sales" and "—Certain income statement items—Income tax expenses."

Generally, LAT on apartments is lower than LAT on low-density units, as apartments generally have lower selling prices.

Labor costs

In addition, with the overall improvement of living standards in the PRC as well as the PRC government's recent policies aiming to increase wages of migrant workers, we expect the trend of increasing labor costs to continue in the near future, which in turn will increase our operating costs.

Interim fluctuation of results of operations

Our results of operations tend to fluctuate from period to period. The number of properties that we can develop or complete during any particular period is limited due to the substantial amount of capital required for land acquisition, demolition, resettlement and construction, limited land supplies and lengthy development periods before positive cash flows may be generated. In addition, in recent years, we began to develop larger-scale property developments and, as a result, we develop properties in multiple phases over the course of several years. Typically, the selling prices of properties in such larger-scale property developments tend to increase as the overall development comes closer to completion, thus offering a more established residential community to the purchasers. Seasonal variations, as we disclosed in "Risk factors—Risks relating to our business—We face risks relating to fluctuations of results of operations from period to period," have also caused fluctuations in our interim revenue and profits, including quarterly and semi-annual results. As a result, our results of operations fluctuate and our interim results do not proportionally reflect our annual results.

Critical accounting policies

Critical accounting policies are those accounting policies that are reflective of significant judgments and uncertainties and that potentially yield materially different results under different assumptions and conditions.

Our consolidated financial statements have been prepared in accordance with HKFRS. HKFRS requires that we adopt accounting policies and make estimates that, our directors believe, are the most appropriate under the circumstances for the purposes of giving a true and fair view of our results and financial condition. In preparing our consolidated financial statements, we made certain estimates and assumptions about future events based on our experience. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities mainly include those related to property development activities. For more details about our critical accounting estimates and judgments, see note 4 to our audited financial information as of and for the year ended December 31, 2013 included elsewhere in this offering memorandum.

Revenue recognition. Revenue comprises primarily the proceeds from property development, construction, fitting decoration, property management and hotel operation after the elimination of intra-group transactions. Revenue from property sales is recognized when the construction has been completed and the properties have been delivered to the purchasers with the collectability of related receivables is reasonably assured. Deposits and installments received on properties sold prior to the date of revenue recognition are included in our consolidated balance sheets as advanced proceeds received from customers under current liabilities. Revenue arising from construction services is recognized in the accounting period in which the services are rendered by reference to completion of the specific transaction and assessed on the basis of the contract costs incurred up to the end of the reporting period as a proportion of the total estimated costs for each contract. Revenues arising from decoration service, hotel operation and property management are recognized in the accounting period in which the services are rendered.

Land use rights cost. Land use rights cost typically comprises payments to government authorities for obtaining the right to occupy, use and develop land, certain fees for altering the intended use of land and resettlement costs. Land use rights which are held for development and subsequent sale are classified as inventories and included in "Properties under development" or "Completed properties held for sales" under "Current assets" or "Non-current assets" in accordance with HKAS 2 and measured at the lower of cost and net realizable value.

Properties under development and completed properties held for sale. Properties under development which have either been pre-sold or which are intended for sale and are expected to be completed within a normal operating cycle are classified as current assets. Properties under development are stated at the lower of cost and net realizable value. Net realizable value for our properties under development is determined by reference to management estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion.

Development cost of a property comprises land use rights, construction costs, capitalized costs and professional fees incurred during the development period of a normal operating cycle. Upon completion, the properties are transferred to completed properties held for sale.

Completed properties remaining unsold at the end of each financial period are stated at the lower of cost and net realizable value. Net realizable value for our completed properties held for sale is determined by reference to management estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses.

Income taxes and deferred taxation. Significant judgment is required in determining the provision for income tax. Such determinations are often uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will affect the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

Estimates for impairment of hotel assets. Management performs review for impairment of hotel assets whenever events or changes in circumstances indicate that the carrying amounts of the hotel assets may not be recoverable. In such cases, the recoverable amounts of hotel assets have been determined based on the value-in-use method. Value-in-use calculations require the use of significant estimates and assumptions on the projections of cashflows from the continuous use of the hotel assets.

Results of operations

The following table sets forth, for the periods indicated, certain items derived from our consolidated statements of comprehensive income.

Summary consolidated statement of comprehensive income information

	For the year ended December 31,			
(in millions, except percentages)	**2011**	**2012**	**2013**	**2013**
	(RMB)	**(RMB)**	**(RMB)**	**(US$) (unaudited)**
Revenue	34,748.3	41,891.0	62,681.9	10,354.3
Cost of sales	(22,752.6)	(26,551.5)	(43,713.3)	(7,220.9)
Gross profit	11,995.7	15,339.5	18,968.6	3,133.4
Other gains—net	43.1	103.3	64.3	10.6
Selling and marketing costs	(1,128.4)	(2,186.1)	(4,303.8)	(710.9)
Administrative expenses	(1,319.5)	(1,568.3)	(2,033.2)	(335.9)
Operating profit	9,590.9	11,688.4	12,695.9	2,097.2
Finance income	101.3	153.3	803.2	132.7
Finance costs	(221.5)	(279.7)	-	-
Finance income/(costs)—net	(120.2)	(126.4)	803.2	132.7
Share of results of an associate and a joint venture	120.9	(93.7)	(25.9)	(4.3)
Fair value changes on derivative financial instruments	15.2	73.6	-	-
Profit before income tax	9,606.8	11,541.9	13,473.2	2,225.6
Income tax expenses	(3,768.6)	(4,657.3)	(4,625.2)	(764.0)
Profit for the year	5,838.2	6,884.6	8,848.0	1,461.6
Other comprehensive income:				
Items that may be reclassified to profit or loss:				
—Change in value of available-for-sale financial assets	-	-	6.3	1.0
—Currency translation differences	-	(6.1)	(78.9)	(13.0)
Other comprehensive loss for the year, net of tax	-	(6.1)	(72.6)	(12.0)
Total comprehensive income for the year	5,838.2	6,878.5	8,775.4	1,449.6
Profit attributable to:				
—Owners of the Company	5,813.2	6,852.7	8,514.1	1,406.4
—Non-controlling interests	25.0	31.9	333.9	55.2
	5,838.2	6,884.6	8,848.0	1,461.6
Total comprehensive income to:				
Owners of the Company	5,813.2	6,849.3	8,476.6	1,400.2
Non-controlling interests	25.0	29.2	298.8	49.4
	5,838.2	6,878.5	8,775.4	1,449.6
Dividends	2,163.5	2,527.3	3,105.8	513.0
Other Financial Data (unaudited)				
EBITDA(1)	10,442.6	12,268.6	14,089.8	2,327.5
EBITDA Margin(2)	30.1%	29.3%	22.5%	22.5%

Notes:

(1) EBITDA for any period consists of operating profit plus interest income, depreciation expenses of property, plant and equipment and investment property and amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA is not a standard measure under either U.S. GAAP or HKFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to service debt and pay taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition. See "Management's discussion and analysis of financial condition and results of operations—Non-GAAP financial measures" for a reconciliation of our profit for the year under HKFRS to our definition of EBITDA. Investors should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

2013 Compared to 2012

Revenue. Our revenue increased by 49.6% to RMB62,681.9 million (US$10,354.3 million) in 2013 from RMB41,891.0 million in 2012, primarily attributable to the increase in sales of properties.

- Property development. Revenue generated from property development increased by 50.1% to RMB60,043.3 million (US$9,918.5 million) in 2013 from RMB40,012.0 million in 2012, primarily attributable to a 50.0% increase in total GFA recognized to 9,239,765 sq.m. in 2013 from 6,158,231 sq.m. in 2012. The recognized average selling price of property was approximately RMB6,498 per sq.m. in 2013, compared to approximately RMB6,497 per sq.m. in 2012.

The following table sets forth the revenue generated from certain projects and the percentage of the total revenue it represented in the years ended December 31, 2013 and 2012, respectively.

	For the year ended December 31			
	2013		2012	
Property Development	**Revenue**	**Percentage of revenue**	**Revenue**	**Percentage of revenue**
	RMB'000	**%**	**RMB'000**	**%**
Country Garden—Ten Miles Beach	5,658,556	9.4	1,001,767	2.5
Country Garden City Garden	2,324,899	3.9	1,961,382	4.9
Country Garden Phoenix City	2,292,149	3.8	5,559,763	13.9
Country Garden—Phoenix City (Jurong)	2,094,375	3.5	806,763	2.0
Country Garden—Galaxy Palace	1,647,713	2.7	898,289	2.2
Heshan Country Garden	1,454,542	2.4	1,667,445	4.2
Dalang Country Garden	1,397,279	2.3	153,736	0.4
Meijiang Country Garden	1,363,165	2.3	-	-
Country Garden Spring City	1,235,997	2.1	691,229	1.7
Yunfu Country Garden	1,220,782	2.0	479,123	1.2
Anqing Country Garden	1,206,476	2.0	867,245	2.2
Country Garden Shine Hill Lake City	1,119,819	1.9	-	-
Country Garden—Triumph Palace	1,113,689	1.9	-	-
Taishan Country Garden	1,081,754	1.8	633,412	1.6
Country Garden Lakeside City	1,056,640	1.8	291,769	0.7
Tianjin Country Garden	1,021,303	1.7	1,076,998	2.7

Property Development	For the year ended December 31			
	2013		2012	
	Revenue	Percentage of revenue	Revenue	Percentage of revenue
	RMB'000	%	RMB'000	%
Tongliao Country Garden	1,014,554	1.7	57,350	0.1
Country Garden Grand Palace	996,300	1.7	945,601	2.4
Country Garden—Grand Garden	981,821	1.6	-	-
Country Garden—City Garden (Laian)	955,852	1.6	164,851	0.4
Country Garden—Eco City	925,246	1.5	-	-
Shaoguan Country Garden-Sun Palace	886,414	1.5	157,924	0.4
Country Garden—Phoenix City	868,480	1.4	-	-
Shaoguan Country Garden	828,232	1.4	897,025	2.2
Shunde Country Garden—including Country Garden West Court	825,585	1.4	-	-
Country Garden—Hill Lake Bay	757,936	1.3	-	-
Taizhou Country Garden	744,180	1.2	504,726	1.3
Country Garden—Parklane Bay	739,159	1.2	-	-
Country Garden—Dongjiang Phoenix City	701,652	1.2	756,522	1.9
Country Garden—Europe City	685,751	1.1	348,989	0.9
Huiyang Country Garden	657,937	1.1	182,126	0.5
Country Garden—Hill Lake Grand Palace	647,668	1.1	199,956	0.5
Wuyi Country Garden	646,912	1.1	496,687	1.2
Others	18,890,532	31.5	19,211,295	48.0
Total	60,043,347	100	40,011,972	100

- Construction, Fitting and Decoration. Revenue generated from construction, fitting and decoration increased by 175.8% to RMB866.9 million (US$143.2 million) in 2013 from RMB314.3 million in 2012, primarily due to an increase in the volume of construction, fitting and decoration services rendered to third parties.

- Property management. Revenue generated from property management increased by 31.2% to RMB777.1 million (US$128.4 million) in 2013 from RMB592.3 million in 2012, primarily due to an increase in the cumulative GFA under management resulting from construction completion and delivery of our properties in line with the expansion of our operations.

- Hotel operation. Revenue generated from hotel operation increased by 2.3% to RMB994.5 million (US$164.3 million) in 2013 from RMB972.4 million in 2012, primarily due to increased revenues from existing hotels and the opening of new hotels. For more information on our hotel operations, see "Business—Hotel Development and operation."

Cost of sales. Cost of sales increased by 64.6% to RMB43,713.3 million (US$7,220.9 million) in 2013 from RMB26,551.5 million in 2012. The increase in cost of sales outpaced the increase in revenue primarily due to (i) the higher land acquisition costs relative to 2012 and (ii) the higher construction costs than in 2012 as a result of the deliveries of properties with greater interior fittings and decorations.

Gross profit. Gross profit increased by 23.7% to RMB18,968.6 million (US$3,133.4 million) in 2013 from RMB15,339.5 million in 2012. The gross profit margin in 2013 decreased to 30.3% from 36.6% in 2012, primarily attributable to a change in product mix, with a higher proportion of sales of high-rise apartments compared with higher margin products such as villas, as well as an increased proportion of sales outside of Guangdong where such projects generally involve higher development costs due to the use of more independent contractors.

Other gains—net. Other gains—net decreased by 37.8% to RMB64.3 million (US$10.6 million) in 2013 from RMB103.3 million in 2012, primarily due to a decrease in refund of land usage tax to RMB3.9 million (US$0.6 million) in 2013 from RMB25.1 million in 2012 and a decrease of forfeiture of deposits received from customers to RMB15.3 million (US$2.5 million) in 2013 from RMB26.8 million in 2012.

Selling and marketing costs. Selling and marketing costs increased by 96.9% to RMB4,303.8 million (US$710.9 million) in 2013 from RMB2,186.1 million in 2012. The increase was primarily attributable to a 50.4% increase in advertising costs from RMB1,273.5 million in 2012 to RMB1,915.4 million (US$316.4 million) in 2013 due to more sales, marketing and advertising activities, as well as an increase in the amount of commissions we offered to our sales staff during the year due to higher contracted sales relative to 2012.

Administrative expenses. Administrative expenses increased by 29.6% to RMB2,033.2 million (US$335.9 million) in 2013 from RMB1,568.3 million in 2012, primarily due to an increase in employee benefit expenses to RMB708.9 million (US$117.1 million) in 2013 from RMB515.1 million in 2012 as we increased salaries and bonuses for our employees during the year.

Finance income/(costs)—net. We recorded finance income—net of RMB803.2 million (US$132.7 million) in 2013, compared to finance cost—net of RMB126.4 million in 2012, primarily due to increases in interest capitalized and net foreign exchange gain as a result of the appreciation of the Renminbi against U.S. dollars. Total interest expenses increased to approximately RMB4,119.5 million (US$680.5 million) from approximately RMB3,097.1 million in 2012 due to increase in the amount of senior notes and bank and other borrowings. Total capitalized interest expenses, on the other hand, increased to RMB4,119.5 million (US$680.5 million) from RMB2,817.4 million in 2012. We recorded a net foreign exchange gain of RMB512.5 million (US$84.7 million) in 2013, compared to a net foreign exchange gain of RMB20.9 million in 2012.

Share of results of an associate and a joint venture. Our share of loss of an associate, Guangzhou Li He Property Development Company Limited, and a joint venture, Zhongshan Yahong Property Development Company Limited, decreased to RMB25.9 million (US$4.3 million) in 2013 from RMB93.7 million in 2012.

Fair value changes on derivative financial instruments. We recognized fair value changes on our Equity Swap. See "—Certain income statement items—Derivative financial instruments" for more details. We recorded nil fair value changes on the Equity Swap in 2013 compared to a fair value gain of RMB73.6 million in 2012, due to the termination of the Equity Swap in March 2012.

Income tax expenses. Income tax expenses decreased slightly to RMB4,625.2 million (US$764.0 million) in 2013 from RMB4,657.3 million in 2012. Our effective income tax rate decreased from 40.4% in 2012 to 34.3% in 2013.

Total comprehensive income for the year. Total comprehensive income for the year increased by 27.6% to RMB8,775.4 million (US$1,449.6 million) in 2013 from RMB6,878.5 million in 2012. Our net profit margin decreased to 14.0% in 2013 from 16.4% in 2012, as a result of the cumulative effects of the foregoing factors.

2012 Compared to 2011

Revenue. Our revenue increased by 20.6% to RMB41,891.0 million in 2012 from RMB34,748.3 million in 2011, primarily attributable to the increase in sales of properties.

- Property Development. Revenue generated from property development increased by 20.5% to RMB40,012.0 million in 2012 from RMB33,194.0 million in 2011, primarily attributable to a 15.4% increase in recognized average selling price of property to RMB6,497 per sq.m. in 2012 from RMB5,630 per sq.m. in 2011. Total GFA recognized increased by 4.5% to 6,158,231 sq.m. in 2012 from 5,895,762 sq.m. in 2011.

The following table sets forth the revenue generated from certain projects and the percentage of the total revenue it represented in each of the years ended December 31, 2012 and 2011, respectively.

	For the year ended December 31,			
	2012		2011	
Property Development	**Revenue**	**Percentage of revenue**	**Revenue**	**Percentage of revenue**
	RMB'000	**%**	**RMB'000**	**%**
Country Garden Phoenix City	5,559,763	13.9	3,009,085	9.1
Country Garden City Garden	1,961,382	4.9	-	-
Heshan Country Garden	1,667,445	4.2	2,387,135	7.2
Country Garden Grand Palace (Nansha)	1,245,681	3.1	-	-
Tianjin Country Garden	1,076,998	2.7	604,353	1.8
Changsha Country Garden	1,065,487	2.7	732,357	2.2
Country Garden—Phoenix City (Shenyang)	1,011,899	2.5	340,860	1.0
South Xinhui Country Garden	1,011,465	2.5	-	-
Country Garden—Ten Miles Beach	1,001,767	2.5	-	-
Country Garden Grand Palace	945,601	2.4	519,579	1.6
Country Garden—Galaxy Palace	898,289	2.2	1,270,332	3.8
Shaoguan Country Garden	897,025	2.2	1,407,419	4.2
Anqing Country Garden	867,245	2.2	311,340	0.9
Wuhu Country Garden	813,499	2.0	844,951	2.5
Country Garden—Phoenix City (Jurong)	806,763	2.0	-	-
Haifeng Country Garden	784,616	2.0	-	-
Country Garden—Dongjiang Phoenix City	756,522	1.9	-	-
Xinhui Country Garden	713,651	1.8	758,200	2.3
Country Garden—Spring City	691,229	1.7	-	-
Holiday Islands—Qingyuan	690,009	1.7	1,750,400	5.3
Chizhou Country Garden	639,601	1.6	470,236	1.4
Taishan Country Garden	633,412	1.6	638,941	1.9
Country Garden Grand Lake	626,556	1.6	-	-
Others	13,646,069	34.1	18,148,795	54.7
Total	40,011,974	100.0	33,193,983	100.0

- Construction, Fitting and Decoration. Revenue generated from construction, fitting and decoration increased by 30.5% to RMB314.3 million in 2012 from RMB240.9 million in 2011, primarily due to an increase in the volume of construction, fitting and decoration services rendered to third parties.

- Property Management. Revenue generated from property management increased by 15.8% to RMB592.3 million in 2012 from RMB511.7 million in 2011, primarily due to an increase in the cumulative GFA under management resulting from construction completion and delivery of our properties in line with the expansion of our operations.

- Hotel Operation. Revenue generated from hotel operation increased by 21.3% to RMB972.4 million in 2012 from RMB801.7 million in 2011, primarily due to increased revenues from existing hotels and the opening of new hotels such as five-star rating standard Country Garden Phoenix Hotel, Chizhou in June 2012, Country Garden Phoenix Hot Spring Hotel, Taizhou and Country Garden Phoenix Hotel, Tongliao in July 2012, and Country Garden Silver Beach Hotel in October 2012, respectively.

Cost of sales. Cost of sales increased by 16.7% to RMB26,551.5 million in 2012 from RMB22,752.6 million in 2011, which was in line with the increase in revenue.

Gross profit. Gross profit increased by 27.9% to RMB15,339.5 million in 2012 from RMB11,995.7 million in 2011. Our gross profit margin in 2012 increased to 36.6% from 34.5% in 2011. Our gross profit and gross profit margin increased primarily due to the increase in total GFA sold and recognized average selling price of property.

Other gains—net. Other gains—net increased by 139.7% to RMB103.3 million in 2012 from RMB43.1 million in 2011, primarily due to an increase of refund of land usage tax to RMB25.1 million in 2012 from RMB3.4 million in 2011.

Selling and marketing costs. Selling and marketing costs increased by 93.7% to RMB2,186.1 million in 2012 from RMB1,128.4 million in 2011. The increase was primarily attributable to an increase in advertising costs from RMB548.5 million in 2011 to RMB1,273.5 million in 2012, as well as an increase in commissions we offered to our sales staff during the year.

Administrative expenses. Administrative expenses increased by 18.9% to RMB1,568.3 million in 2012 from RMB1,319.5 million in 2011, primarily due to an increase of employee benefit expenses to RMB515.4 million in 2012 from RMB412.9 million in 2011 as we increased salaries and bonuses for employees during the year.

Finance costs—net. Finance costs—net increased by 5.2% to RMB126.4 million in 2012 from RMB120.2 million in 2011, primarily due to an increase of interest expenses to RMB3,097.1 million in 2012 from RMB2,448.8 million in 2011. In addition, due to the lower rate of appreciation of the Renminbi, the foreign exchange gain in 2012 decreased by 95.2% to RMB20.9 million in 2012 from RMB438.0 million in 2011.

Share of results of an associate and a joint venture. We recorded a share of loss of an associate, Guangzhou Li He Property Development Company Limited, and a joint venture, Zhongshan Yahong Property Development Company Limited, of RMB93.7 million in 2012, as compared to a profit of RMB120.9 million in 2011.

Fair value changes on derivative financial instruments. We recognized fair value changes on our Equity Swap. See "—Certain income statement items—Derivative financial instruments" for more details. Based on the market price on December 31, 2012, we recognized fair value gain on the Equity Swap of RMB73.6 million. The fair value gain on the Equity Swap in 2011 was RMB15.2 million. The Equity Swap was terminated in March 2012.

Income tax expenses. Income tax expense increased by 23.6% to RMB4,657.3 million in 2012 from RMB3,768.6 million in 2011, primarily attributable to an increase in LAT from RMB1,448.6 million in 2011 to RMB2,261.2 million in 2012. The increase in LAT expense was primarily due to the increase in revenue.

Total comprehensive income for the year. Total comprehensive income for the year increased by 17.8% to RMB6,878.5 million in 2012 from RMB5,838.2 million in 2011. Our net profit margin decreased to 16.4% in 2012 from 16.8% in 2011, as a result of the cumulative effects of the foregoing factors.

Liquidity and capital resources

Cash flows

We operate in a capital intensive industry and have historically financed the development of our projects and other capital expenditures through a combination of internal funds, cash generated from our sales and pre-sale proceeds, borrowings from commercial banks in the PRC and Hong Kong, and proceeds from issuance of debt and equity securities, such as the issuance of the 2014 Notes in September 2009, the issuance of the 2017 Notes in April 2010, the issuance of the 2015 Notes in August 2010, the issuance of the 2018 Notes in February 2011, our share placement in February 2012, the issuance of the 2023 Notes in January 2013 and the issuance of the 2021 Notes in October 2013. Our short-term liquidity relates to servicing our debt and funding working capital requirements. Sources of short-term liquidity include cash balances and receipts from our operations. Our long-term liquidity requirement includes partial funding of our investments in new property projects and repayment of long-term debt, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes and other long-term credit facilities. Sources of funding for our long-term liquidity requirements include new loans or debt issuance. We hold our cash and cash equivalents primarily in Renminbi, with the remaining in Hong Kong dollars and U.S. dollars.

The following table presents selected cash flow data from our consolidated cash flow statement for each of the three years ended December 31, 2011, 2012 and 2013.

	Year ended December 31,			
	2011	2012	2013	2013
	(RMB in thousands)			(US$ in thousands) (unaudited)
Net cash used in operating activities	(2,486,862)	(2,483,202)	(5,809,383	(959,642)
Net cash used in investing activities	(2,629,490)	(3,968,683)	(4,993,162)	(824,812)
Net cash generated from financing activities	7,993,307	10,526,935	17,984,601	2,970,844
Cash and cash equivalents at the end of the year	7,744,362	11,809,031	18,909,719	3,123,663

Cash flows from operating activities

2013. Our net cash used in operating activities of RMB5,809.4 million (US$959.6 million) was attributable to income tax paid of RMB4,817.4 million (US$795.8 million) and interest paid of RMB3,814.4 million (US$630.1 million), partially offset by cash generated from operations of RMB2,822.4 million (US$466.2 million). Cash generated from operations prior to changes in working capital was RMB13,302.3 million (US$2,197.4 million). Changes in working capital contributed to a net cash outflow of RMB10,479.9 million (US$1,731.2 million), comprising primarily (i) an increase in property under development and completed property held for sale of RMB40,195.4 million (US$6,639.8 million), mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in prepaid taxes of RMB1,258.3 million (US$207.9 million), (iii) an increase in trade and other receivables of RMB8,554.6 million (US$1,413.1 million), mainly due to higher contracted sales relative to 2012, (iv) an increase in inventories of RMB225.3 million (US$37.2 million), and (v) an increase in restricted cash of RMB2,718.9 million (US$449.1 million), partially offset by (a) an increase in advanced proceeds received from customers of RMB30,064.3 million (US$4,966.3 million), mainly due to higher contracted sales relative to 2012, and (b) an increase in trade and other payables of RMB12,408.3 million (US$2,049.7 million), mainly due to the increase in properties under development and associated construction fees payable.

2012. Our net cash used in operating activities of RMB2,483.2 million was attributable to income tax paid of RMB3,466.1 million and interest paid of RMB3,012.1 million, partially offset by cash generated from operations of RMB3,994.9 million. Cash generated from operations prior to changes in working capital was RMB12,117.0 million. Changes in working capital contributed to a net cash outflow of RMB8,122.1 million, comprising primarily (i) an increase in property under development and completed property held for sale of RMB14,182.4 million, mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in prepaid taxes of RMB304.3 million, (iii) an increase in trade and other receivables of RMB4,629.9 million, (iv) an increase in inventories of RMB98.7 million, (v) an increase in restricted cash of RMB1,977.1 million, partially offset by (a) an increase in advanced proceeds received from customers of RMB5,488.6 million, and (b) an increase in trade and other payables of RMB7,581.8 million.

2011. Our net cash used in operating activities of RMB2,486.9 million was attributable to income tax paid of RMB2,868.0 million and interest paid of RMB2,104.8 million, partially offset by cash generated from operations of RMB2,485.9 million. Cash generated from operations prior to changes in working capital was RMB9,902.3 million. Changes in working capital contributed to a net cash outflow of RMB7,416.4 million, comprising primarily (i) an increase in property under development and completed properties held for sale of RMB18,363.9 million, mainly due to capitalized interest expenses attributable to properties under development and an increase in construction costs and land use rights, (ii) an increase in prepaid taxes of RMB182.0 million, (iii) an increase in trade and other receivables of RMB144.7 million, and (iv) an increase in inventories of RMB42.8 million, partially offset by (a) an increase in advanced proceeds received from customers of RMB6,135.4 million, (b) an increase in trade and other payables of RMB5,071.9 million, mainly due to the increase in properties under development and associated construction fees payable, and (c) a decrease in restricted cash of RMB109.8 million.

Cash flows from investing activities

2013. Our net cash outflow from investing activities of RMB4,993.2 million (US$824.8 million) was primarily attributable to (i) purchase of property, plant and equipment of RMB4,777.2 million (US$789.1 million) primarily relating to payments for construction of new hotels, (ii) purchase of intangible assets of RMB37.8 million (US$6.2 million), (iii) acquisition of subsidiaries (net of cash acquired) of RMB13.2 million (US$2.2 million), (iv) payment for investment property of RMB1.6 million (US$0.3 million), and (v) purchase of land use rights of RMB531.8 million (US$87.8 million), partially offset by (a) interest received of RMB290.7 million (US$48.0 million), (b) proceeds from disposal of property, plant and equipment of RMB27.6 million (US$4.6 million), and (c) government grants received of RMB50.0 million (US$8.3 million).

2012. Our net cash outflow from investing activities of RMB3,968.7 million in 2012 was primarily attributable to (i) purchase of property, plant and equipment of RMB3,894.5 million primarily relating to payments for construction of new hotels, (ii) purchase of intangible assets of RMB10.2 million, (iii) prepayment for an investment of RMB200.0 million, (iv) investment in a joint venture of RMB5.0 million, and (v) purchase of land use rights of RMB1.7 million, partially offset by (a) interest received of RMB132.4 million, and (b) proceeds from disposal of property, plant and equipment of RMB10.3 million.

2011. Our net cash outflow from investing activities of RMB2,629.5 million in 2011 was primarily attributable to (i) purchases of property, plant and equipment of RMB2,783.4 million in relation to payment for construction of new hotels, and (ii) purchase of land use rights of RMB34.9 million, partially offset by (a) interest received of RMB101.3 million, and (b) government grants received of RMB81.7 million.

Cash flows from financing activities

2013. Our net cash inflow from financing activities of RMB17,984.6 million (US$2,970.8 million) was primarily attributable to (i) proceeds from bank and other borrowings of RMB24,552.2 million (US$4,907.5 million), (ii) proceeds from the issuance of the 2023 Notes and the 2021 Notes of RMB9,136.3 million (US$1,509.2 million), and (iii) capital contributions from non-controlling interests of RMB562.0 million (US$92.8 million), partially offset by (a) repayments of bank and other borrowings of RMB13,268.6 million (US$2,191.8 million), (b) dividends paid to shareholders of RMB1,709.8 million (US$282.4 million), (c) dividends paid to non-controlling interests of RMB83.4 million (US$13.8 million), (d) redemption of the Convertible Bonds of RMB957.2 million (US$158.1 million) and (e) payment of acquisition of non-controlling interest of RMB247.0 million (US$40.8 million).

2012. Our net cash inflow from financing activities of RMB10,526.9 million in 2012 was primarily attributable to (i) proceeds from bank and other borrowings of RMB16,922.0 million, (ii) proceeds from issue of shares as a result of placing of RMB1,734.6 million, (iii) net proceeds from termination of the Equity Swap of RMB713.0 million and (iv) capital contributions from non-controlling interests of RMB281.6 million, partially offset by (a) repayments of bank and other borrowings of RMB9,043.7 million and (b) dividends paid to non-controlling interests of RMB80.6 million.

2011. Our net cash inflow from financing activities of RMB7,993.3 million in 2011 was primarily attributable to (i) proceeds from bank borrowings of RMB10,586.9 million, (ii) net proceeds from the issuance of the 2018 Notes of RMB5,770.4 million, and (iii) capital contributions from non-controlling interests of RMB455.4 million, partially offset by (a) repayments of bank borrowings of RMB6,619.5 million, (b) dividends paid to shareholders of RMB1,604.8 million, (c) repurchases of the Convertible Bonds of RMB585.3 million and (d) purchase of treasury shares of RMB9.9 million.

Capital resources

Property developments require substantial capital investment for land acquisition and construction and may take many months or years before positive cashflows can be generated. To date we have funded our growth principally from internal funds, borrowings from banks, proceeds from sales and pre-sales of our developed properties and proceeds from issuance of both debt and equity securities, such as the issuance of the 2014 Notes in September 2009, the issuance of the 2017 Notes in April 2010, the issuance of the 2015 Notes in August 2010, the issuance of the 2018 Notes in February 2011, the issuance of the 2023 Notes in January 2013 and the issuance of the 2021 Notes in October 2013. We have also entered into trust financing arrangements and a perpetual loan for our funding requirements. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies.

Since June 2003 commercial banks in the PRC have been prohibited under PBOC guidelines from advancing loans to fund payment of land premium. As a result, property developers may not use PRC bank loans to pay for land premium.

In an attempt to control the growth of the PRC property market, the PRC government in November 2009 raised the minimum down payment to 50% of the total land premium and on March 8, 2010, the Ministry of Land and Resources issued the circular on Strengthening Real Estate Land Supply and Supervision (關於加強房地產用地供應和監管有關問題的通知), under which the minimum price for a given land transfer is to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and pay the balance within one year of the contract date, subject to limited exceptions. Such policy may constrain our cash otherwise available for additional land acquisition and construction.

In addition to restrictions on land premium financing, the PRC government also encourages property developers to use internal funds to develop their property projects. Under guidelines issued by the China Banking Regulatory Commission in August 2004, commercial banks in China are not permitted to lend funds to property developers with an internal capital ratio, calculated by dividing the internal funds available by the total capital required for the project, of less than 35%, an increase of five percentage points from 30% as previously required. Such increase in internal capital ratio will increase the internally sourced capital requirement for property developers, including ourselves. In May 2009, as part of its measure to combat the impact of the global economic downturn at the time, the PRC government lowered this ratio to 20% for protected housing projects and ordinary commodity housing projects and to 30% for other property projects to stimulate property developments in China. However, the PRC government has recently announced a series of measures designed to stabilize the growth of the PRC economy and to stabilize the growth of specific sectors, including the property market, to a more sustainable level. See "Risk factors—Risks relating to the property sector in the PRC—The property industry in the PRC is subject to government regulations and policies, which could have the effect of slowing down the industry's growth."

We typically use internal funds and project loans from PRC banks to finance the initial construction costs for our property developments in the PRC. Additional cash is generated from pre-sales of properties when they meet the requirements of pre-sale under the national and local regulations. Such proceeds from pre-sales, together with the project loans, are the major sources of fund for the construction of our projects.

We intend to continue to fund our future development and debt servicing from existing financial resources and cash generated from operations. We may also raise additional funds through debt or equity offerings or sales or other dispositions of assets in the future to finance all or a portion of our future development, for debt servicing or for other purposes. In addition, we may consider raising additional funds through perpetual loans and securities in the PRC. Such perpetual loans and securities in the PRC may be guaranteed by us or our other subsidiaries or secured by shares of such subsidiaries.

Our ability to obtain adequate financing to satisfy our debt service requirements may be limited by our financial condition and results of operations and the liquidity of international and domestic financial markets. Any failure by us to achieve timely rollover, extension or refinancing of our short-term debt may result in our inability to meet our obligations in connection with debt service, accounts payable or other liabilities when they become due and payable. See "Risk factors—Risks relating to our business—We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations."

Borrowings

Bank and other borrowings

The following table sets forth our bank and other borrowings as of December 31, 2011, 2012 and 2013:

	As of December 31,		
(RMB in thousands)	**2011**	**2012**	**2013**
Borrowings included in non-current liabilities:			
Bank and other borrowings			
—secured	9,910,250	16,994,036	24,713,828
—unsecured	2,859,501	3,444,105	6,485,764
Less: current portion of non-current borrowings	(5,361,450)	(6,834,854)	(8,096,586)
Non-current borrowings	7,408,301	13,603,287	23,103,006
Borrowings included in current liabilities:			
Bank and other borrowings			
—secured	885,400	438,127	200,579
—unsecured	222,140	879,302	1,789,062
Current portion of non-current borrowings	5,361,450	6,834,854	8,096,586
Current borrowings	6,468,990	8,152,283	10,086,227
Total	13,877,291	21,755,570	33,189,233

Our bank and other borrowings as of December 31, 2011, 2012 and 2013 bore a weighted average effective interest of 7.21%, 8.18% and 7.34%, respectively.

As of December 31, 2013, most of our borrowings were secured by land use rights and properties that we owned and guaranteed by our subsidiaries. The maturity of our bank and other borrowings included in non-current liabilities as of December 31, 2011, 2012 and 2013 is as follows:

	As of December 31,		
(RMB in thousands)	**2011**	**2012**	**2013**
Between 1 and 2 years	4,348,751	5,320,196	10,656,172
Between 2 and 5 years	2,661,350	7,774,257	11,776,548
Beyond 5 years	398,200	508,834	670,286
	7,408,301	13,603,287	23,103,006

Subsequent to December 31, 2013, we have, from time to time, in the ordinary course of business, entered into additional loan agreements to finance our property developments or for general corporate purposes. A substantial portion of these loans were PRC bank loans and were secured by land use rights and other assets and properties as well as guaranteed by certain of our PRC subsidiaries. We have also entered into certain offshore facilities to finance our operations. See "Description of other material indebtedness—Offshore facility agreements."

Convertible Bonds and senior notes

We issued RMB denominated U.S. dollar settled 2.5% Convertible Bonds due 2013 with an aggregate principal amount of RMB3,595 million on February 22, 2008. The principal amount of the Convertible Bonds was increased to RMB4,314 million as a result of over-subscription. In September 2009, we issued 11.75% senior notes due 2014 with an aggregate principal amount of US$375,000,000, which remained outstanding as of December 31, 2013. In April 2010, we issued 11.25% senior notes due 2017 with an aggregate principal amount of US$550,000,000, which remained outstanding as of December 31, 2013. In August 2010, we issued 10.50% senior notes due 2015 with an aggregate principal amount of US$400,000,000, which remained outstanding as of December 31, 2013. In February 2011, we issued 11.125% senior notes due 2018 with an aggregate principal amount of US$900,000,000, which remained outstanding as of December 31, 2013. In January 2013, we issued 7.50% senior notes due 2023 with an aggregate principal amount of US$750,000,000, which remained outstanding as of December 31, 2013. In October 2013, we issued 7.25% senior notes due 2021 with an aggregate principal amount of US$750,000,000, which remained outstanding as of December 31, 2013.

We repurchased certain amount of the Convertible Bonds through a tender offer in April 2010 and through trading on the over-the-counter market. We also redeemed some of the Convertible Bonds on February 22, 2011 pursuant to bondholders that exercised their put option under the Convertible Bonds. In February 2013, we redeemed the remainder of the Convertible Bonds using part of the proceeds of the 2023 Notes.

The 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes are currently guaranteed by certain of our subsidiaries as subsidiary guarantors, and are secured, on a *pari passu* basis, by pledges over the shares of certain of such subsidiary guarantors. Such collateral is expected to be shared on a *pari passu* basis among the holders of the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes and the Notes upon the issuance of the Notes. See "Description of other material indebtedness—2014 Notes," "Description of other material indebtedness—2017 Notes," "Description of other material indebtedness—2015 Notes," "Description of other material indebtedness—2018 Notes," "Description of other material indebtedness—2023 Notes" and "Description of other material indebtedness—2021 Notes."

Restricted cash

Pursuant to relevant regulations, certain of our project companies are required to deposit a portion of proceeds from the pre-sales of properties into specific bank accounts. Before the completion of the pre-sold properties, the proceeds deposited in the escrow accounts may only be used for the restricted purposes of purchasing construction materials, equipment, making interim construction payments and paying taxes, with the prior approval of the relevant local authorities. Under the Equity Swap, we provided US$250.0 million as collateral to Merrill Lynch International. In addition, some of our secured borrowings and bills payable were secured by our bank deposits. As of December 31, 2011, 2012 and 2013, our restricted cash amounted to RMB4,649.0 million (comprising guarantee deposits for construction of pre-sold properties of RMB2,871.6 million, collateral for the Equity Swap of RMB1,575.2 million and collateral for bank borrowings of RMB202.2 million), RMB5,050.9 million (comprising guarantee deposits for construction of pre-sold properties of RMB4,839.9 million and collateral for bank borrowings of RMB211.0 million) and RMB7,769.9 million (US$1,283.5 million) (solely comprising guarantee deposits for construction of pre-sold properties), respectively.

Contingent liabilities

As of December 31, 2013, we provided guarantees of approximately RMB31,443.7 million (US$5,194.1 million) to PRC banks in respect of the mortgaged loans provided by the banks to purchasers of our developed properties. The majority of the guarantees are discharged upon the earlier of the issuance of the individual property ownership certificate to the owner of the property or the certificate of other rights of property to the mortgage bank which will generally be available within three months after we deliver the relevant property to the purchasers, or upon the full settlement of the mortgaged loans by the purchaser. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, we are responsible for repaying the outstanding mortgage principal together with accrued interest and penalty owed by the defaulted purchasers to the banks and we are entitled to take legal title to and possession of the relevant properties. Of the amounts as of December 31, 2013, approximately RMB85.1 million (US$14.1 million) was to be discharged two years from the day the mortgage loans become due; and approximately RMB31,358.6 million (US$5,180.1 million) was to be discharged upon the earlier of (i) issuance of the property ownership certificates which will generally be available within three months after the purchasers take possession of the relevant properties and (ii) the full repayment of the mortgage loans by the purchasers.

As of December 31, 2013, we had not provided guarantees to Malaysian banks in respect of the mortgaged loans provided by the banks to purchasers of our developed properties.

In addition, we provided guarantees for certain borrowings of the Asian Games City JV and a joint venture. As of April 25, 2014, our guarantees provided for the Asian Games City JV and a joint venture for their borrowings amounted to RMB1,249.4 million (US$206.4 million).

Capital commitments

As of December 31, 2013, our capital commitments in connection with our property development activities amounted to RMB49,056.6 million (US$8,103.6 million), primarily arising from contracted construction fees, land premium or other capital commitments for future property developments. We expect to fund such capital commitments principally from the pre-sale proceeds of our properties, bank and other borrowings and internally generated cash. The following table shows a breakdown of our capital commitments with respect to our property developments as of December 31, 2013:

	Amount	Percentage
	(RMB in million)	%
Contracted but not provided for		
Property, plant and equipment	9.1	0.0
Property development expenditure (including land premium)	49,047.4	100.0
	49,056.5	100.0

For additional information about our capital commitments, see note 38 to our consolidated financial statements as of and for the year ended December 31, 2013 included elsewhere in this offering memorandum.

Market risk

Interest rate risk

We are subject to market risks due to fluctuations in interest rates. Our net profit is affected by changes in interest rates due to the impact such changes may have on interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities, including bank and other borrowings. In addition, an increase in interest rates would adversely affect our prospective purchaser's willingness and ability to purchase our properties, our ability to service loans that we have guaranteed and our ability to raise and service long-term debt and to finance our developments, any of which could adversely affect our business, financial condition and results of operations.

Currently, our borrowings primarily consist of loans from commercial banks, the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes. As of December 31, 2011, 2012 and 2013, our borrowings amounted to RMB28,965.9 million, RMB36,912.7 million and RMB56,248.8 million (US$9,291.6 million), respectively. We currently do not have any derivative instruments to hedge our interest rate risk.

Borrowings issued at variable rates expose us to cash flow interest rate risk while borrowings issued at fixed rates expose us to fair value interest rate risk. In addition, any increase of benchmark lending rates published by PBOC may result in an increase in our interest costs, as most of our bank borrowings bear floating interest rates linked to PBOC-published rates. PBOC-published benchmark one-year lending rates, which directly affect the property mortgage rates offered by commercial banks in China, as of December 31, 2011, 2012 and 2013 was 6.56%, 6.00% and 6.00%, respectively. We cannot assure you that PBOC will not raise lending rates in the future or that our business, financial condition and results of operations will not be adversely affected as a result of these adjustments.

Foreign exchange risk

We conduct most of our sales and purchases in Renminbi except for a small portion of our sales proceeds that are in other currencies. Our exposure to foreign exchange risk is principally due to our U.S. dollar-denominated debt and our bank deposits (including restricted cash) in foreign currencies, mainly Hong Kong dollars, U.S. dollars and Malaysian ringgit. As of December 31, 2013, we had U.S. dollar-denominated debt totaling approximately US$4,007.2 million, representing among others the 2014 Notes in the aggregate principal amount of US$375.0 million, the 2017 Notes in the aggregate principal amount of US$550.0 million, the 2015 Notes in the aggregate principal amount of US$400.0 million, the 2018 Notes in the aggregate principal amount of US$900.0 million, the 2023 Notes in the aggregate principal amount of US$750.0 million and the 2021 Notes in the aggregate principal amount of US$750.0 million, Hong Kong dollar-denominated debt totaling approximately HK$1,370.0 million, representing primarily outstanding amounts under certain term loans and a small amount of Malaysian ringgit-denominated debt. As of the same date, other than Renminbi, we had aggregate cash and bank balances denominated in Hong Kong dollars of RMB170.1 million, in U.S. dollars of RMB1,034.3 million and in Malaysian Ringgit of RMB840.2 million.

We recognize foreign exchange gain or loss on our statement of comprehensive income due to changes in value of assets and liabilities denominated in foreign currencies during the relevant accounting period.

Appreciation of the Renminbi against the U.S. dollar generally results in a gain arising from our U.S. dollar-denominated debt and a loss arising from our bank deposits in Hong Kong dollars and U.S. dollars. A depreciation of the Renminbi against the U.S. dollar would have the opposite effect. In addition, a depreciation of Renminbi would negatively affect the value of dividends paid by our PRC subsidiaries, which may in turn affect our ability to service foreign currency-denominated debts.

Fluctuations in the foreign exchange rate have had and will continue to have an impact on our business, financial condition and results of operations. See "Risk factors—Risks relating to the Notes—We may be subject to risks presented by fluctuations in exchange rates between the Renminbi and other currencies, particularly U.S. dollars."

Inflation

According to the China Statistical Bureau, China's overall national inflation rate, as represented by the general consumer price index, was approximately 5.4%, 2.6% and 2.5% in 2011, 2012 and 2013, respectively. Deflation could negatively affect our business as it would be a disincentive for prospective property buyers to make a purchase. Historically, we have not been materially affected by any inflation or deflation.

Non-GAAP financial measures

We use EBITDA and EBITDA margin to provide additional information about our operating performance. EBITDA refers to our operating profit plus finance income, depreciation of property, plant and equipment and investment property, amortization of land use rights and intangible assets, net of exchange gains or losses. EBITDA margin is calculated by dividing EBITDA by revenue.

EBITDA is not a standard measure under either HKFRS or U.S. GAAP. As the property development business is capital intensive, capital expenditure requirements and levels of debt and interest expenses may have a significant impact on the profit for the year of companies with similar operating results. Therefore, we believe the investor community commonly uses this type of financial measure to assess the operating performance of companies in our market sector.

As a measure of our operating performance, we believe that the most directly comparable HKFRS and U.S. GAAP measure to EBITDA is operating profit. We operate in a capital intensive industry. We use EBITDA in addition to operating profit because operating profit includes many accounting items associated with capital expenditures, such as depreciation of property, plant and equipment and investment property, as well as non-operating items, such as amortization of land use rights. These accounting items may vary between companies depending on the method of accounting adopted by a company. By minimizing differences in capital expenditures and the associated depreciation expenses as well as land use rights amortization, EBITDA provides further information about our operating performance and an additional measure for comparing our operating performance with other companies' results. Funds depicted by this measure may not be available for debt service due to covenant restrictions, capital expenditure requirements and other commitments.

The following table reconciles our operating profit under HKFRS to our definition of EBITDA for the years indicated:

	For the year ended December 31,		
(RMB in millions)	**2011**	**2012**	**2013**
Operating profit	9,590.9	11,688.4	12,695.9
Adjustments :			
Interest income	101.3	132.4	290.7
Depreciation of property, plant and equipment and investment property	268.8	382.6	516.9
Amortization of land use rights[(1)]	39.0	38.2	56.9
Amortization of intangible assets	4.6	6.1	16.9
Net foreign exchange gains	438.0	20.9	512.5
EBITDA	10,442.6	12,268.6	14,089.8

Note:
(1) Represents amortization of land use rights for properties other than those held for development and subsequent sale, such as hotel properties. For further information, see "—Critical accounting policies—land use rights cost."

You should not consider our definition of EBITDA in isolation or construe it as an alternative to operating profit or as an indicator of operating performance or any other standard measure under HKFRS or U.S. GAAP. Our definition of EBITDA does not account for taxes and other non-operating cash expenses. Our EBITDA measures may not be comparable to similarly titled measures used by other companies. You should also note that EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Indenture governing the Notes. See "Description of the Notes—Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Indenture governing the Notes.

Industry overview

The information in the section below has been derived, in part, from various government publications unless otherwise indicated. We have endeavored to obtain the most recent sources available. This information has not been independently verified by us, the Initial Purchasers, the Trustee, the Agents or any of our and their respective affiliates or advisors. The information may not be consistent with other information compiled within or outside the PRC.

The economy of the PRC

The PRC economy has grown significantly since the PRC government introduced economic reforms in the late 1970s. China's accession to the World Trade Organization in 2001 has further accelerated the reform of the PRC economy. In the past six years, China's nominal GDP has increased from approximately RMB31,404.5 billion in 2008 to approximately RMB56,884.5 billion in 2013 at a compound annual growth rate, or CAGR, of approximately 12.6%.

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

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	31,404.5	34,090.3	40,151.3	47,310.4	51,947.0	56,884.5	12.6%
Real GDP growth rate (%)	9.6	9.2	10.4	9.3	7.7	7.7	
Per capita GDP (RMB)	23,708	25,608	30,015	35,198	38,420	41,805	12.0%
Foreign Direct Investment (US$ in billions)	108.3	94.1	114.7	124.0	121.1	117.6	1.7%
Fixed Asset Investment (RMB in billions)	17,282.8	22,459.9	25,168.4	31,148.5	37,469.5	44,707.4	20.9%

Source: CEIC

Since 2004, with a view to preventing China's economy from overheating and to achieving more balanced and sustainable economic growth, the PRC government has taken various measures to control money supply, credit availability and fixed assets investment. In particular, the PRC government has taken measures to discourage speculation in the residential property market and has increased the supply of affordable housing. See the section headed "Regulation".

The property industry in the PRC

Property reforms

Property reforms in the PRC did not commence until the 1990s, prior to which the PRC property development industry was part of the nation's planned economy. In the 1990s, China's property and housing sector began its transition to a market-based system. A brief timeline of key housing reforms is set out below:

1988 . . . . The PRC government amended the national constitution to permit the transfer of state-owned land use rights

1992 . . . . Public housing sales in major cities commenced

1994 . . . . The PRC government further implemented property reform and established an employer/employee-funded housing fund

1995	The PRC government issued regulations regarding the sales and pre-sales of property, establishing a regulatory framework for property sales
1998	The PRC government abolished state-allocated housing policy
	The Guangdong government issued regulations on the administration of pre-sales of commodity properties in Guangdong Province
1999	The PRC government extended maximum mortgage term to 30 years
	The PRC government increased maximum mortgage financing from 70% to 80%
	The PRC government formalized procedures for the sale of property in the secondary market
2000	The PRC government issued regulations to standardize the quality of construction projects, establishing a framework for administering construction quality
2001	The PRC government issued regulations relating to the sales of commodity properties
2002	The PRC government promulgated the Rules Regarding the Grant of State-Owned Land Use Rights by Way of Tender, Auction and Listing-For-Sale
	The PRC government eliminated the dual system for domestic and overseas home buyers in China
2003	The PRC government promulgated rules for more stringent administration of property loans with a view to reducing the credit and systemic risks associated with such loans
	The State Council issued a notice for sustainable and healthy development of the property market
2004	The State Council issued a notice requiring that, with respect to property development projects (excluding ordinary standard residential houses), the proportion of capital funds should be increased from 20% to 35%. The Ministry of Construction amended Administrative Measures on the Pre-sale of Commercial Housing in Cities. CBRC issued the Guideline for Commercial Banks on Risks of Real Estate Loans to further strengthen the risk management of commercial banks on property loans
2005	The PRC government instituted additional measures to discourage speculation in certain regional markets including increasing the minimum required down payment to 30% of the total purchase price, eliminating the preferential mortgage interest rate for residential housing, imposing a business tax of 5% for sales within two years of purchase, and prohibiting reselling unfinished properties before they are completed
2006 to mid-2008	The PRC government implemented additional land supply, bank financing, foreign investment and other measures to curtail fast increases in property prices, to encourage the development of middle- to low-end housing and to promote healthy development of the PRC property industry

	The PRC government issued regulations to urge the full and effective use of existing construction land and the preservation of farming land and rules to control financial institutions' property financings to further curtail speculation, over development and fast increases in property prices
Mid-2008 to third quarter of 2009	The PRC government implemented a number of measures to combat the global economic slowdown. These measures include the lowering of the PBOC benchmark bank lending rates, the internal capital ratio for property projects and the down payment requirements for purchasing residential properties
Fourth quarter of 2009	The PRC government adjusted some of its policies in order to enhance regulation in the property market, to restrain property purchases for investment or speculation purposes and to keep property prices from rising too quickly in certain cities, including abolishing certain preferential treatment relating to business tax payable upon transfers of residential properties
2010	The PRC government issued a number of measures and policies to curtail the overheating of the property market. Such policy adjustments include abolishment of certain preferential treatment relating to business taxes payable upon transfers of residential properties by property owners, suspending the grant of mortgage loans to non-residents who cannot provide any proof of local tax or social security payments for more than one year, and limiting the number of residential properties that one family can purchase in certain areas, such as Guangzhou, Shenzhen, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian. The PRC government also clarified certain issues with respect to the calculation, settlement and collection of LAT in order to enforce the settlement and collection of LAT, and the criteria for commercial banks to identify the second residential property when approving mortgage loans
2011	The PRC government implemented measures aimed at further cooling the real estate property market. These measures include increasing the minimum down payment to at least 60% of the total purchase price, setting minimum mortgage lending interest rate of 110% of the benchmark rate, levying business tax on the full amount of transfer price if an individual owner transfers a residential property within five years of purchase. There are also other measures targeting certain cities restricting purchasers from acquiring second (or further) residential properties and restricting non-residents that cannot provide any proof of local tax or social security payments for more than a specified time period from purchasing any residential properties and imposing property tax. In addition, certain cities, including Beijing, Shanghai, Qingdao, Chengdu and Jinan, have promulgated measures further limiting the number of residential properties one family is allowed to purchase. Between February and July 2011, the People's Bank of China (PBOC) raised the one-year benchmark lending rate by 75 basis points from 5.81% to 6.56%
2012	The PRC government continued to implement selected policies aimed at further cooling the real estate property market. The NDRC announced in February 2012 that the government intended to limit mortgage loans for home purchases by foreigners to reduce overseas investment in the local property market. However, the PRC government reiterated its support for first-time homebuyers, including the construction of affordable housing and the offer of differentiated loans by China's four biggest state-owned banks to first-time homebuyers and to fund affordable

housing projects. Beginning in May 2012, the PRC government began to implement selected measures to support the growth of the Chinese economy. In May 2012, the government lowered banks' reserve requirement ratio by 50 basis points for the second time, lowering the reserve requirement ratio for the country's largest financial institutions to 20%. The PRC government also lowered the PBOC one-year benchmark lending rate for the first time since December 2008, reducing the one-year benchmark lending rate by 56 basis points to 6.0%. In August 2012, the PRC government began preparing the implementation of a broader property tax following initial trials in Shanghai and Chongqing, with tax governors from across the country undergoing a six-month training program organized by the State Administration of Taxation to prepare for the tax's implementation. In December 2012, the PRC government announced its affordable housing program for 2013, with plans to start construction on 6 million units and complete 4.6 million units in 2013.

2013 . . . . On February 20, 2013, the PRC government released five new policies to regulate the real estate market, including new initiatives to control speculative property investments, increase housing and land supply and step up construction of affordable housing. On February 26, 2013, the State Council issued six property tightening measures, which included an income tax levy on homeowners of as high as 20 percent on profit made from selling their homes. The State Council also stated that local branches of the central bank in certain cities could increase their down payment rate and mortgage loan interest rate for homebuyers purchasing a second unit. Furthermore, the new measures stipulated that non-local families without a certain number of years of tax payment certificates would be banned from buying homes in the cities in which they currently reside. In the third quarter of 2013, the minimum down payment for the second purchase of residential properties has been raised to 70 percent by several cities.

Additional information on housing reforms and recent regulatory developments is set out in the section entitled "Regulation" in this offering memorandum.

The property reforms, together with the economic growth of China, an increase in disposable income, the emergence of the mortgage lending market and an increase in the urbanization rate, are key factors in sustaining the growth of China's property market. Government housing reforms continue to encourage private ownership and it is expected that the proportion of urban residents who own their private properties will continue to increase.

The table below sets out selected data relating to China's urbanization and disposable income of urban households in China for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Urban population (in millions)	624.0	645.1	669.8	690.8	711.8	731.1	3.2%
Total population (in millions)	1,328.0	1,334.5	1,340.9	1,347.4	1,354.0	1,360.7	0.5%
Urbanization rate (%)	47.0%	48.3%	49.9%	51.3%	52.6%	53.7%	
Per capita disposable income of urban households (RMB)	15,780.8	17,174.7	19,109.4	21,809.8	24,564.7	26,955.0	11.3%

Source: CEIC

The property market in China

Prices for property in China increased from 2008 to 2013, with the average price of residential properties in China increasing from approximately RMB3,576.0 per sq.m. in 2008 to approximately RMB5,849.8 per sq.m. in 2013, while the average price for commodity properties in the same period increased from approximately RMB3,800 per sq.m. in 2008 to approximately RMB6,237.3 per sq.m. in 2013.

In addition, investment in property development increased from approximately RMB3,120.3 billion in 2008 to approximately RMB8,601.3 billion in 2013.

The table below sets out selected data relating to the property market in China for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Investment in property development (RMB in billions)	3,120.3	3,624.2	4,825.9	6,179.7	7,180.4	8,601.3	22.5%
Total GFA sold (sqm in millions)	659.7	947.6	1,047.6	1,093.7	1,113.0	1,305.5	14.6%
GFA of residential properties sold (sqm in millions)	592.8	861.8	933.8	965.3	984.7	1,157.2	14.3%
Average price of commodity properties (RMB per sqm)	3,800.0	4,681.0	5,032.0	5,357.1	5,791.0	6,237.3	10.4%
Average price of residential properties (RMB per sqm)	3,576.0	4,459.0	4,725.0	4,993.2	5,429.9	5,849.8	10.3%

Source: CEIC

Real estate sales revenue

The upward trend in the China property industry is evidenced by the growth of revenue from the sale of properties in China. According to CEIC, the total GFA of residential properties sold in the PRC increased from approximately 592.8 million sq.m. in 2008 to approximately 1,157.2 million sq.m. in 2013. During the same period, total GFA sold increased from approximately 659.7 million sq.m. in 2008 to approximately 1,305.5 million sq.m. in 2013.

The property market in Guangdong Province

Guangdong Province is located in the southern region of China. It has an area of approximately 179,813 sq.km. In 2012, Guangdong Province had a population of approximately 105.9 million. The real GDP growth rate of Guangdong Province exceeded the average national growth rate in each of the past 10 years and the per capita GDP of Guangdong Province was significantly higher than the national average. The table below sets out selected economic statistics of Guangdong Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	3,679.7	3,948.3	4,601.3	5,321.0	5,706.8	-	NA
Real GDP growth rate (%)	10.4	9.7	12.5	10.0	8.2	8.5	
Per capita GDP (RMB)	37,637.9	39,435.9	44,735.6	50,807.0	54,095.0	58,540.0	9.2%
Per capita disposable income of urban households	19,732.9	21,574.7	23,897.8	26,897.5	30,226.7	33,090.0	10.9%

Source: CEIC, Wind

According to the CEIC, properties with a total GFA of 62.7 million sq.m. were completed in Guangdong Province in 2013, representing a CAGR of 7.6% since 2008. A total of 98.4 million sq.m. of total GFA was sold. The table below sets out selected data relating to the property market in Guangdong Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	43.6	50.6	56.6	61.4	63.6	62.7	7.6%
GFA of residential properties completed (sq.m. in millions)	34.8	41.1	45.9	48.8	49.2	47.5	6.4%
Total GFA sold (sq.m. in millions)	48.5	70.6	73.2	74.3	79.0	98.4	15.2%
% of total GFA sold in the PRC	7.4%	7.5%	7.0%	6.8%	7.1%	7.5%	
GFA of residential properties sold (sq.m. in millions)	43.6	65.7	65.5	67.1	71.6	88.3	15.2%
Total sales revenue (RMB in billions)	288.8	459.9	548.1	585.3	640.8	894.1	25.4%
Sales revenue from residential properties (RMB in billions)	249.6	417.7	459.0	507.1	548.8	747.6	24.5%
Average price of commodity properties (RMB per sq.m.)	5,953.0	6,513.0	7,486.0	7,879.2	8,112.2	9,089.8	8.8%
Average price of residential properties (RMB per sq.m.)	5,723.0	6,360.0	7,004.0	7,560.8	7,667.9	8,465.8	8.1%

Source: CEIC, Wind

Guangzhou City

Guangzhou is the largest city in southern China and the capital of Guangdong Province, located in the central southern region of the province. In 2012, Guangzhou had a population of approximately 12.8 million. The city experienced a high GDP growth rate for the six years from 2008 to 2013. Guangzhou's GDP reached approximately RMB1,355.1 billion in 2012. The table below sets out selected economic statistics of Guangzhou for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	828.7	913.8	1,074.8	1,242.3	1,355.1	NA	NA
Real GDP growth rate (%)	12.5	11.7	13.2	11.3	10.5	NA	
Per capita GDP (RMB)	76,439.5	79,383.0	87,458.0	97,588.0	105,908.9	NA	NA

Source: CEIC

Foshan City

Foshan is located in the central southern region of Guangdong Province, situated to the east of Guangzhou. In 2012, Foshan had a population of approximately 7.3 million. The city experienced a high GDP growth rate for the five years from 2008 to 2012. Foshan's GDP reached approximately RMB661.3 billion in 2012. The table below sets out selected economic statistics of Foshan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	437.8	482.1	565.2	621.0	661.3	NA	NA
Real GDP growth rate (%)	15.2	13.5	14.3	11.4	8.2	NA	
Per capita GDP (RMB)	68,033.0	71,691.0	80,312.7	86,073.2	91,259.4	NA	NA

Source: CEIC

Jiangmen City

Jiangmen is located in the southern region of Guangdong Province, on the west side of the Pearl River Delta. In 2012, Jiangmen had a population of approximately 4.5 million. Jiangmen's GDP reached approximately RMB188.0 billion in 2012 representing a per capita GDP of approximately RMB42,028.4. The table below sets out selected economic statistics of Jiangmen for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	127.1	134.1	157.0	183.1	188.0	NA	NA
Real GDP growth rate (%)	10.8	9.7	14.5	13.0	8.1	NA	
Per capita GDP (RMB)	29,910.0	30,998.7	35,621.7	41,062.5	42,028.4	NA	NA

Source: CEIC

Huizhou City

Huizhou is located in the southeastern region of Guangdong Province. In 2012, Huizhou had a population of approximately 4.7 million. Huizhou's GDP reached approximately RMB236.8 billion in 2012, representing a per capital GDP of approximately RMB50,873.5. The table below sets out selected economic statistics of Huizhou for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	130.4	141.5	173.0	209.3	236.8	NA	NA
Real GDP growth rate (%)	11.6	13.2	18.0	14.6	12.6	NA	
Per capita GDP (RMB)	31,747.6	33,141.7	38,650.0	45,330.9	50,873.5	NA	NA

Source: CEIC

Shaoguan City

Shaoguan is located in the northern region of Guangdong Province. In 2012, Shaoguan had a population of approximately 2.9 million. Shaoguan's GDP reached approximately RMB90.6 billion in 2012. The table below sets out selected economic statistics of Shaoguan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	55.4	57.9	68.3	81.7	90.6	NA	NA
Real GDP growth rate (%)	10.8	10.1	12.5	12.1	10.0	NA	
Per capita GDP (RMB)	19,258.1	20,245.3	24,050.4	28,759.9	31,702.2	NA	NA

Source: CEIC

Qingyuan City

Qingyuan is located northwestern region of Guangdong Province. In 2012, Qingyuan had a population of approximately 3.8 million. Qingyuan's GDP reached approximately RMB102.5 billion in 2012, representing a per capita GDP of RMB27,426.0. The table below sets out selected economic statistics of Qingyuan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	65.2	71.5	87.0	100.3	102.5	NA	NA
Real GDP growth rate (%)	10.1	12.8	12.9	8.3	5.1	NA	
Per capita GDP (RMB)	17,812.9	19,479.0	23,569.0	26,956.7	27,319.6	NA	NA

Source: CEIC

Zhaoqing City

Zhaoqing is located in the northwestern region of Guangdong Province. In 2012, Zhaoqing had a population of approximately 4.0 million. Zhaoqing's GDP reached approximately RMB146.2 billion in 2012. The table below sets out selected economic statistics of Shaoguan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	76.1	86.2	108.6	132.4	146.2	NA	NA
Real GDP growth rate (%)	16.2	13.9	17.5	14.7	11.0	NA	
Per capita GDP (RMB)	20,041.5	22,554.1	27,986.6	33,642.0	36,864.3	NA	NA

Meizhou City

Meizhou is located in the eastern region of Guangdong Province. In 2012, Meizhou had a population of approximately 4.3 million. Meizhou's GDP reached approximately RMB74.5 billion in 2012. The table below sets out selected economic statistics of Shaoguan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	48.0	51.9	61.3	70.8	74.5	NA	NA
Real GDP growth rate (%)	10.2	9.8	14.1	13.6	10.1	NA	
Per capita GDP (RMB)	11,538.8	12,452.8	14,553.9	16,623.1	17,396.3	NA	NA

Maoming City

Maoming is located in the southwestern region of Guangdong Province. In 2012, Maoming had a population of approximately 6.0 million. Maoming's GDP reached approximately RMB193.6 billion in 2012. The table below sets out selected economic statistics of Shaoguan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	117.8	123.1	149.2	174.5	193.6	NA	NA
Real GDP growth rate (%)	9.8	10.3	14.1	10.8	10.6	NA	
Per capita GDP (RMB)	19,773.8	20,846.8	25,495.9	29,811.4	32,677.6	NA	NA

Dongguan City

Dongguan is located in the central southern region of Guangdong Province, south of the provincial capital Guangzhou. In 2012, Dongguan had a population of approximately 8.3 million. Dongguan's GDP reached approximately RMB501.0 billion in 2012, representing a per capita GDP of approximately RMB60,556.0. The table below sets out selected economic statistics of Dongguan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	370.4	376.4	424.6	473.5	501.0	NA	NA
Real GDP growth rate (%)	14.0	5.3	10.3	8.0	6.1	NA	
Per capita GDP (RMB)	50,470.8	48,987.6	52,798.2	57,469.8	60,556.5	NA	NA

Source: CEIC

The property market in Hunan Province

Hunan Province is located in the southern region of China, to the north of Guangdong Province. It has an area of approximately 211,487 sq.km. In 2012, Hunan Province had a population of approximately 66.4 million. The table below sets out selected economic statistics of Hunan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,155.5	1,306.0	1,603.8	1,967.0	2,215.4	NA	NA
Real GDP growth rate (%)	13.9	13.7	14.6	12.8	11.3	10.1	
Per capita GDP (RMB)	18,147.0	20,428.0	24,719.0	29,880.0	33,480.0	NA	NA
Per capita disposable income of urban households	13,821.2	15,084.3	16,565.7	18,844.1	21,318.8	NA	NA

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 45.9 mm sq.m. were completed in Hunan Province in 2013. The total sales revenue amounted to approximately RMB252.6 billion, of which approximately RMB211.5 billion was from the sale of residential properties. The average price per sq.m. of commodity properties and residential properties in Hunan Province in 2013 was approximately RMB4,243.1 and RMB3,908.3, respectively, representing a CAGR of 13.0% and 13.1%, respectively, since 2008. The table below sets out selected data on the property market in Hunan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	23.9	29.7	33.5	41.5	44.6	45.9	13.9%
GFA of residential properties completed (sq.m. in millions)	20.4	25.0	28.3	34.4	36.9	37.6	13.0%
Total GFA sold (sq.m. in millions)	26.6	35.1	44.7	49.0	51.5	59.5	17.5%
% of total GFA sold in the PRC	4.0%	3.7%	4.3%	4.5%	4.6%	4.6%	
GFA of residential properties sold (sq.m. in millions)	24.1	32.6	41.4	44.6	46.6	54.1	17.5%
Total sales revenue (RMB in billions)	61.1	94.2	140.6	185.7	208.5	252.6	32.8%
Sales revenue from residential properties (RMB in billions)	51.0	82.6	124.8	157.0	171.2	211.5	32.9%
Average price of commodity properties (RMB per sq.m.)	2,302.0	2,680.0	3,146.0	3,790.3	4,048.6	4,243.1	13.0%
Average price of residential properties (RMB per sq.m.)	2,113.0	2,532.0	3,014.0	3,523.6	3,669.6	3,908.3	13.1%

Source: CEIC, Wind

Changsha City

Changsha is the capital of Hunan Province, located in the central eastern region of the province. In 2012, Changsha had a population of approximately 7.1 million. Changsha's GDP reached approximately RMB640.0 billion in 2012, representing a per capita GDP of approximately RMB89,903.0. The table below sets out selected economic statistics of Changsha for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	300.1	374.5	454.7	561.9	640.0	NA	NA
Real GDP growth rate (%)	12.7	12.4	12.7	11.0	10.1	9.6	
Per capita GDP (RMB)	45,765.0	56,620.0	66,443.0	79,530.0	89,903.0	NA	NA

Source: CEIC

The property market in Jiangsu Province

Jiangsu Province is located along the east coast of China. It has an area of approximately 102,600 sq.km. In 2012, Jiangsu Province had a population of approximately 79.2 million. Jiangsu's per capita disposable income of urban households in 2013 was RMB32,538.0. The table below sets out selected economic statistics of Jiangsu Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	3,098.2	3,445.7	4,142.5	4,911.0	5,405.8	NA	NA
Real GDP growth rate (%)	12.7	12.4	12.7	11.0	10.1	9.6	
Per capita GDP (RMB)	40,014.0	44,253.0	52,840.0	62,290.0	68,347.0	74,607.0	13.3%
Per capita disposable income of urban households	18,679.5	20,551.7	22,944.3	26,340.7	29,677.0	32,538.0	11.7%

Source: CEIC, Wind

The table below sets out selected data on the property market in Jiangsu Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	90.7	84.4	87.0	84.5	98.5	97.1	1.4%
GFA of residential properties completed (sq.m. in millions)	54.9	67.3	65.5	64.8	76.9	75.8	6.7%
Total GFA sold (sq.m. in millions)	54.1	102.5	94.9	79.7	90.2	114.5	16.2%
% of total GFA sold in the PRC	8.2%	10.8%	9.1%	7.3%	8.1%	8.8%	
GFA of residential properties sold (sq.m. in millions)	47.3	90.3	81.1	67.7	79.2	101.9	16.6%
Total sales revenue (RMB in billions)	246.7	510.6	554.0	522.4	606.7	791.4	26.3%
Sales revenue from residential properties (RMB in billions)	200.9	434.1	453.7	415.9	508.9	677.8	27.5%
Average price of commodity properties (RMB per sq.m.)	4,049.0	4,983.0	5,841.0	6,554.4	6,726.8	6,908.6	11.3%
Average price of residential properties (RMB per sq.m.)	3,802.0	4,805.0	5,592.0	6,145.2	6,422.8	6,650.3	11.8%

Source: CEIC, Wind

Zhenjiang City

Zhenjiang is located in the southwestern region of Jiangsu Province. In 2012, Zhenjiang had a population of approximately 3.1 million. Zhenjiang's GDP reached approximately RMB292.7 billion in 2013, representing a per capita GDP of approximately RMB92,626.0. The table below sets out selected economic statistics of Zhenjiang for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	149.2	167.2	198.8	231.1	263.0	292.7	14.4%
Real GDP growth rate (%)	12.7	13.7	13.3	12.3	12.8	12.1	
Per capita GDP (RMB)	49,235.5	54,731.6	64,284.4	73,980.6	83,650.7	92,626.0	13.5%

Source: CEIC

The property market in Hubei Province

Hubei Province is located in the central region of China. It has an area of approximately 185,900 sq. km. In 2012, Hubei Province had a population of approximately 57.8 million. The table below sets out selected economic statistics of Hubei Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,172.9	1,324.0	1,618.2	2,016.7	2,265.9	NA	NA
Real GDP growth rate (%)	13.4	13.5	14.8	13.8	11.3	10.1	
Per capita GDP (RMB)	19,858.0	22,677.0	27,906.0	34,197.3	38,572.0	NA	NA
Per capita disposable income of urban households	13,152.9	14,367.5	16,058.4	18,373.9	20,839.6	NA	NA

Source: CEIC, Wind

According to CEIC, properties with a total GFA of 30.4 sq.m. were completed in Hubei Province in 2013, representing a CAGR of 8.1% since 2008. In 2013, the total sales revenue amounted to approximately RMB279.0 billion. The average price per sq.m. of commodity properties in Hubei Province in 2013 was approximately RMB5,266.2, representing a CAGR of 11.9% since 2008. The table below sets out selected data on the property market in Hubei Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	20.6	23.1	25.4	32.2	32.7	30.4	8.1%
GFA of residential properties completed (sq.m. in millions)	18.0	20.1	21.3	27.3	28.0	25.5	7.2%
Total GFA sold (sq.m. in millions)	19.4	27.2	35.1	41.9	40.4	53.0	22.2%
% of total GFA sold in the PRC	2.9%	2.9%	3.3%	3.8%	3.6%	4.1%	
GFA of residential properties sold (sq.m. in millions)	18.2	25.8	32.4	37.9	36.2	47.7	21.2%
Total sales revenue (RMB in billions)	58.3	96.0	131.3	187.9	203.6	279.0	36.8%
Sales revenue from residential properties (RMB in billions)	52.8	87.9	113.5	156.9	169.0	231.0	34.3%
Average price of commodity properties (RMB per sq.m.)	3,001.0	3,532.0	3,743.0	4,486.4	5,042.8	5,266.2	11.9%
Average price of residential properties (RMB per sq.m.)	2,898.0	3,413.0	3,506.0	4,142.1	4,668.0	4,847.2	10.8%

Source: CEIC, Wind

Wuhan City

Wuhan is the capital of Hubei Province, located at the confluence of the Changjiang and Hanjiang Rivers. In 2012, Wuhan had a population of approximately 10.1 million. Wuhan's GDP reached approximately RMB800.4 billion in 2012. The table below sets out selected economic statistics of Wuhan for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	396.0	462.1	556.6	676.2	800.4	NA	NA
Real GDP growth rate (%)	15.1	13.7	14.7	12.5	11.4	NA	
Per capita GDP (RMB)	44,290.0	51,144.0	58,961.0	68,315.0	79,482.0	NA	NA

Source: CEIC

The property market in Anhui Province

Anhui Province is located in east China, across the basins of the Yangtze River and the Huaihe River. It has an area of approximately 139,427 sq.km. In 2012, Anhui Province had a population of approximately 59.9 million. The table below sets out selected economic statistics of Anhui Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	885.2	1,006.3	1,235.9	1,530.1	1,721.2	NA	NA
Real GDP growth rate (%)	12.7	12.9	14.6	13.5	12.1	10.4	
Per capita GDP (RMB)	14,448.2	16,407.7	20,887.8	25,659.3	28,792.0	31,684.0	17.0%
Per capita disposable income of urban households	12,990.4	14,085.7	15,788.2	18,606.1	21,024.2	NA	NA

Source: CEIC, Wind

According to the CEIC, properties with a total GFA of 51.8 millions in sq.m. were completed in Anhui Province in 2013. The total sales revenue amounted to approximately RMB318.3 billion. The average price per sq.m. of commodity properties in Anhui Province in 2013 was approximately RMB5,080.1, representing a CAGR of 11.5% since 2008.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	25.4	28.6	30.3	36.3	39.7	51.8	15.3%
GFA of residential properties completed (sq.m. in millions) . . .	21.3	23.5	24.1	28.9	31.2	39.2	13.0%
Total GFA sold (sq.m. in millions)	27.9	40.3	41.5	46.1	48.3	62.7	17.6%
% of total GFA sold in the PRC	4.2%	4.3%	4.0%	4.2%	4.3%	4.8%	
GFA of residential properties sold (sq.m. in millions)	25.4	36.5	36.4	39.9	42.8	55.7	17.0%
Total sales revenue (RMB in billions)	82.1	137.8	174.7	220.0	233.0	318.3	31.1%
Sales revenue from residential properties (RMB in billions)	71.4	118.0	142.0	174.5	192.2	266.2	30.1%
Average price of commodity properties (RMB per sq.m.)	2,949.0	3,420.0	4,205.0	4,776.1	4,825.0	5,080.1	11.5%
Average price of residential properties (RMB per sq.m.)	2,808.0	3,235.0	3,899.0	4,371.2	4,495.1	4,776.2	11.2%

Source: CEIC, Wind

Hefei City

Hefei is the largest city and the capital of Anhui Province, located in the central region of the province. In 2012, Hefei had a population of approximately 7.1 million. Hefei's GDP reached approximately RMB416.4 billion in 2012, representing a per capita GDP of approximately RMB55,186.1. The table below sets out selected economic statistics of Hefei for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	166.5	210.2	296.2	363.7	416.4	NA	NA
Real GDP growth rate (%)	17.2	17.8	17.0	15.4	13.6	NA	
Per capita GDP (RMB)	34,482.0	41,543.0	54,796.0	48,540.0	55,182.1	NA	NA

Source: CEIC

Chuzhou City

Chuzhou is located in the eastern region of Anhui Province. In 2012, Chuzhou had a population of approximately 4.5 million. Chuzhou's GDP reached approximately RMB97.1 billion in 2012, representing a per capita GDP of approximately RMB24,649.8. The table below sets out the selected economic statistics of Chuzhou for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	52.0	57.6	69.6	85.0	97.1	NA	NA
Real GDP growth rate (%)	19.4	13.6	15.6	14.0	13.1	NA	
Per capita GDP (RMB)	11,626.0	14,002.0	17,400.0	21,608.0	24,649.8	NA	NA

Source: CEIC

The property market in Liaoning Province

Liaoning Province is located in the southern district of northeastern region of China. It has an area of approximately 148,000 sq.km. In 2011, Liaoning Province had a population of approximately 43.9 million. The table below sets out selected economic statistics of Liaoning Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,366.9	1,521.2	1,845.7	2,222.7	2,484.6	NA	NA
Real GDP growth rate (%)	13.4	13.1	14.2	12.2	9.5	8.7	
Per capita GDP (RMB)	31,739.0	35,149.0	42,355.0	50,760.0	56,649.0	NA	NA
Per capita disposable income of urban households	14,392.7	15,761.4	17,712.6	20,466.8	23,222.7	NA	NA

Source: CEIC, Wind

According to the CEIC, the average price per sq.m. of commodity properties Liaoning Province in 2013 was approximately RMB5,121.7 representing a CAGR of 6.4% since 2008. The table below sets out selected data on the property market in Liaoning Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions) . .	38.3	40.3	45.0	63.2	64.4	61.5	10.0%
GFA of residential properties completed (sq.m. in millions)	32.6	33.9	36.9	52.3	51.3	50.3	9.0%
Total GFA sold (sq.m. in millions)	40.9	53.8	68.0	75.4	88.3	92.9	17.8%
% of total GFA sold in the PRC	6.2%	5.7%	6.5%	6.9%	7.9%	7.1%	
GFA of residential properties sold (sq.m. in millions)	37.3	48.6	60.1	66.2	76.6	80.1	16.5%
Total sales revenue (RMB in billions)	153.8	216.9	306.3	356.9	436.3	475.9	25.4%
Sales revenue from residential properties (RMB in billions)	133.4	188.3	258.8	300.9	361.1	394.2	24.2%
Average price of commodity properties (RMB per sq.m.)	3,758.0	4,034.0	4,505.0	4,732.6	4,942.0	5,121.7	6.4%
Average price of residential properties (RMB per sq.m.)	3,575.0	3,872.0	4,303.0	4,542.9	4,717.2	4,918.2	6.6%

Source: CEIC

Shenyang City

Shenyang is the capital of Liaoning Province, located in the central region of the province. In 2012, Shenyang had a population of approximately 7.2 million. Shenyang's GDP reached approximately RMB660.3 billion in 2012, representing a per capita GDP of approximately RMB80,480.1. The table below sets out selected economic statistics of Shenyang for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP	386.0	426.9	501.8	591.6	660.3	NA	NA
Real GDP growth rate (%)	16.3	14.1	14.1	12.3	10.0	NA	
Per capita GDP (RMB)	49,166.0	54.654.0	62,357.0	72,648.0	80,480.1	NA	NA

Source: CEIC

The property market in Hainan Province

Hainan Province is located in the southern region of China, in the South China Sea. It has an area of approximately 35,354 sq.km. In 2012, Hainan had a population of approximately 8.9 million. The table below sets out selected economic statistics of Hainan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	150.3	165.4	206.5	252.3	285.6	NA	NA
Real GDP growth rate (%) . . .	10.3	11.7	16.0	12.0	9.1	9.9	
Per capita GDP (RMB)	17,691.0	19,254.0	23,831.0	28,898.0	32,377.0	35,317.0	14.8%
Per capita disposable income of urban households	12,607.8	13,750.9	15,581.1	18,369.0	20,917.7	22,929.0	12.7%

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Hainan Province in 2013 was approximately RMB8,668.8, representing a CAGR of 9.8% since 2008. The table below sets out selected data on the property market in Hainan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	3.1	4.3	6.1	4.5	8.6	6.1	14.6%
GFA of residential properties completed (sq.m. in millions)	2.7	4.0	5.2	4.0	7.3	5.2	14.0%
Total GFA sold (sq.m. in millions)	3.7	5.6	8.5	8.7	9.3	11.9	26.2%
% of total GFA sold in the PRC	0.6%	0.6%	0.8%	0.8%	0.8%	0.9%	
GFA of residential properties sold (sq.m. in millions)	3.6	5.5	8.3	8.2	9.0	11.5	26.3%
Total sales revenue (RMB in billions)	20.3	35.1	74.7	77.4	73.6	103.3	38.5%
Sales revenue from residential properties (RMB in billions)	19.5	34.3	73.4	74.4	70.2	99.7	38.6%
Average price of commodity properties (RMB per sq.m.)	5,443.0	6,261.0	8,735.0	8,943.5	7,893.8	8,668.8	9.8%
Average price of residential properties (RMB per sq.m.)	5,441.0	6,291.0	8,800.1	9,083.1	7,811.3	8,633.1	9.7%

Source: CEIC

The property market in Guizhou Province

Guizhou Province is located in the southwestern region of China. It has an area of approximately 68,018 sq.km. In 2012, Guizhou had a population of approximately 34.8 million. The table below sets out selected economic statistics of Guizhou Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	356.2	391.3	460.2	570.2	685.2	NA	NA
Real GDP growth rate (%)	11.3	11.4	12.8	15.0	13.6	12.5	
Per capita GDP (RMB)	9,855.0	10,971.0	13,119.0	16,413.0	19,710.0	NA	NA
Per capita disposable income of urban households	11,758.8	12,862.5	14,142.7	16,495.0	18,700.5	NA	NA

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Guizhou Province in 2013 was approximately RMB4,295.3, representing a CAGR of 12.9% since 2008. The table below sets out selected data on the property market in Guizhou Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	7.2	12.2	10.5	14.6	14.2	17.6	19.6%
GFA of residential properties completed (sq.m. in millions)	5.9	10.4	8.3	11.0	11.2	13.5	18.1%
Total GFA sold (sq.m. in millions)	9.1	16.5	17.3	18.8	21.9	29.7	26.8%
% of total GFA sold in the PRC	1.4%	1.7%	1.7%	1.7%	2.0%	2.3%	
GFA of residential properties sold (sq.m. in millions)	8.5	15.4	16.0	17.0	20.0	26.5	25.6%
Total sales revenue (RMB in billions)	21.2	47.5	58.1	73.2	90.0	127.7	43.1%
Sales revenue from residential properties (RMB in billions)	18.0	40.7	50.2	59.3	74.0	98.9	40.6%
Average price of commodity properties (RMB per sq.m.)	2,339.0	2,874.0	3,357.1	3,888.8	4,115.7	4,295.3	12.9%
Average price of residential properties (RMB per sq.m.)	2,122.0	2,642.0	3,142.4	3,489.7	3,695.4	3,735.5	12.0%

The property market in Hebei Province

Hebei Province is located in the northwestern region of China. It has an area of approximately 72,500 sq.km. In 2012, Hebei had a population of approximately 72.9 million. The table below sets out selected economic statistics of Hebei Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,601.2	1,723.5	2,039.4	2,451.6	2,657.5	NA	NA
Real GDP growth rate (%)	10.1	10.0	12.2	11.3	9.6	8.2	
Per capita GDP (RMB)	22,986.0	24,581.0	28,668.0	33,969.0	36,584.0	NA	NA
Per capita disposable income of urban households	13,441.1	14,718.3	16,263.4	18,292.2	20,543.4	NA	NA

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Hebei Province in 2013 was approximately RMB4,897.3, representing a CAGR of 12.0% since 2008. The table below sets out selected data on the property market in Hebei Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	16.6	22.1	36.1	51.8	48.9	44.4	21.7%
GFA of residential properties completed (sq.m. in millions)	15.0	19.4	31.3	42.7	39.8	35.2	18.6%
Total GFA sold (sq.m. in millions)	22.3	29.7	46.6	58.9	51.4	56.8	20.5%
% of total GFA sold in the PRC	3.4%	3.1%	4.5%	5.4%	4.6%	4.3%	
GFA of residential properties sold (sq.m. in millions)	21.3	28.2	43.3	52.9	46.2	50.2	18.7%
Total sales revenue (RMB in billions)	62.0	96.8	165.0	234.5	230.4	278.0	35.0%
Sales revenue from residential properties (RMB in billions)	58.4	90.5	148.9	199.4	191.5	232.9	31.9%
Average price of commodity properties (RMB per sq.m.)	2,779.0	3,263.0	3,539.0	3,982.8	4,478.0	4,897.3	12.0%
Average price of residential properties (RMB per sq.m.)	2,743.0	3,210.0	3,442.0	3,766.8	4,142.0	4,639.6	11.1%

The property market in Henan Province

Henan Province is located in the central region of China. It has an area of approximately 64,000 sq.km. In 2012, Henan had a population of approximately 94.1 million. The table below sets out selected economic statistics of Henan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,801.9	1,948.0	2,309.2	2,693.1	2,959.9	NA	NA
Real GDP growth rate (%)	12.1	10.9	12.5	11.9	10.1	9.0	
Per capita GDP (RMB)	1,801.9	1,948.0	2,309.2	2,693.1	2,959.9	NA	NA
Per capita disposable income of urban households	13,231.1	14,371.6	15,930.3	18,194.8	20,442.6	NA	NA

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Henan Province in 2013 was approximately RMB4,205.3, representing a CAGR of 12.4% since 2008. The table below sets out selected data on the property market in Henan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	30.3	34.0	44.3	55.3	58.7	59.7	14.5%
GFA of residential properties completed (sq.m. in millions)	26.0	29.9	38.5	48.1	48.9	49.2	13.6%
Total GFA sold (sq.m. in millions)	31.9	43.4	54.5	62.8	59.7	73.1	18.0%
% of total GFA sold in the PRC	4.8%	4.6%	5.2%	5.7%	5.4%	5.6%	
GFA of residential properties sold (sq.m. in millions)	29.4	40.2	50.9	57.3	54.6	65.6	17.4%
Total sales revenue (RMB in billions)	74.6	115.6	165.9	219.7	228.7	307.4	32.7%
Sales revenue from residential properties (RMB in billions)	62.9	100.5	145.5	178.8	191.6	251.6	31.9%
Average price of commodity properties (RMB per sq.m.)	2,339.0	2,666.0	3,042.4	3,500.8	3,831.2	4,205.3	12.4%
Average price of residential properties (RMB per sq.m.)	2,138.0	2,501.0	2,856.3	3,123.2	3,511.3	3,834.9	12.4%

The property market in Jiangxi Province

Jiangxi Province is located in the southeastern region of China. It has an area of approximately 64,400 sq.km. In 2012, Jiangxi had a population of approximately 45.0 million. The table below sets out selected economic statistics of Jiangxi Hainan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	697.1	765.5	945.1	1,170.3	1,294.9	NA	NA
Real GDP growth rate (%)	13.2	13.1	14.0	12.5	11.0	10.1	
Per capita GDP (RMB)	697.1	765.5	945.1	1,170.3	1,294.9	NA	NA
Per capita disposable income of urban households	12,866.4	14,021.5	15,481.1	17,494.9	19,860.4	21,873.0	11.2%

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Jiangxi Province in 2013 was approximately RMB5,203.2, representing a CAGR of 19.5% since 2008. The table below sets out selected data on the property market in Jiangxi Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	15.9	16.5	18.2	19.1	17.5	17.9	2.4%
GFA of residential properties completed (sq.m. in millions)	13.5	14.4	15.5	16.2	14.4	14.3	1.2%
Total GFA sold (sq.m. in millions)	17.3	22.8	24.7	24.2	24.0	31.7	12.9%
% of total GFA sold in the PRC	2.6%	2.4%	2.4%	2.2%	2.2%	2.4%	
GFA of residential properties sold (sq.m. in millions)	16.0	21.1	22.7	21.6	21.3	28.5	12.1%
Total sales revenue (RMB in billions)	36.9	60.3	77.6	100.2	113.7	164.8	34.9%
Sales revenue from residential properties (RMB in billions)	32.4	53.1	67.0	82.4	93.1	139.6	33.9%
Average price of commodity properties (RMB per sq.m.)	2,136.0	2,643.0	3,143.7	4,147.7	4,744.7	5,203.2	19.5%
Average price of residential properties (RMB per sq.m.)	2,022.0	2,517.0	2,958.6	3,822.0	4,381.2	4,905.3	19.4%

The property market in Sichuan Province

Sichuan Province is located in the southwestern region of China. It has an area of approximately 187,000 sq.km. In 2012, Hainan had a population of approximately 80.8 million. The table below sets out selected economic statistics of Sichuan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	1,260.1	1,415.1	1,718.5	2,102.7	2,387.3	NA	NA
Real GDP growth rate (%)	11.0	14.5	15.1	15.0	12.6	10.0	
Per capita GDP (RMB)	1,260.1	1,415.1	1,718.5	2,102.7	2,387.3	NA	NA
Per capita disposable income of urban households	12,633.4	13,839.4	15,461.2	17,899.1	20,307.0	NA	NA

Source : CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Sichuan Province in 2013 was approximately RMB5,497.6, representing a CAGR of 11.7% since 2008. The table below sets out selected data on the property market in Sichuan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	33.5	42.8	39.7	42.3	42.3	42.3	4.8%
GFA of residential properties completed (sq.m. in millions)	29.0	36.8	33.9	34.6	47.1	40.3	6.8%
Total GFA sold (sq.m. in millions)	35.0	59.7	64.0	65.4	64.6	73.1	15.9%
% of total GFA sold in the PRC	5.3%	6.3%	6.1%	6.0%	5.8%	5.6%	
GFA of residential properties sold (sq.m. in millions)	32.5	55.5	58.5	58.3	56.8	65.1	14.9%
Total sales revenue (RMB in billions)	110.5	209.4	264.7	321.8	351.8	402.0	29.5%
Sales revenue from residential properties (RMB in billions)	99.6	190.7	233.1	267.7	281.6	330.9	27.1%
Average price of commodity properties (RMB per sq.m.)	3,157.0	3,509.0	4,138.5	4,917.9	5,448.8	5,497.6	11.7%
Average price of residential properties (RMB per sq.m.)	3,067.0	3,434.0	3,984.8	4,595.1	4,959.2	5,086.0	10.6%

The property market in Yunnan Province

Yunnan Province is located in the southwestern region of China. It has an area of approximately 152,000 sq.km. In 2012, Yunnan had a population of approximately 46.6 million. The table below sets out selected economic statistics of Yunnan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Nominal GDP (RMB in billions)	569.2	617.0	722.4	889.3	1,030.9	NA	NA
Real GDP growth rate (%)	10.6	12.1	12.3	13.7	13.0	12.1	
Per capita GDP (RMB)	569.2	617.0	722.4	889.3	1,030.9	NA	NA
Per capita disposable income of urban households	13,250.2	14,423.9	16,064.5	18,575.6	21,074.5	NA	NA

Source: CEIC

According to the CEIC, the average price per sq.m. of commodity properties in Yunnan Province in 2013 was approximately RMB4,494.1, representing a CAGR of 10.9% since 2008. The table below sets out selected data on the property market in Yunnan Province for the periods indicated.

	2008	2009	2010	2011	2012	2013	CAGR
Total GFA completed (sq.m. in millions)	10.5	16.8	15.4	15.7	18.5	20.2	13.9%
GFA of residential properties completed (sq.m. in millions)	8.8	14.1	12.6	12.6	14.9	15.8	12.3%
Total GFA sold (sq.m. in millions)	16.4	22.3	29.6	32.2	32.4	33.1	15.0%
% of total GFA sold in the PRC	2.5%	2.4%	2.8%	2.9%	2.9%	2.5%	
GFA of residential properties sold (sq.m. in millions)	14.8	20.4	26.6	26.6	27.9	28.6	14.1%
Total sales revenue (RMB in billions)	44.0	65.4	93.5	117.2	136.3	148.7	27.6%
Sales revenue from residential properties (RMB in billions)	36.1	55.6	76.9	95.9	107.7	119.3	27.0%
Average price of commodity properties (RMB per sq.m.)	2,680.0	2,931.0	3,158.0	3,635.4	4,209.2	4,494.1	10.9%
Average price of residential properties (RMB per sq.m.)	2,441.0	2,723.0	2,893.3	3,388.4	3,861.0	4,176.3	11.3%

The tourism industry in the PRC

China's tourism industry and hotel industry have benefited from the strong economic growth in China which has resulted in higher disposable incomes of urban households, reflecting a more affluent domestic customer base. In addition, the increased number of international travelers also contributed to the growth of China's tourism and hotel sectors. In 2013, there were 3,389.1 million visits, of which there were 3,260.0 million visits from domestic travelers and 129.1 million visits from Hong Kong, Macau, Taiwan and other international travelers, representing a CAGR, of 13.7% and (0.1)%, respectively, since 2008. Out of the 129.1 million visits, the majority of approximately 80.0% of such visits were from travelers from Hong Kong, Macau and Taiwan. The table below sets out the number of domestic visits and international visits in China from 2008 to 2013.

	2008	2009	2010	2011	2012	2013	CAGR
Total visits (millions)	**1,842.0**	**2,028.5**	**2,236.8**	**2,776.4**	**3,089.4**	**3,389.1**	**13.0%**
Total domestic visits (millions)	1,712.0	1,902.0	2,103.0	2,641.0	2,957.0	3,260.0	13.7%
Total international visits (millions)	130.0	126.5	133.8	135.4	132.4	129.1	(0.1)%
From Hong Kong and Macau (millions)	101.3	100.1	102.5	103.0	99.9	97.6	(0.7)%
From Taiwan (millions)	4.4	4.5	5.1	5.3	5.3	5.2	3.3%
Foreigners (millions)	24.3	21.9	26.1	27.1	27.2	26.3	1.6%
Total increase / (decrease)	5.7%	10.1%	10.3%	24.1%	11.3%	9.7%	

Source: Wind

Tourism industry in Guangdong Province

In 2013, Guangdong Province received approximately 268.4 million visits, of which 238.6 million visits were from domestic travelers, and 29.8 million visits were from international travelers. The number of total visits has grown at a CAGR of 15.6% since 2007. Of the international visits, the majority were from Hong Kong, Macau and Taiwan, which collectively accounted for 23.1 million of the inbound visits in 2013. The table below sets out the number of inbound visits to Guangdong Province from 2008 to 2013.

	2008	2009	2010	2011	2012	2013	CAGR
Total visits (millions)	**101.1**	**181.3**	**215.7**	**248.8**	**NA**	**268.4**	**27.6%**
Total domestic visits (millions)	84.6	154.6	184.2	215.2	NA	238.6	NA
Total international visits (millions)	16.5	26.7	31.5	33.6	34.9	29.8	12.6%
From Hong Kong and Macau (millions)	10.8	10.8	21.0	23.0	24.1	20.5	13.8%
From Taiwan (millions)	1.8	2.7	3.2	3.2	3.1	2.6	7.6%
Foreigners (millions)	3.9	5.9	7.3	33.6	7.7	6.7	11.2%
Total increase / (decrease)	(26.2)%	79.3%	19.0%	15.4%	NA	NA	

Source: Wind

Note:
(1) Data for October, November and December 2008 not published. Figure has been annualized using data from January to September 2008

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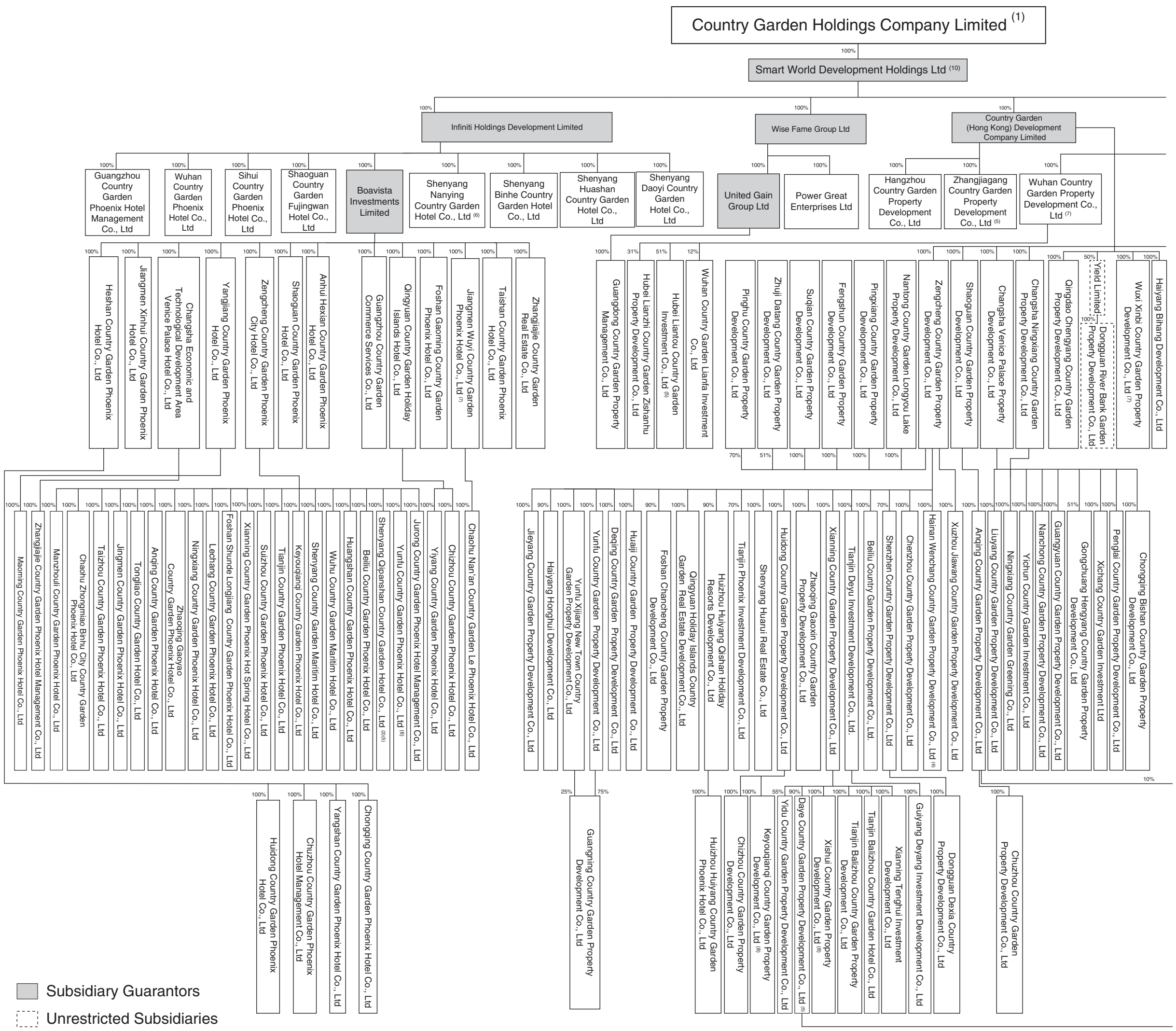
Corporate structure

The following chart shows our corporate structure as of December 31, 2013.



Notes:

(1) Our ultimate shareholders (other than public shareholders) are Yang Huiyan, Yang Erzhu, Su Rubo, Ou Xueming, who held 58.19%, 5.52%, 4.06% and 4.18%, respectively, of our Shares as of December 31, 2013. See "Management—Directors' and Chief executives' interests" and "Principal shareholders."

(2) This company is in the process of dissolution.

(3) Guangzhou Lihe Property Development Co., Ltd is the Asian Games City JV, which is the entity through which the Asian Games City Project will be implemented. See "Business—Asian Games City Project" for additional details.

(4) Formerly known as Wealthy Signet Sdn Bhd.

(5) The registered capital of the company has not been fully or timely paid.

(6) The company is in the process of applying for an extension of its business license.

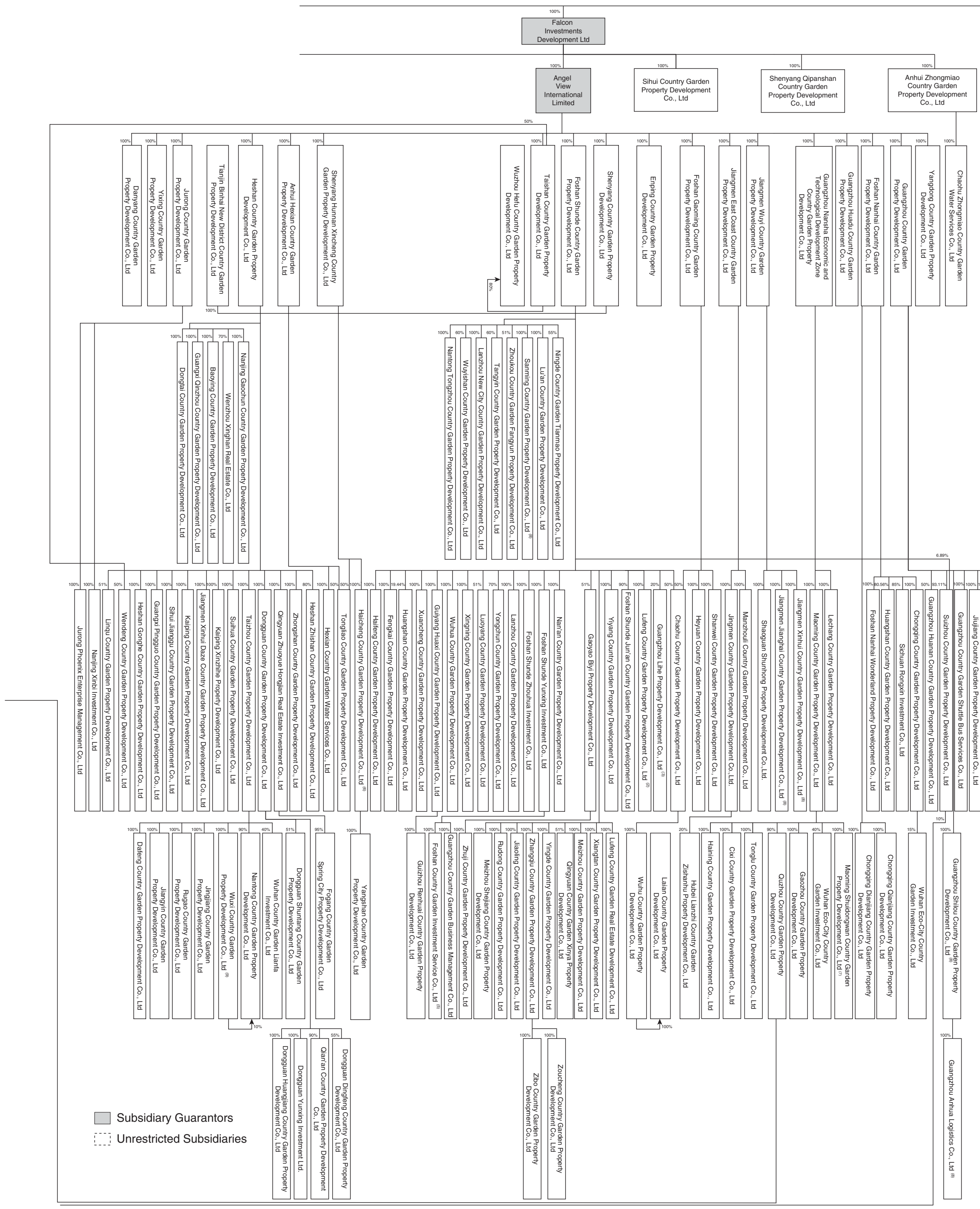
(7) The company is in the process of increasing its registered capital.

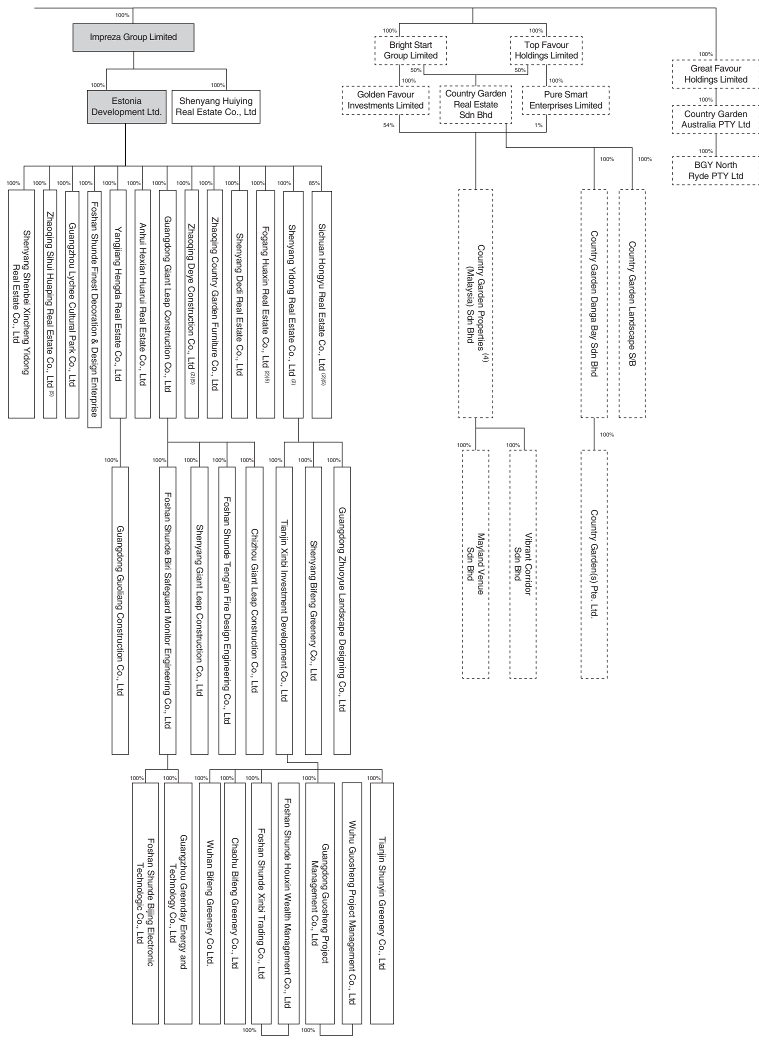
(8) The company's shares have been pledged pursuant to trust financing arrangements and a loan agreement.

(9) Subject to a trust financing arrangement under which Ping An Trust Co., Ltd holds a 17.06% interest as security.

(10) Subsequent to December 31, 2013, we have formed or acquired the following subsidiaries: (a) through Country Garden Real Estate Sdn. Bhd., a 100% interest in Damai Binajaya Sdn Bhd and a 91.5% interest in Country Garden Water Front Sdn Bhd, both are Malaysian companies, (b) through Country Garden Water Front Sdn Bhd, a 60% interest in Country Garden Pacific View Sdn Bhd, a Malaysian company, (c) through Smart World Development Holdings Ltd, a 100% interest in Suntide Holdings Limited and a 100% interest in Silver Dawn Holdings Limited, both are BVI companies, and (d) through Suntide Holdings Limited, a 100% interest in Sky Global International Development Limited and a 100% interest in World Target International Development Limited both are Hong Kong companies, and (e) through Silver Dawn Holdings Limited, a 100% in Gold Treasure international Development Limited, a Hong Kong company. These new companies do not own any significant assets as of the date of this offering memorandum and have been designated as Unrestricted Subsidiaries.

(11) Subsequent to December 31, 2013, we have, in our ordinary course of business, incorporated or acquired certain other PRC subsidiaries.


Falcon Investments Development Ltd
Angel View International Limited
Sihui Country Garden Property Development Co., Ltd
Shenyang Qipanshan Country Garden Property Development Co., Ltd
Anhui Zhongmiao Country Garden Property Development Co., Ltd
Subsidiary Guarantors
Unrestricted Subsidiaries



Subsidiary Guarantors

Unrestricted Subsidiaries

Business

Overview

We are one of the leading integrated property developers in the PRC, with substantially all of our assets and operations based in the PRC. Since the commencement of our property development activities in 1997, we have benefited from, and we expect to continue to benefit from, the growth in the property sector associated with the economic development in the PRC, particularly in Guangdong Province, which is one of the most affluent provinces and fastest growing economies in the PRC. Our primary business has been the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. The majority of our products are targeted towards end-user customers. As an integrated property developer, our lines of business also include construction, installation, fitting and decoration as well as property management. Our residential home projects are generally located in the suburban areas of first-tier cities and in the newly urbanized town centers of second- and third-tier cities. In December 2011, we expanded our operations into Malaysia. We are also planning to launch a new project in Sydney, Australia in the second half of 2014.

As of December 31, 2013, we had 171 projects at various stages of development. Of these projects, 75 were located in Guangdong Province: 14 in Guangzhou City, nine in Foshan City, 13 in Jiangmen City, seven in Zhaoqing City and the remaining in various other cities. We also had 93 projects located outside Guangdong Province, spanning 17 provinces, two autonomous regions, two municipalities in the PRC as well as two in the State of Selangor, Malaysia and one in the State of Johor, Malaysia.

As of December 31, 2013, our projects had an aggregate completed GFA of approximately 45,731,794 sq.m. We had an aggregate GFA under development of approximately 33,304,855 sq.m. and an aggregate GFA of approximately 39,082,290 sq.m. relating to properties held for future development as of the same date. We have obtained land use rights certificates, development and operation rights or land title in respect of the completed GFA, GFA under development and GFA held for future development. In addition, as of December 31, 2013, we had entered into land grant contracts or sale and purchase agreements in respect of land located in 40 cities in the PRC, one in the State of Johor, Malaysia as well as one in Sydney, Australia with an aggregate site area of approximately 9,086,377 sq.m. and an aggregate expected GFA of approximately 13,249,284 sq.m. for future development.

In addition, we are jointly developing the Asian Games City Project in Guangzhou City with several other PRC real estate developers, which occupies a site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 5.8 million sq.m. The Asian Games City Project is being developed by the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects, the site area or GFA data included in this offering memorandum. See "—Asian Games City Project" for more details.

We also develop hotels to complement our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to such residential projects and enhanced our brand recognition. As of December 31, 2013, we had developed and were operating seven five-star hotels and two four-star hotels, as well as 30 hotels which were developed in accordance with the five-star rating standard set forth in the "Star-Rating Standard for Tourist Hotels" (旅遊飯店星級的劃分與評定) issued by the PRC National Tourism Administration. In addition, we have 12 hotels under construction in accordance with the five-star standard and three hotels under construction in accordance with the four-star standard set forth in the "Star-Rating Standard for Tourist Hotels."

For the years ended December 31, 2012 and 2013, our total revenue was RMB41,891.0 million and RMB62,681.9 million (US$10,354.3 million), respectively, and our EBITDA was RMB12,268.6 million and RMB14,089.9 million (US$2,327.5 million), respectively.

Our shares have been listed on the Hong Kong Stock Exchange since April 20, 2007 under stock code 2007. Our market capitalization as of April 25, 2014 was HK$58,325.8 million.

Competitive strengths

We are one of the largest property developers in the PRC with one of the largest, geographically diversified, and low-cost land bank

As of December 31, 2013, we had an aggregate GFA under development and for future development in China of approximately 70,523,165 sq.m. for which we have obtained all the relevant land use rights certificates or development and operation rights or land title, spanning 18 provinces, two autonomous regions and two provincial level municipalities. In addition, as of December 31, 2013, we had entered into land grant contracts in respect of land in China with an aggregate site area of approximately 8,977,460 sq.m. for which we have applied for or were in the process of applying for land use rights certificates in 40 cities in China, with an aggregate expected GFA of approximately 12,893,727 sq.m. for future development. We expect that these new acquisitions will further increase the value and size of our land bank when we obtain the land use rights certificates.

We adopt a disciplined approach to land acquisition and development. We undertake market research and analysis as well as budget and financing planning prior to a land acquisition, which we believe enables us to exercise effective cost control. In addition, we continue to seek opportunities to acquire and develop land in close proximity to our existing mature projects. We believe such in-fill developments will lower potential execution risks given our experience with the local markets, service providers and target customers. For the three years ended December 31, 2011, 2012 and 2013, we estimate that our average unit land cost based on GFA was approximately 10% to 15% of our average unit selling price. We believe our low-cost land bank not only supports our future profitability but also gives us greater flexibility to diversify our product portfolio, to cater to a broader customer base, and to respond more effectively to changing market conditions.

We have an established business model which we believe has been successfully replicated in the markets where we operate

We focus on developing large-scale residential communities in the suburban areas of first-tier cities as well as the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We proactively seek to enhance the value of our properties by creating a better living environment through the provision of comprehensive community facilities and premium services in our master-planned communities. Our business model leverages on China's economic growth, increasing urbanization and rising standards of living. We believe that we have aligned our business development objectives with those of local governments, as our large-scale township developments raise the living standards of the local population and help improve the business environment of the local economies.

Over the last decade, we have successfully replicated our business model in 15 cities in Guangdong Province, with a total of 75 projects having an aggregate expected GFA of 56,460,588 sq.m. as of December 31, 2013. Since 2006, we have also implemented our business model outside Guangdong Province, with a total of 93 projects having an aggregate expected GFA of 59,794,371 sq.m. outside Guangdong Province in the PRC, and with three projects in Malaysia having a total expected GFA of 1,863,980 sq.m. as of December 31, 2013. We believe the success of Country Garden—Galaxy Palace, Country Garden—Phoenix City (Jurong), Country Garden—Ten Miles Golden Beach and Country Garden—Golden Beach, in particular, demonstrates our ability to replicate our business model and capitalize on our strong brand name in other provinces in China.

Our standardized operations enable us to provide high-quality and competitively priced products to our customers and to achieve quick asset turnover and attractive margins

We are one of the largest PRC property developers focusing on developing large-scale, multi-phase suburban residential communities in the PRC. We generally standardize principal features of our operations, such as land acquisition, project planning and design, procurement of raw materials, selection of contractors, sales and marketing and property management, which we believe enables us to:

- achieve economies of scale and increase operating efficiency through pooling internal resources, thereby helping to further improve our profit margins;
- ensure consistent product quality;
- strengthen our bargaining power with suppliers and contractors to obtain good quality supplies and services at relatively low costs, which help increase our pricing flexibility;
- smoothen project execution to achieve quick asset turnover; and
- respond rapidly to changes in market environment.

We believe that a combination of our strong brand recognition, high quality product mix and competitive pricing model has enabled us to pre-sell a substantial portion of the properties in our projects.

We maintain a robust liquidity position and have a strong credit profile

We actively manage our liquidity position by taking into account our development plans, capital needs and available cash and financing options. As of December 31, 2011, 2012 and 2013, our cash and cash equivalents amounted to RMB7.7 billion RMB11.8 billion and RMB18.9 billion (US$3.1 billion), respectively. We believe our quick asset turnover model has enabled our projects to generate positive cash flow in a relatively short period after commencement of development to support further developments.

We believe we have developed a strong credit profile over the years relative to our peers and have become a preferred customer of a number of major commercial banks in the PRC. We also have access to the international capital markets through debt, equity and equity-linked offerings. While we have a strong credit profile, we closely monitor our leverage ratio with a view to maintaining a healthy capital structure.

We have a strong brand in Guangdong Province with increasing recognition nationwide

We believe our brand name "Country Garden" (碧桂園), as well as our guiding motto, "Country Garden—Giving you a five-star home" (碧桂園—給您一個五星級的家), have strong market recognition in Guangdong Province. We believe this market recognition is a result of our high quality products and services as we aim to provide our customers with not only pleasant and comfortable homes in a clean and safe environment, but also higher living standards supported by comprehensive community facilities and services such as restaurants and catering, shopping, sports and leisure, transportation, education and domestic assistance. This market recognition has helped us to achieve our leading position in the property market in Guangdong Province and to expand our operations into other PRC provinces. Since 2006, we have gradually expanded our operations into 17 provinces, two autonomous regions and two provincial level municipalities outside Guangdong in the PRC, and we believe we will receive increasing brand recognition in those markets. In 2006, we were one of the first two brands that were recognized by SAIC as "China's Well-Known Trademarks" in the property sector.

We aim to strengthen the confidence and trust of our customers in our products and services, and to secure repeat customers and referrals for us, through an emphasis on quality property management and post-sales services. We believe that our strong financial performance demonstrates the trust that we have built with our customers and the recognition of our brand name and the quality of our products.

We have a highly effective management structure, experienced management team and professional workforce

We believe we have a highly effective management structure. Our headquarters in Guangdong Province vertically manages the principal functions of our operations, including land acquisitions, project design, human resources, financing planning and raw material procurement. As we expand into markets outside Guangdong, we have delegated certain functions such as project management and marketing to our project companies to facilitate smooth project execution, thereby enabling them to cater to local characteristics, shorten development cycle and quickly respond to changes in local market conditions.

Our senior management team has extensive industry knowledge, management skills and operating experience. Most of our management have been with us since our inception. In particular, Yeung Kwok Keung, Yang Erzhu, Su Rubo, Zhang Yaoyuan and Ou Xueming, our co-founders, have remained as a cohesive team and have focused on our property development business since 1997. We believe management's interest is aligned with our interest given their substantial shareholdings in our Company. As of December 31, 2013, our senior management (principally composed of our co-founders and their family members) in aggregate held an approximate 72.4% interest in our Company.

Business strategies

Continue to focus on core property development business with a well balanced mix of property developments within and outside Guangdong Province

We intend to continue to grow our core property development business. We will actively look for suitable opportunities to develop large-scale residential communities in suburban areas of first-tier cities in the PRC as well as attractive opportunities in the newly urbanized town centers of second- and third-tier cities in the PRC where we believe have high-growth potential. We believe this strategy is not only in line with China's urbanization trend of expanding existing urban boundaries of major cities and creating new urban clusters around second- and third-tier cities, but also complements our successful formula of controlling costs through our low-cost land bank, large-scale production and quick asset turnover. We will also selectively look into opportunities outside of China, such as in Malaysia and Australia, as opportunities arise.

Since 2006, we have gradually expanded our operations outside Guangdong Province into 11 other provinces, two autonomous regions and two provincial level municipalities in China, as well as into Malaysia and Australia. We believe our geographical diversification efforts have provided us with a well balanced mix of property developments within and outside Guangdong Province in the PRC. Guangdong Province, which is one of the most affluent provinces and fastest growing economies in China, will remain our principal market. Guangdong Province recorded a GDP per capita of approximately RMB58,540.0 in 2013, which is significantly higher than the national average. We intend to continue to leverage our local knowledge and market reputation in Guangdong Province to further grow our business there. At the same time, we will continue to develop our existing projects in markets outside Guangdong Province, which have seen increased average selling prices over the years. Where suitable opportunities arise, we will also acquire more land and enter into new markets with high growth potential, within or outside the PRC. For example, we have expanded into and have three projects in Malaysia as of December 31, 2013. We are also planning to launch a new project in Sydney, Australia in the second half of 2014.

We also intend to continue to develop high quality hotels in our large residential communities, as we believe they enhance the value and attractiveness of our residential community projects. We believe this strategy also improves our competitiveness during the land tender process, as high quality hotels are seen by local governments of second- and third-tier cities in the PRC as an important feature to attract visitors and improve the commercial appeal of the environment. We may consider engaging, and are currently in discussions with, certain international management firms to manage some of our hotels to further enhance the value of our hotel properties.

Continue to focus on developing properties having an attractive value-to-price ratio

We intend to continue to focus on our strategy of providing our customers with high-value properties at competitive prices. We will continue to leverage on our expertise and industry experience to develop large-scale integrated residential communities featuring value-added facilities and services that cater to a broad end user driven customer base. Our facilities include clubhouses, hotels, supermarkets, schools, clinics, sports and recreational facilities as well as food and beverage outlets, and our services include childcare, domestic assistance, property management, security and shuttle bus services for residents both within the projects as well as from projects to city centers. We endeavor to develop and refine our product design to accommodate changing market conditions and consumer preference. We will also encourage creativity and innovation in our product design through collaboration between our in-house experts and third-party professionals.

Maintain prudent financial management policies

We will continue to closely monitor our capital and cash positions, gauge our development scale and time our land acquisition and development schedule accordingly. We have budget and financing planning and cash management at the project level as well as the group level. We will continue to carefully manage our development cost for each project during the course of its development, with an emphasis on cost reduction and cost efficiency. We will actively manage our sales and pre-sales to ensure adequate cash flow for our ongoing capital requirements. We will also remain disciplined in our capital commitments and seek to maintain a balanced capital structure, as demonstrated through our share placement in February 2012.

Further strengthen our leading position and brand name recognition nationwide

We plan to further strengthen our leading position and our "Country Garden" brand name recognition in Guangdong Province and across China. To distinguish ourselves from our competitors, we plan to continue to promote the "five-star home" motto and apply this to the services offered to our existing and prospective customers to improve the living environment of our customers. We will continue to encourage our existing customers to refer potential purchasers to us through incentive schemes such as waiving property management fees.

Enhance effective internal management and controls

We intend to continue to adopt the best practices and standards in the industry for corporate governance and internal controls, drawing on senior management's expertise and experience to facilitate our operations and expansion. We intend to further streamline our internal management functions by clearly defining the responsibilities of each operating unit to ensure orderly and efficient operations and rapid responses to changes in market conditions.

We will continue to incentivize our management and employees and seek to attract and retain talent through a competitive remuneration package. We will continue to provide our employees with a variety of training and development programs to assist in their career development. We will also actively recruit new talent to optimize our human resources and enhance the productivity and competitiveness of our workforce.

Recent Developments

For the four months ended April 30, 2014, we achieved contracted sales of approximately RMB41.1 billion (US$6.8 billion) with contracted sales GFA of approximately 6.3 million square meters.[(1)]

On May 15, 2014, we entered into a subscription agreement to issue an aggregate principal amount of US$250,000,000 7.50% Senior Notes due 2019 (the "Private Notes"). The issuance of the Private Notes is subject to the fulfillment of certain conditions precedent under the subscription agreement and is expected to take place on or about June 5, 2014. See "Description of other material indebtedness—Private Notes."

Note:
(1) "Contracted sales" refer to purchase price of formal purchase contracts we entered into with purchasers of our properties. We compile contracted sales information (including contracted sales amounts, ASP and GFA) through our internal records, and such information has not been audited or reviewed by PricewaterhouseCoopers, Certified Public Accountants. As these sales and purchases contracts are subject to termination or variation under certain circumstances pursuant to their contractual terms, or subject to default by the relevant purchasers, they are not a guarantee of current or future contracted sales. Contracted sales information should in no event be treated as an indication of our revenue or profitability. Our subsequent revenue recognized from such contracted sales may be materially different from such contracted sales. Accordingly, contracted sales information contained in this offering memorandum should not be unduly relied upon as a measure or indication of our current or future operating performance.

Overview of our property developments

As of December 31, 2013, we had 171 projects at various stages of development. The following table sets forth the location of our projects as of such date.

Location	Number of projects	Location	Number of projects
Guangdong Province	**75**	**Anhui Province**	**10**
Guangzhou City	14	Chuzhou City	2
Jiangmen City	13	Hefei City	2
Foshan City	9	Anqing City	1
Zhaoqing City	7	Chizhou City	1
Dongguan City	7	Huangshan City	1
Meizhou City	5	Maanshan City	1
Qingyuan City	5	Wuhu City	1
Shaoguan City	3	Xuancheng City	1
Maoming City	3	**Jiangsu Province**	**14**
Huizhou City	2	Wuxi City	4
Shanwei City	2	Nantong City	3
Yunfu City	2	Taizhou City	2
Heyuan City	1	Zhenjiang City	2
Yangjiang City	1	Nanjing City	1
Zhongshan City	1	Yancheng City	1
Henan Province	**3**	Yangzhou City	1
Anyang City	1	**Hunan Province**	**9**
Luoyang City	1	Changsha City	4
Zhoukou City	1	Chenzhou City	1
Jiangxi Province	**2**	Xiangtan City	1
Pingxiang City	1	Yiyang City	1
Yichun City	1	Zhangjiajie City	1
Sichuan Province	**2**	Hengyang City	1
Guangyuan City	1	**Liaoning Province**	**6**
Nanchong City	1	Shenyang City	5
Guizhou Province	**1**	Anshan City	1
Guiyang City	1	**Hainan Province**	**3**
Hebei Province	**1**	Lin'gao County	2
Tangshan City	1	Wenchang City	1
Yunnan Province	**1**	**Inner Mongolia Autonomous Region**	**3**
Qujing City	1	Hulunbeier City	1
Hubei Province	**11**	Tongliao City	1
Wuhan City	3	Xing'anmeng	1
Xianning City	3	**Chongqing**	**4**
Ezhou City	1	**Tianjin**	**3**
Huanggang City	1	**Guangxi Zhuang Autonomous Region**	**3**
Jingmen City	1	Baise City	1
Suizhou City	1	Yulin City	1
Huangshi City	1	Wuzhou City	1

Location	Number of projects	Location	Number of projects
Shandong Province	**5**	Quzhou City	1
Ji'nan City	1	Shaoxing City	1
Yantai City	1	Wenzhou City	1
Weihai City	1	**Fujian Province**	**3**
Weifang City	1	Quanzhou City	2
Zibo City	1	Sanming City	1
Heilongjiang Province	**1**	**Gansu Province**	**1**
Suihua City	1	Lanzhou City	1
Zhejiang Province	**7**	**Malaysia**	**3**
Hangzhou City	2	Selangor State	2
Jiaxing City	1	Johor State	1
Ningbo City	1		

In addition, we are developing the Asian Games City Project in Guangzhou City with several other developers. The Asian Games City Project occupies a site area of approximately 2.6 million sq.m. and has a total planned GFA of approximately 4.4 million sq.m. The Asian Games City Project is being developed by the Asian Games City JV, in which we hold a 20% equity interest. Because we hold only a minority interest in the Asian Games City JV, we have not taken the Asian Games City Project into account when calculating the number of our projects or the site area or GFA data included in this offering memorandum. See "—Asian Games City Project."

We have obtained all the relevant land use rights certificates for land of our completed properties and obtained all or portion of land use rights certificates for land of our properties under development. Further, we have property interests derived from land use rights transfer agreements, compensation agreements or land grant contracts to develop residential properties in various cities in Guangdong Province, Nanping City, Ningde City, Quanzhou City, Sanming City in Fujian Province, Huanggang City, Jingmen City, Suizhou City, Xianning City, Yichang City in Hubei Province, Changzhou City, Nanjing City, Nantong City, Suzhou City, Wuxi City, Xuzhou City, Yancheng City in Jiangsu Province, Qingdao City, Yantai City, Zoucheng City in Shandong Province, Jiaxing City, Shaoxing City in Zhejiang Province, Hefei City, Lu'an City in Anhui Province, Qinzhou City, Wuzhou City in Guangxi Zhuang Autonomous Region, Jiujiang City, Yichun City in Jiangxi Province, Chongqing Municipality, Zunyi City in Guizhou Province, Lin'gao County in Hainan Province, Shenyang City in Liaoning Province, Nanchong City in Sichuan Province, Johor State in Malaysia and Sydney in Australia, with an aggregate site area of approximately 9,086,377 sq.m. As of December 31, 2013, we had not yet obtained land use rights certificates to these parcels of land and these land parcels are vacant land for future development purposes.

In the PRC, the relevant properties in a property development project are treated as completed when the local government authorities issue a Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report (房屋建築工程和市政基礎設施工程竣工驗收備案表). The relevant properties in a property development project in the PRC are treated as having received that certification when we have provided the relevant government authorities with, among other things, the following documents and when an official seal has been affixed to the inspection-for-completion form:

- Relevant approvals and acceptance documents from the bureau of planning, public security and fire services and environmental protection;

- Completed Construction Works Certified Report (建設工程竣工驗收報告);
- Construction Permit (建設工程施工許可證);
- Project Quality Assessment Report (工程質量評做報告);
- Quality Inspection Report on Investigation and Design Documentation (勘察、設計文件質量檢查報告); and
- Inspection Report on the Quality of Construction Projects (建設工程質量監督報告).

A property in the PRC is treated as "under development" immediately following the issuance of the Construction Permit until the time of issuance of the Certification of Completion.

Unless otherwise indicated, we have obtained the relevant land use rights certificates, development and operation rights or land title for our properties referred to in this offering memorandum. As our projects typically comprise multi-phase developments that are developed on a rolling basis, a single project may include a number of phases that are variously completed, still under development or held for future development.

The site area information for an entire project is based on the relevant land use rights certificates, development and operation rights or land title. The aggregate GFA of an entire project is calculated by multiplying its site area by:

- the plot ratio specified in other approval documents from the local governments relating to the project;
- the maximum permissible plot ratio as specified in the relevant land grant contracts; or
- such lower plot ratio as we reasonably expect to be able to develop for such project.

The aggregate GFA of a project includes both saleable and non-saleable GFA. Non-saleable GFA refers to certain communal facilities, including transformer rooms and guard houses.

A property is treated as "sold" when the purchase contract with a customer has been executed and the property has been delivered to the customer. Delivery is deemed to take place on the date stated on the property delivery document. A property is treated as "pre-sold" when the purchase contract has been executed but the property has not yet been delivered to the customer.

The project names used in this offering memorandum are the names that we have used, or intend to use, to market our properties.

The following table sets forth the information of our 171 projects as of December 31, 2013:

					Completed property developments					Properties under development						Properties for future development			
Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed GFA[1]	Total completed saleable GFA[1]	Total saleable GFA sold and delivered[1]	Total saleable GFA pre-sold pending delivery[1]	Completion date	GFA under development[2]	Total saleable GFA under development[2]	Actual commencement date	Total saleable GFA pre-sold[3]	Actual/ Estimated pre-sale commencement date	Estimated completion date	GFA for future development[4]	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
			sq.m.	(%)	sq.m.	sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Guangdong Province																			
Country Garden East Court (碧桂園東苑)	Guangzhou (Panyu)	low-rise apartment buildings, retail shops	269,222	100%	240,550	238,860	235,251	—	29-Jun-2002	—	—	—	—	—	—	28,672	1st Quarter 2014	—	2nd Quarter 2015
Shawan Country Garden (沙灣碧桂園)	Guangzhou (Panyu)	villas, townhouses, high-rise apartment buildings, parking spaces	278,834	100%	278,834	273,702	273,702	—	31-Dec-2009	—	—	—	—	—	—	—	—	—	—
Huanan Country Garden—Phases One to Five and Phase Seven (華南碧桂園—一至五期及七期)	Guangzhou (Panyu)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,075,096	100%	1,075,096	960,457	960,305	—	19-Dec-2011	—	—	—	—	—	—	—	—	—	—
Huanan Country Garden—Phase Six (華南碧桂園一六期)	Guangzhou (Panyu)	villas, townhouses, high-rise apartment buildings, retail shops, parking spaces	424,231	50%	408,391	407,552	407,552	—	20-Dec-2007	15,840	—	15-Oct-2004	—	—	4th Quarter 2014	—	—	—	—
Licheng Country Garden (荔城碧桂園)	Guangzhou (Zengcheng)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	568,729	100%	568,729	550,765	545,920	—	30-Jun-2010	—	—	—	—	—	—	—	—	—	—
Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	4,693,969	100%	4,406,011	4,176,961	4,039,459	575	20-Nov-2013	287,958	269,910	29-Apr-2007	175,935	30-Apr-2008	4th Quarter 2015	—	—	—	—
Nansha Country Garden (南沙碧桂園)	Guangzhou (Nansha)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	515,889	100%	515,889	491,002	489,304	—	28-Jun-2010	—	—	—	—	—	—	—	—	—	—
Country Garden Grand Palace (碧桂園豪庭)	Guangzhou (Nansha)	townhouses, high-rise apartment buildings, retail shops	167,152	100%	167,152	155,977	155.146	—	17-May-2013	—	—	—	—	—	—	—	—	—	—
Holiday Islands—Huadu (假日半島—花都)	Guangzhou (Huadu)	villas, townhouses, low-rise apartment buildings	444,821	100%	418,169	403,637	350,143	1,169	18-Oct-2012	5,691	—	11-May-2006	—	—	4th Quarter 2014	20,961	1st Quarter 2014	3rd Quarter 2014	4th Quarter 2015
Country Garden Airport Plaza (碧桂園空港廣場)	Guangzhou (Huadu)	high-rise apartment buildings, retail shops	114,982	100%	—	—	—	—	—	114,982	105,967	18-June-2013	102	1-Nov-2013	3rd Quarter 2014	—	—	—	—
Country Garden—Lychee Park (碧桂園· 荔園)	Guangzhou (Zengcheng)	townhouses, low-rise apartment buildings, retail shops, parking spaces	88,837	100%	88,837	87,590	85,870	—	26-May-2010	—	—	—	—	—	—	—	—	—	—
Country Garden—Grand Garden (碧桂園· 豪園)	Guangzhou (Zengcheng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,105,356	100%	585,640	531,078	521,991	2,213	26-Nov-2013	394,490	366,303	5-July-2013	190,437	29-July-2013	4th Quarter 2014	125,226	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2016
Shilou Country Garden (石樓碧桂園)	Guangzhou (Panyu)	townhouses, high-rise apartment buildings	168,808	100%	—	—	—	—	—	144,808	133,865	29-Dec-2011	83,260	1-May-2012	1st Quarter 2014	24,000	1st Quarter 2014	—	1st Quarter 2015
Country Garden Hill Lake Bay (碧桂園山湖灣)	Guangzhou (Nansha)	townhouses, high-rise apartment buildings, retail shops	505,302	100%	—	—	—	—	—	505,302	491,586	28-Jun-2012	295,897	30-Nov-2012	2nd Quarter 2015	—	—	—	—
Shunde Country Garden—including Country Garden West Court (順德碧桂園(含碧桂園西苑))	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	2,845,362	100%	2,376,565	2,192,825	2,109,522	—	29-Sep-2013	304,552	209,549	25-Aug-2008	49,875	23-Aug-2013	2nd Quarter 2015	164,245	2nd Quarter 2014	4th Quarter 2014	4th Quarter 2016
Jun'an Country Garden (均安碧桂園)	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings	254,510	90%	224,458	214,110	214,110	—	20-Jun-2011	—	—	—	—	—	—	30,052	1st Quarter 2014	3rd Quarter 2014	4th Quarter 2015
Peninsula Country Garden (半島碧桂園)	Foshan (Shunde)	villas, townhouses, low-rise apartment buildings	294,330	100%	294,330	287,042	287,042	—	16-Apr-2008	—	—	—	—	—	—	—	—	—	—
Gaoming Country Garden (高明碧桂園)	Foshan (Gaoming)	villas, townhouses, low-rise apartment buildings, retail shops, parking spaces	986,950	100%	917,070	906,185	884,343	18,746	26-Dec-2013	56,880	56,454	31-May-2006	20,297	24-Apr-2013	3rd Quarter 2014	13,000	2nd Quarter 2014	—	2nd Quarter 2015
Nanhai Country Garden (南海碧桂園)	Foshan (Nanhai)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	553,574	100%	553,574	542,780	541,545	—	30-Mar-2011	—	—	—	—	—	—	—	—	—	—
Country Garden Wonderland (碧桂園山水桃園)	Foshan (Nanhai)	townhouses, low-rise apartment buildings, high-rise apartment buildings, parking spaces	144,508	100%	144,508	143,410	116,927	613	19-Jan-2012	—	—	—	—	—	—	—	—	—	—
Country Garden City Garden (碧桂園城市花園)	Foshan (Chancheng)	high-rise apartment buildings, retail shops, parking spaces	450,726	90%	450,448	434,705	373,618	632	6-Dec-2013	278	—	2-Sep-2011	—	—	2nd Quarter 2014	—	—	—	—
Country Garden Grand Palace (碧桂園豪庭)	Foshan (Shunde)	townhouses, high-rise apartment buildings, retail shops, parking spaces	369,867	100%	369,867	365,179	350,973	76	21-Nov-2012	—	—	—	—	—	—	—	—	—	—

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA(1)	Total completed saleable GFA(1)	Total saleable GFA sold and delivered(1)	Total saleable GFA pre-sold pending delivery(1)	Completion date	Properties under development: GFA under development(2)	Total saleable GFA under development(2)	Actual commencement date	Total saleable GFA pre-sold(3)	Actual/ Estimated pre-sale commencement date	Estimated completion date	Properties for future development: GFA for future development(4)	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Ronggui Country Garden (容桂碧桂園)	Foshan (Shunde)	townhouses, high-rise apartment buildings, retail shops, parking spaces	303,604	100%	170,589	165,043	12,675	27,343	10-Dec-2013	133,015	129,312	28-Jun-2011	10,549	6-Mar-2013	4th Quarter 2014	—	—	—	—
Heshan Country Garden (鶴山碧桂園)	Jiangmen (Heshan)	villas, townhouses, low-rise apartment buildings, retail shops, parking spaces	2,072,266	100%	1,867,297	1,794,733	1,745,866	1,137	28-Apr-2013	28,147	27,817	9-Aug-2012	8,184	4-Dec-2013	4th Quarter 2014	176,822	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015
Wuyi Country Garden (五邑碧桂園)	Jiangmen (Pengjiang)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	954,912	100%	954,912	912,193	907,594	—	18-Dec-2013	—	—	—	—	—	—	—	—	—	—
Xinhui Country Garden (新會碧桂園)	Jiangmen (Xinhui)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	588,519	100%	588,519	578,358	577,969	—	28-Dec-2012	—	—	—	—	—	—	—	—	—	—
Taishan Country Garden (台山碧桂園)	Jiangmen (Taishan)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	2,327,529	100%	906,795	883,200	810,790	802	9-Dec-2013	284,022	276,134	29-Feb-2008	105,632	27-Dec-2012	1st Quarter 2015	1,136,712	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2017
Enping Country Garden (恩平碧桂園)	Jiangmen (Enping)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	292,134	100%	282,166	275,462	274,533	421	9-Aug-2013	—	—	—	—	—	—	9,968	1st Quarter 2014	—	4th Quarter 2014
Country Garden—Park Prime (碧桂園· 公園1號)	Jiangmen (Heshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	237,723	100%	158,504	155,948	155,948	—	30-Aug-2012	79,219	77,209	6-Feb-2013	27,229	29-Nov-2013	1st Quarter 2015	—	—	—	—
Country Garden—Sunshine Coast (碧桂園· 陽光水岸)	Jiangmen (Kaiping)	townhouses, low-rise apartment buildings, retail shops, parking spaces	48,718	100%	48,718	48,446	46,846	—	15-Dec-2010	—	—	—	—	—	—	—	—	—	—
Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	townhouses, high-rise apartment buildings, retail shops, parking spaces	502,711	100%	216,335	206,296	162,456	36,337	30-Jul-2013	263,317	252,437	18-Jan-2011	46,515	15-Aug-2012	2nd Quarter 2015	23,059	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2015
Xinhui Country Garden—Phase Four (新會碧桂園－四期)	Jiangmen (Xinhui)	townhouses, high-rise apartment buildings, retail shops	598,976	100%	229,259	227,449	200,233	22,574	25-Dec-2013	171,968	169,532	7-Jan-2011	163,296	11-Apr-2012	4th Quarter 2014	197,749	1st Quarter 2014	3rd Quarter 2014	2nd Quarter 2016
Country Garden—Hill Lake Bay (碧桂園· 山湖灣)	Jiangmen (Xinhui)	townhouses, high-rise apartment buildings, retail shops	321,764	100%	133,514	123,307	105,562	—	20-Nov-2013	103,261	101,671	19-Apr-2013	6,750	15-Sep-2013	4th Quarter 2014	84,989	1st Quarter 2014	1st Quarter 2014	3rd Quarter 2015
Country Garden—Hill Lake Grand Palace (碧桂園· 山水豪園)	Jiangmen (Heshan)	townhouses, high-rise apartment buildings, retail shops	746,886	80%	166,103	164,709	154,781	—	29-Nov-2013	78,663	74,207	15-Mar-2013	6,963	30-Jul-2013	1st Quarter 2015	502,120	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2017
Country Garden—Forest Lake (碧桂園 • 天麓湖)	Jiangmen (Heshan)	townhouses, high-rise apartment buildings, low-rise apartment buildings, retail shops	410,440	100%	—	—	—	—	—	31,115	30,923	16-Dec-2013	—	1st Quarter 2014	1st Quarter 2015	379,325	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2016
Country Garden—Jade Bay (碧桂園．翡翠灣)	Jiangmen (Kaiping)	townhouses, high-rise apartment buildings, retail shops	867,862	100%	136,741	134,945	122,349	4,940	30-May-2013	301,112	291,962	30-Sep-2011	188,885	13-Nov-2012	3rd Quarter 2014	430,009	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Yangdong Country Garden (陽東碧桂園)	Yangjiang (Yangdong)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	390,847	100%	390,847	370,201	370,201	—	21-Dec-2010	—	—	—	—	—	—	—	—	—	—
Zhaoqing Lanling Residence (肇慶藍領公寓)	Zhaoqing (Gaoxin)	low-rise apartment buildings, retail shops	185,721	100%	185,721	105,861	6,655	—	26-Jun-2009	—	—	—	—	—	—	—	—	—	—
Zhaoqing Country Garden (肇慶碧桂園)	Zhaoqing (Gaoyao)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	466,375	51%	417,584	401,176	380,529	20,186	26-Dec-2013	48,484	48,484	1-Mar-2013	21,832	22-Aug-2013	4th Quarter 2014	307	1st Quarter 2014	—	4th Quarter 2014
Sihui Country Garden (四會碧桂園)	Zhaoqing (Sihui)	townhouses, low-rise apartment buildings, retail shops	47,102	100%	47,102	45,492	44,225	—	30-Jun-2010	—	—	—	—	—	—	—	—	—	—
Zhaoqing Country Garden—Hill Lake Palace (肇慶碧桂園· 山湖城)	Zhaoqing (Gaoyao)	townhouses, high-rise apartment buildings, retail shops, parking spaces	261,079	51%	261,079	255,764	252,998	—	28-Apr-2013	—	—	—	—	—	—	—	—	—	—
Huaiji Country Garden (懷集碧桂園)	Zhaoqing (Huaiji)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	241,390	100%	138,569	137,426	135,121	2,305	5-Nov-2013	102,821	99,031	24-Feb-2013	56,306	8-Jun-2013	4th Quarter 2014	—	—	—	—
Deqing Country Garden (德慶碧桂園)	Zhaoqing (Deqing)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	195,723	100%	195,723	192,351	184,277	230	30-May-2013	—	—	—	—	—	—	—	—	—	—
Fengkai Country Garden (封開碧桂園)	Zhaoqing (Fengkai)	townhouses, high-rise apartment buildings, retail shops, parking spaces	183,554	100%	156,687	150,966	133,285	905	13-Dec-2013	26,867	26,665	9-Aug-2011	14,187	14-Aug-2012	1st Quarter 2015	—	—	—	—
Huiyang Country Garden (惠陽碧桂園)	Huizhou (Huiyang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	975,943	90%	561,367	541,267	391,082	25,702	30-Dec-2013	68,902	61,083	30-Jun-2009	26,577	31-Jan-2013	4th Quarter 2014	345,674	1st Quarter 2014	3rd Quarter 2014	4th Quarter 2016

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			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Country Garden—Ten Miles Beach (碧桂園· 十里銀灘)	Huizhou (Huidong)	townhouses, high-rise apartment buildings, retail shops	5,136,572	100%	990,226	932,124	873,431	4,490	26-Dec-2013	2,032,502	1,965,024	14-Jun-2011	541,408	23-Mar-2012	2nd Quarter 2015	2,113,844	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Shanwei Country Garden (汕尾碧桂園)	Shanwei (Shanwei)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	720,473	100%	390,409	378,340	378,340	—	19-Jun-2013	161,444	161,444	20-Aug-2012	62,095	30-Nov-2012	1st Quarter 2015	168,620	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Haifeng Country Garden (海豐碧桂園)	Shanwei (Haifeng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	340,319	100%	316,493	313,878	274,105	23,876	18-Dec-2013	23,826	8,793	29-Aug-2011	429	25-Nov-2013	4th Quarter 2014	—	—	—	—
Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	3,500,325	100%	1,566,686	1,504,872	1,315,642	114,630	30-Dec-2013	767,269	742,593	17-Jan-2007	178,847	28-Apr-2013	2nd Quarter 2015	1,166,370	4th Quarter 2014	4th Quarter 2015	4th Quarter 2017
Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,581,124	100%	340,722	334,691	273,652	—	20-Nov-2013	69,962	55,584	27-Jan-2011	6,383	9-Aug-2013	4th Quarter 2014	1,170,440	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Shaoguan Country Garden—Sun Palace (韶關碧桂園· 太陽城)	Shaoguan (Xilian)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	4,881,243	100%	489,165	482,251	467,539	22	26-Nov-2013	766,177	736,502	28-Dec-2009	206,177	28-Jun-2013	1st Quarter 2015	3,625,901	1st Quarter 2014	1st Quarter 2014	4th Quarter 2024
Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	439,274	100%	344,538	328,746	301,195	6,044	19-Jul-2013	90,276	87,278	10-Dec-2011	18,455	23-Apr-2012	4th Quarter 2014	4,460	2nd Quarter 2014	—	3rd Quarter 2015
Country Garden City Garden (碧桂園城市花園)	Maoming (Dianbai)	townhouses, high-rise apartment buildings	1,432,615	100%	115,055	114,494	68,005	42,152	20-Dec-2013	292,650	289,541	31-Dec-2011	189,337	23-Apr-2013	4th Quarter 2014	1,024,910	1st Quarter 2014	1st Quarter 2014	4th Quarter 2016
Country Garden Phoenix City (碧桂園鳳凰城)	Maoming (Gaozhou)	townhouses, high-rise apartment buildings, retail shops	271,501	100%	—	—	—	—	—	217,555	209,419	17-Sep-2013	41,029	3-Dec-2013	1st Quarter 2015	53,946	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	845,727	100%	225,621	223,631	207,080	—	20-Mar-2013	117,814	115,474	30-Nov-2012	38,543	23-Apr-2013	4th Quarter 2014	502,292	2nd Quarter 2014	3rd Quarter 2014	2nd Quarter 2017
Holiday Islands – Qingyuan (假日半島—清遠)	Qingyuan (Qingcheng)	townhouses	435,667	100%	435,667	433,927	433,273	—	30-Nov-2012	—	—	—	—	—	—	—	—	—	—
Country Garden Spring City (碧桂園清泉城)	Qingyuan (Fogang)	townhouses, low-rise apartment buildings	588,781	100%	241,822	241,766	228,240	—	20-Dec-2013	141,261	141,091	3-Nov-2011	10,968	7-Nov-2011	4th Quarter 2014	205,698	1st Quarter 2014	3rd Quarter 2014	3rd Quarter 2016
Country Garden Shine Hill Lake City (碧桂園新亞山湖城)	Qingyuan (Qingcheng)	townhouses, high-rise apartment buildings, low-rise apartment buildings, retail shops	1,083,173	100%	104,478	104,478	91,908	—	13-Dec-2013	159,000	154,451	19-Jul-2013	80,119	13-Aug-2013	4th Quarter 2014	819,695	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2017
Country Garden Spring City- Phase Two (碧桂園清泉城-二期)	Qingyuan (Fogang)	townhouses, high-rise apartment buildings, retail shops	171,490	95%	—	—	—	—	—	142,702	141,823	28-Nov-2012	99,919	30-Nov-2012	2nd Quarter 2014	28,788	1st Quarter 2014	1st Quarter 2014	3rd Quarter 2015
Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	townhouses, high-rise apartment buildings, retail shops, parking spaces	524,033	100%	212,466	211,952	203,186	5,929	27-Nov-2013	268,516	253,007	24-Feb-2011	146,927	28-Mar-2013	2nd Quarter 2015	43,051	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Country Garden—City Garden (碧桂園 • 城市花園)	Yunfu (Yuncheng)	townhouses, high-rise apartment buildings, retail shops	401,136	100%	—	—	—	—	—	141,055	131,575	30-Jul-2013	38,525	22-Nov-2013	1st Quarter 2015	260,081	1st Quarter 2014	1st Quarter 2014	3rd Quarter 2015
Country Garden—Dongjiang Phoenix City (碧桂園 . 東江鳳凰城)	Heyuan (Yuancheng)	townhouses, high-rise apartment buildings, retail shops	919,611	100%	242,921	239,958	216,777	3,184	21-Oct-2013	379,984	371,537	31-May-2011	271,141	26-Sep-2012	2nd Quarter 2015	296,706	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Country Garden Grand Lake (碧桂園秀麗湖)	Zhongshan (Wuguishan)	townhouses	79,849	100%	79,849	74,534	54,307	—	31-Oct-2012	—	—	—	—	—	—	—	—	—	—
Dalang Country Garden (大朗碧桂園)	Dongguan (Dalang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	377,760	100%	377,760	368,636	357,295	—	17-May-2013	—	—	—	—	—	—	—	—	—	—
Country Garden Grand Garden (碧桂園豪園)	Dongguan (Tangxia)	townhouses, high-rise apartment buildings, retail shops	291,910	70%	53,540	44,098	13,998	—	30-Sep-2013	238,370	224,418	19-Mar-2012	223,423	14-Dec-2012	3rd Quarter 2014	—	—	—	—
Country Garden Forest Hill Garden (碧桂園天麓山花園)	Dongguan (Tangxia)	townhouses, high-rise apartment buildings, retail shops	446,787	100%	58,958	58,958	56,635	—	28-Jun-2013	387,829	354,024	20-Mar-2012	313,647	24-Dec-2012	2nd Quarter 2015	—	—	—	—
Country Garden Times City (碧桂園時代城)	Dongguan (Tangxia)	high-rise apartment buildings, retail shops	125,023	51%	125,023	119,544	43,411	75,938	31-Dec-2013	—	—	—	—	—	—	—	—	—	—
Changping Country Garden (常平碧桂園)	Dongguan (Changping)	high-rise apartment buildings, retail shops	91,788	100%	—	—	—	—	—	—	—	—	—	—	—	91,788	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2015
Qishi Dingfeng Country Garden (企石鼎峰碧桂園)	Dongguan (Qishi)	high-rise apartment buildings, retail shops, parking spaces	106,605	55%	—	—	—	—	—	—	—	—	—	—	—	106,605	1st Quarter 2014	3rd Quarter 2014	4th Quarter 2015
Country Garden—Parklane Bay (碧桂園 • 柏麗灣)	Dongguan (Shatian)	townhouses, high-rise apartment buildings, retail shops	237,458	50%	109,547	109,547	71,705	—	21-Nov-2013	127,911	119,843	27-Sep-2012	113,834	27-Apr-2013	4th Quarter 2014	—	—	—	—

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			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Meijiang Country Garden (梅江碧桂園)	Meizhou (Meijiang)	townhouses, high-rise apartment buildings, retail shops	856,269	100%	300,401	290,489	264,664	8,165	30-Sep-2013	472,361	468,101	26-Aug-2011	199,805	28-Jun-2013	2nd Quarter 2015	83,507	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2015
Shejiang Country Garden (畲江碧桂園)	Meizhou (Meixian)	townhouses, high-rise apartment buildings	236,359	100%	42,501	42,244	14,063	—	15-Jun-2013	223	—	15-Nov-2011	—	—	1st Quarter 2014	193,635	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Country Garden—Jade Bay (碧桂園．翡翠灣)	Meizhou (Jiaoling)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	372,285	100%	80,174	70,546	61,283	1,397	15-Oct-2013	195,778	184,569	27-Apr-2013	74,640	29-Jul-2013	4th Quarter 2014	96,333	1st Quarter 2014	4th Quarter 2014	4th Quarter 2015
Wuhua Country Garden (五華碧桂園)	Meizhou (Wuhua)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	218,938	100%	—	—	—	—	—	218,623	215,832	26-Jul-2013	208,763	13-Aug-2013	2nd Quarter 2015	315	1st Quarter 2014	—	4th Quarter 2014
Xingning Country Garden (興寧碧桂園)	Meizhou (Xingning)	townhouses, high-rise apartment buildings, retail shops	203,660	100%	—	—	—	—	—	203,108	186,079	17-Jun-2013	173,905	5-Sep-2013	1st Quarter 2015	552	1st Quarter 2014	—	4th Quarter 2014
Hunan Province																			
Changsha Country Garden (長沙碧桂園)	Changsha (Changsha)	villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,319,816	100%	860,317	813,965	785,398	—	18-May-2012	275,365	267,605	15-May-2013	—	17-Sep-2013	4th Quarter 2015	184,134	2nd Quarter 2014	4th Quarter 2014	1st Quarter 2016
Country Garden—Hill Lake Palace (碧桂園· 山湖城)	Changsha (Ningxiang)	townhouses, low-rise apartment buildings, retail shops	560,617	100%	314,292	286,805	204,180	250	26-Aug-2012	221,613	221,113	9-Jul-2013	8,043	10-Sep-2013	4th Quarter 2014	24,712	2nd Quarter 2014	3rd Quarter 2014	4th Quarter 2015
Liuyang Country Garden (瀏陽碧桂園)	Changsha (Liuyang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,105,795	100%	349,832	344,980	220,224	89,822	17-Sep-2013	97,830	97,582	6-Dec-2012	25,293	7-Dec-2012	4th Quarter 2014	658,133	1st Quarter 2014	1st Quarter 2014	4th Quarter 2016
Country Garden – Wonderland (碧桂園· 山水桃園)	Changsha (Ningxiang)	villas	119,682	100%	93,246	90,636	55,491	—	28-Nov-2013	26,436	26,353	30-May-2013	—	12-Aug-2013	4th Quarter 2014	—	—	—	—
Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,298,915	100%	400,516	396,087	210,924	154,730	3-Dec-2013	280,197	278,470	5-Aug-2013	77,987	30-Aug-2013	1st Quarter 2015	618,202	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2017
Xiangtan Country Garden (湘潭碧桂園)	Xiangtan (Xiangtan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	623,331	100%	172,741	147,784	115,658	230	10-Sep-2013	216,790	216,532	25-Jun-2013	46,514	5-Jun-2013	4th Quarter 2014	233,800	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015
Country Garden—Jade Hill (碧桂園· 翡翠山)	Chenzhou (Suxian)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	471,642	100%	38,779	38,779	35,843	336	30-Oct-2013	432,863	425,690	15-Feb-2012	231,496	9-Aug-2012	1st Quarter 2015	—	—	—	—
Zhangjiajie Country Garden (張家界碧桂園)	Zhangjiajie (Yongding)	villas	263,058	100%	23,685	—	—	—	28-Sep-2010	53,792	53,184	20-Jul-2012	4,552	5-Nov-2012	2nd Quarter 2015	185,581	1st Quarter 2014	2nd Quarter 2014	1st Quarter 2015
Hengyang Country Garden (衡陽碧桂園)	Hengyang (Yanfeng)	townhouses, high-rise apartment buildings, retail shops	436,851	51%	—	—	—	—	—	246,867	241,957	26-Dec-2013	—	20-Dec-2013	3rd Quarter 2015	189,984	1st quarter 2014	2nd Quarter 2014	2nd Quarter 2016
Jiangsu Province																			
Taizhou Country Garden (泰州碧桂園)	Taizhou (Hailing)	townhouses, high-rise apartment buildings, parking spaces	735,385	100%	721,430	668,423	584,891	1,063	29-Nov-2013	13,955	11,085	27-Jun-2007	—	10-Dec-2013	4th Quarter 2014	—	—	—	—
Jingjiang Country Garden (靖江碧桂園)	Taizhou (Jingjiang)	high-rise apartment buildings, retail shops	308,762	100%	—	—	—	—	—	308,762	289,983	9-Jun-2013	136,631	18-Sep-2013	2nd Quarter 2015	—	—	—	—
Country Garden—Phoenix City (碧桂園· 鳳凰城)	Zhenjiang (Jurong)	townhouses, high-rise apartment buildings, retail shops, parking spaces	4,712,463	100%	753,479	721,868	489,447	26,674	10-Dec-2013	1,378,246	1,368,418	11-Jan-2011	577,799	29-Apr-2011	4th Quarter 2014	2,580,738	1st Quarter 2014	1st Quarter 2014	4th Quarter 2017
Danyang Country Garden (丹陽碧桂園)	Zhenjiang (Danyang)	high-rise apartment buildings, retail shops	477,861	100%	—	—	—	—	—	477,861	463,133	10-May-2013	276,687	23-May-2013	1st Quarter 2015	—	—	—	—
Country Garden—Triumph Palace (碧桂園凱旋華庭)	Wuxi (Xishan)	townhouses, high-rise apartment buildings, retail shops	301,550	100%	177.356	170,608	149,436	—	29-Oct-2013	124,194	117,460	16-Oct-2012	94,081	27--Dec-2012	2nd Quarter 2015	—	—	—	—
Yixing Country Garden (宜興碧桂園)	Wuxi (Yixing)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	200,080	100%	—	—	—	—	—	200,080	198,275	31-Dec-2012	70,634	28-Apr-2013	2nd Quarter 2015	—	—	—	—
Jiangyin Country Garden (江陰碧桂園)	Wuxi (Jiangyin)	low-rise apartment buildings, high-rise apartment buildings, retail shops	68,819	100%	—	—	—	—	—	68,819	65,982	30-Aug-2013	45,234	30-Sep-2013	4th Quarter 2014	—	—	—	—
Rudong Country Garden (如東碧桂園)	Nantong (Rudong)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	227,343	100%	—	—	—	—	—	227,343	222,658	27-Apr-2013	90,829	23-May-2013	1st Quarter 2015	—	—	—	—
Rugao Country Garden (如皋碧桂園)	Nantong (Rugao)	high-rise apartment buildings, retail shops	185,787	100%	—	—	—	—	—	184,164	184,137	29-Jun-2013	46,366	18-Sep-2013	2nd Quarter 2015	1,623	1st Quarter 2014	—	2nd Quarter 2015
Nantong Country Garden (南通碧桂園)	Nantong (Chengnan)	townhouses, low-rise apartment buildings, high-rise apartment buildings	185,242	100%	—	—	—	—	—	185,242	177,465	18-Dec-2013	—	21-Dec-2013	3rd Quarter 2015	—	—	—	—
Gaochun Country Garden (高淳碧桂園)	Nanjing (Gaochun)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	339,738	100%	—	—	—	—	—	238,423	226,186	22-Nov-2013	—	27-Dec-2013	3rd Quarter 2015	101,315	1st Quarter 2014	1st Quarter 2014	3rd Quarter 2015

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA(1)	Total completed saleable GFA(1)	Total saleable GFA sold and delivered(1)	Total saleable GFA pre-sold pending delivery(1)	Completion date	Properties under development: GFA under development(2)	Total saleable GFA under development(2)	Actual commencement date	Total saleable GFA pre-sold(3)	Actual/ Estimated pre-sale commencement date	Estimated completion date	Properties for future development: GFA for future development(4)	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Baoying Country Garden (寶應碧桂園)	Yangzhou (Baoying)	high-rise apartment buildings, retail shops	284,384	100%	—	—	—	—	—	9,687	—	31-Dec-2013	—	—	4th Quarter 2015	274,697	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Dongtai Country Garden (東台碧桂園)	Yancheng (Dongtai)	townhouses, high-rise apartment buildings, retail shops	34,730	100%	—	—	—	—	—	—	—	—	—	—	—	34,730	1st Quarter 2014	2nd Quarter 2014	1st Quarter 2016
Country Garden Triumph Palace District C (碧桂園凱旋華庭C區)	Wuxi (Xishan)	high-rise apartment buildings, retail shops	176,304	100%	—	—	—	—	—	91,750	87,626	18-Dec-2013	—	20-Dec-2013	4th Quarter 2015	84,554	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Hubei Province																			
Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	townhouses, low-rise apartment buildings, high-rise apartment buildings	760,689	100%	490,381	469,769	375,994	11,783	11-Dec-2013	182,352	161,073	30-Jan-2008	34,004	13-Jan-2011	1st Quarter 2014	87,956	4th Quarter 2014	3rd Quarter 2015	2nd Quarter 2016
Country Garden—Eco City (碧桂園·生態城)	Wuhan (Hongshan)	townhouses, low-rise apartment buildings, high-rise apartment buildings	831,889	55%	107,485	107,059	81,056	643	26-Nov-2013	688,723	660,454	4-Sep-2012	386,461	29-Oct-2012	4th Quarter 2014	35,681	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2015
Wuhan Country Garden Phase Three (武漢碧桂園三期)	Wuhan (Hannan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	594,489	52%	—	—	—	—	—	200,696	198,632	17-Jun-2013	12,157	16-Jul-2013	4th Quarter 2014	393,793	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2016
Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	707,340	100%	352,959	333,290	287,827	7,495	30-Dec-2013	136,085	135,020	27-Jul-2012	36,415	5-Feb-2013	4th Quarter 2014	218,296	2nd Quarter 2014	3rd Quarter 2014	3rd Quarter 2016
Country Garden—Hot Spring City (碧桂園·溫泉城)	Xianning (Xian'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings	1,121,480	100%	389,299	388,108	354,125	12,646	20-Nov-2013	216,224	215,049	19-May-2011	53,521	28-Apr-2013	4th Quarter 2014	515,957	1st Quarter 2014	1st Quarter 2014	4th Quarter 2016
Country Garden Zishan Lake (碧桂園梓山湖)	Xianning (Xian'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	499,963	51%	—	—	—	—	—	198,195	187,600	19-Sep-2013	134,640	25-Sep-2013	3rd Quarter 2014	301,768	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2016
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,552,339	100%	505,125	499,855	427,295	34,651	9-Nov-2013	236,644	236,267	21-May-2008	83,542	18-Dec-2012	4th Quarter 2014	810,570	2nd Quarter 2014	4th Quarter 2014	4th Quarter 2017
Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,278,354	100%	324,749	323,494	315,604	970	29-Nov-2013	294,569	281,352	4-Jul-2011	136,806	13-Jan-2012	4th Quarter 2014	659,036	4th Quarter 2014	2nd Quarter 2015	4th Quarter 2017
Country Garden Holiday Islands (碧桂園假日半島)	Ezhou (Wutonghu)	townhouses, low-rise apartment buildings, high-rise apartment buildings	120,857	51%	—	—	—	—	—	—	—	—	—	—	—	120,857	2nd Quarter 2014	4th Quarter 2014	4th Quarter 2015
Country Garden—Riverside City (碧桂園·江灣城)	Huanggang (Xishui)	townhouses, high-rise apartment buildings, retail shops	279,691	100%	—	—	—	—	—	279,691	278,836	8-Jun-2013	145,620	13-Sep-2013	4th Quarter 2014	—	—	—	—
Daye Country Garden (大冶碧桂園)	Huangshi (Daye)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	299,860	100%	—	—	—	—	—	—	—	—	—	—	—	299,860	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Anhui Province																			
Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	986,114	100%	752,268	738,979	691,327	363	14-Nov-2013	138,734	134,069	13-Dec-2007	15,226	25-Sep-2013	4th Quarter 2014	95,112	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	740,764	100%	457,124	418,573	364,860	1,575	15-Dec-2013	122,335	119,011	11-Aug-2008	49,764	3-Apr-2013	4th Quarter 2014	161,305	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Chizhou Country Garden (池州碧桂園)	Chizhou (Zhanqian)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	418,094	100%	322,038	318,136	313,495	—	30-Aug-2012	96,056	86,525	24-Aug-2012	63,726	23-Nov-2012	4th Quarter 2014	—	—	—	—
Country Garden—Hill Lake City (碧桂園·如山湖城)	Maanshan (Hexian)	townhouses, high-rise apartment buildings	1,096,159	100%	649,923	625,407	298,654	—	21-Oct-2011	79,628	79,308	17-Jul-2012	14,359	30-Sep-2013	3rd Quarter 2014	366,608	2nd Quarter 2014	4th Quarter 2014	4th Quarter 2016
Huangshan Country Garden (黃山碧桂園)	Huangshan (Tunxi)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	330,953	100%	330,024	311,671	296,199	—	26-Nov-2012	929	—	28-Sep-2011	—	—	2nd Quarter 2014	—	—	—	—
Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	2,865,463	100%	829,203	737,672	717,156	—	22-Aug-2013	842,960	807,942	19-Jun-2008	247,484	30-Jan-2013	4th Quarter 2015	1,193,300	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2017
Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	2,104,268	100%	822,392	769,932	629,525	386	29-Oct-2012	344,054	321,062	27-Jun-2008	50,485	29-Jul-2013	1st Quarter 2015	937,822	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2017
Country Garden—Europe City (碧桂園．歐洲城)	Chuzhou (Nanqiao)	townhouses, high-rise apartment buildings, retail shops	1,465,001	100%	343,975	332,685	205,589	4,076	15-Nov-2013	397,677	386,806	19-Nov-2010	166,525	9-Dec-2011	2nd Quarter 2015	723,349	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015

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			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Country Garden—City Garden (碧桂園．城市花園)	Chuzhou (Laian)	townhouses, high-rise apartment buildings, retail shops, parking spaces	1,549,780	100%	332,622	324,918	257,482	17,743	30-Aug-2013	985,605	955,231	11-Sep-2012	400,864	24-Sep-2012	4th Quarter 2014	231,553	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Xuancheng Country Garden (宣城碧桂園)	Xuancheng (Xuanzhou)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	342,867	100%	—	—	—	—	—	334,257	326,682	4-May-2013	211,736	27-Aug-2013	3rd Quarter 2015	8,610	1st Quarter 2014	1st Quarter 2014	3rd Quarter 2015
Liaoning Province																			
Country Garden—Sun Palace (碧桂園· 太陽城)	Shenyang (Daoyi)	townhouses, high-rise apartment buildings, retail shops	1,044,873	100%	396,253	389,277	347,875	11,332	29-Nov-2013	142,354	122,540	28-Jul-2009	70,763	20-Jul-2012	4th Quarter 2015	506,266	1st Quarter 2014	3rd Quarter 2014	2nd Quarter 2017
Shenyang Country Garden (瀋陽碧桂園)	Shenyang (Huashan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,302,248	100%	340,292	333,520	271,005	2,361	10-Aug-2012	108,621	106,675	8-Sep-2007	8,105	26-Jul-2013	3rd Quarter 2015	853,335	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2017
Country Garden—Galaxy Palace (碧桂園· 銀河城)	Shenyang (Yuhong)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	2,637,187	100%	985,071	964,545	856,055	5,190	28-Oct-2013	1,112,969	1,048,878	23-Mar-2012	835,590	14-Aug-2012	4th Quarter 2015	539,147	2nd Quarter 2014	3rd Quarter 2014	3rd Quarter 2017
Country Garden—Phoenix City (碧桂園· 鳳凰城)	Shenyang (Sujiatun)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	2,082,571	100%	730,878	722,045	667,538	10,197	29-Oct-2013	637,370	619,942	26-Jun-2008	104,846	28-Jun-2013	4th Quarter 2015	714,323	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2017
Country Garden Grand Garden (碧桂豪園)	Shenyang (Qipanshan)	townhouses	171,243	100%	72,531	72,498	34,143	—	10-Sep-2012	27,512	26,654	12-Apr-2011	4,035	8-Jul-2011	1st Quarter 2015	71,200	3rd Quarter 2014	4th Quarter 2014	1st Quarter 2016
Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	369,901	100%	112,028	107,435	102,257	—	17-Dec-2013	120,901	118,802	20-Oct-2011	60,858	3-Nov-2011	4th Quarter 2014	136,972	2nd Quarter 2014	3rd Quarter 2014	3rd Quarter 2016
Inner Mongolia Autonomous Region																			
Manzhouli Country Garden (滿洲里碧桂園)	Hulunbeier (Manzhouli)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,596,813	100%	159,232	157,680	108,538	3,931	29-Oct-2013	224,378	213,199	23-Jul-2007	9,553	13-Sep-2011	2nd Quarter 2015	1,213,203	2nd Quarter 2014	3rd Quarter 2014	4th Quarter 2024
Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqi)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,235,742	100%	359,705	349,011	268,540	45,789	30-Oct-2013	219,037	209,383	29-Sep-2012	34,854	29-Sep-2012	4th Quarter 2014	657,000	2nd Quarter 2014	3rd Quarter 2014	4th Quarter 2018
Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	1,749,189	100%	425,219	410,289	395,881	6,326	29-Nov-2013	291,349	289,008	19-Sep-2012	84,065	25-Sep-2012	3rd Quarter 2016	1,032,621	2nd Quarter 2014	3rd Quarter 2014	4th Quarter 2016
Tianjin Municipality																			
Country Garden—Deyu Office Building (碧桂園· 德域大廈)	Tianjin (Tanggu)	offices	114,504	100%	—	—	—	—	—	—	—	—	—	—	—	114,504	1st Quarter 2014	—	1st Quarter 2016
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	1,000,357	100%	432,583	401,781	357,159	1,418	31-Dec-2013	239,764	232,524	15-Mar-2011	114,655	28-Apr-2013	1st Quarter 2015	328,010	1st Quarter 2014	1st Quarter 2014	2nd Quarter 2017
Country Garden—Seashore City (碧桂園· 濱海城)	Tianjin (Binhai New Area)	townhouses, high-rise apartment buildings, retail shops	120,844	100%	22,889	22,519	—	21,540	24-Dec-2013	97,955	91,069	11-Dec-2012	35,353	24-Jun-2013	4th Quarter 2014	—	—	—	—
Hainan Province																			
Country Garden—Palm City (碧桂園· 椰城)	Wenchang (Tanniu)	townhouses, high-rise apartment buildings	129,337	100%	48,796	40,225	17,896	8,150	18-Nov-2013	—	—	—	—	—	—	80,541	1st Quarter 2014	1st Quarter 2014	1st Quarter 2015
Country Garden Spring Town (碧桂園小城之春)	Lin'gao (Lin'gao)	high-rise apartment buildings, retail shops	37,375	51%	37,375	36,363	16,609	—	29-Oct-2013	—	—	—	—	—	—	—	—	—	—
Country Garden—Golden Beach (碧桂園· 金沙灘)	Lin'gao (Lin'gao)	townhouses, high-rise apartment buildings, low-rise apartment buildings, retail shops	465,152	51%	63,153	62,429	55,016	—	1-Dec-2013	401,999	384,027	8-Nov-2012	234,463	28-Nov-2012	1st Quarter 2015	—	—	—	—
Guangxi Zhuang Autonomous																			
Beiliu Country Garden (北流碧桂園)	Yulin (Beiliu)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	426,362	100%	192,971	189,349	167,749	14,185	20-Dec-2013	91,321	86,267	21-Oct-2011	53,934	29-Sep-2012	4th Quarter 2014	142,070	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Pingguo Country Garden (平果碧桂園)	Baise (Pingguo)	townhouses, high-rise apartment buildings, retail shops	201,479	100%	86,798	77, 806	58,716	10,056	28-Oct-2013	13,231	13,231	20-Mar-2013	7,508	31-May-2013	2nd Quarter 2014	101,450	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Country Garden—Phoenix City (Wuzhou) (碧桂園 • 鳳凰城（梧州）)	Wuzhou (Cangwu)	townhouses low-rise apartment buildings, high-rise apartment buildings	328,221	80%	—	—	—	—	—	110,732	110,328	3-Sep-2012	10,293	25-Sep-2013	2nd Quarter 2015	217,489	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Chongqing Municipality																			
Changshou Country Garden (長壽碧桂園)	Chongqing (Changshou)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	631,705	100%	434,195	412,993	382,261	562	15-Oct-2013	—	—	—	—	—	—	197,510	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Qianjiang Country Garden (黔江碧桂園)	Chongqing (Qianjiang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	199,401	100%	86,918	83,519	17,602	26,122	31-Oct-2013	95,465	95,465	9-Aug-2013	32,430	9-Aug-2013	3rd Quarter 2014	17,018	1st Quarter 2014	2nd Quarter 2014	1st Quarter 2015

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			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Dianjiang Country Garden (墊江碧桂園)	Chongqing (Dianjiang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	354,731	100%	—	—	—	—	—	354,731	334,761	7-Feb-2013	196,513	7-Feb-2013	4th Quarter 2014	—	—	—	—
Country Garden—Jade City (碧桂園 • 翡翠城)	Chongqing (Bishan)	townhouses, high-rise apartment buildings, retail shops	376,802	100%	—	—	—	—	—	267,074	257,197	13-Dec-2013	—	10-Dec-2013	3rd Quarter 2015	109,728	1st Quarter 2014	4th Quarter 2014	4th Quarter 2015
Heilongjiang Province																			
Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	townhouses, low-rise apartment buildings, retail shops, parking spaces	271,731	100%	149,298	148,875	145,574	489	27-Jul-2012	107,839	96,787	10-Nov-2012	68,874	19-Nov-2012	1st Quarter 2015	14,594	2nd Quarter 2014	3rd Quarter 2014	1st Quarter 2016
Zhejiang Province																			
Hangzhou Country Garden (杭州碧桂園)	Hangzhou (Xiasha)	townhouses, high-rise apartment buildings, retail shops	184,651	100%	—	—	—	—	—	184,651	180,642	14-Apr-2012	82,035	13-Dec-2012	2nd Quarter 2014	—	—	—	—
Tonglu Country Garden (桐廬碧桂園)	Hangzhou (Tonglu)	townhouses, high-rise apartment buildings, retail shops	120,974	100%	—	—	—	—	—	120,974	118,756	30-Nov-2013	—	1st Quarter 2014	1st Quarter 2015	—	—	—	—
Quzhou Country Garden (衢州碧桂園)	Quzhou (Donggang)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	296,923	100%	—	—	—	—	—	238,427	235,334	18-Sep-2013	140,518	27-Sep-2013	4th Quarter 2014	58,496	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015
Zhuji Country Garden (諸暨碧桂園)	Shaoxing (Zhuji)	townhouses, high-rise apartment buildings, retail shops	135,276	51%	—	—	—	—	—	135,276	132,923	9-Dec-2013	—	25-Dec-2013	4th Quarter 2014	—	—	—	—
Haining Country Garden (海寧碧桂園)	Jiaxing (Haining)	high-rise apartment buildings, retail shops	150,875	100%	—	—	—	—	—	—	—	—	—	—	—	150,875	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Cixi Country Garden (慈溪碧桂園)	Ningbo (Cixi)	townhouses, high-rise apartment buildings, retail shops, parking spaces	217,030	100%	—	—	—	—	—	—	—	—	—	—	—	217,030	1st Quarter 2014	3rd Quarter 2014	1st Quarter 2016
Wenzhou Country Garden (溫州碧桂園)	Wenzhou (Longwan)	high-rise apartment buildings, retail shops, parking spaces	137,706	100%	—	—	—	—	—	—	—	—	—	—	—	137,706	1st Quarter 2014	3rd Quarter 2014	4th Quarter 2015
Shandong Province																			
Country Garden—Phoenix City (碧桂園 · 鳳凰城)	Ji'nan (Zhangqiu)	townhouses, high-rise apartment buildings, retail shops, parking spaces	601,966	100%	138,098	130,983	—	116,531	10-Dec-2013	154,148	146,137	30-Jul-2012	43,716	27-Sep-2013	3rd Quarter 2014	309,720	2nd Quarter 2014	3rd Quarter 2014	3rdQuarter 2016
Country Garden—Ten Miles Golden Beach (碧桂園 · 十里金灘)	Yantai (Haiyang)	townhouses, high-rise apartment buildings, retail shops	1,076,797	90%	—	—	—	—	—	625,541	618,409	4-Jul-2013	230,999	29-Sep-2013	2nd Quarter 2014	451,256	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015
Country Garden—Jade Bay (碧桂園 • 翡翠灣)	Weifang (Linqu)	townhouses, high-rise apartment buildings, retail shops	139,722	51%	—	—	—	—	—	139,722	138,269	15-Nov-2013	—	16-Nov-2013	4th Quarter 2015	—	—	—	—
Zibo Country Garden (淄博碧桂園)	Zibo (Zhoucun)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	301,710	100%	—	—	—	—	—	301,710	291,360	17-Sep-2013	144,641	30-Oct-2013	3rd Quarter 2015	—	—	—	—
Wendeng Country Garden (文登碧桂園)	Weihai (Wendeng)	townhouses, low-rise apartment buildings, retail shops	32,365	100%	—	—	—	—	—	—	—	—	—	—	—	32,365	1st Quarter 2014	2nd Quarter 2014	2nd Quarter 2015
Fujian Province																			
Yongchun Country Garden (永春碧桂園)	Quanzhou (Yongchun)	townhouses, high-rise apartment buildings, retail shops, parking spaces	194,505	100%	—	—	—	—	—	194,505	181,939	31-May-2013	117,610	13-Sep-2013	3rd Quarter 2014	—	—	—	—
Nan'an Country Garden (南安碧桂園)	Quanzhou (Nan'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	131,400	100%	—	—	—	—	—	131,400	122,243	28-Nov-2013	—	29-Nov-2013	4th Quarter 2015	—	—	—	—
Sanming Country Garden (三明碧桂園)	Sanming (Meilie)	townhouses, high-rise apartment buildings, retail shops	48,451	100%	—	—	—	—	—	—	—	—	—	—	—	48,451	1st Quarter 2014	1st Quarter 2014	4th Quarter 2015
Gansu Province																			
Country Garden—Lanzhou New City (碧桂園．蘭州新城)	Lanzhou (Chengguan)	townhouses, high-rise apartment buildings, retail shops, low-rise apartment buildings	716,835	100%	—	—	—	—	—	643,306	637,454	29-Oct-2013	58,956	22-Sep-2013	3rd Quarter 2016	73,529	1st Quarter 2014	2nd Quarter 2014	3rd Quarter 2016
Jiangxi Province																			
Yichun Country Garden (宜春碧桂園)	Yichun (Yuanzhou)	high-rise apartment buildings, retail shops	431,920	100%	—	—	—	—	—	431,920	424,619	31-Jul-2013	175,631	2-Aug-2013	2nd Quarter 2015	—	—	—	—
Pingxiang Country Garden (萍鄉碧桂園)	Pingxiang (Anyuan)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	222,197	100%	—	—	—	—	—	222,197	214,676	28-Nov-2013	—	2nd Quarter 2014	4th Quarter 2015	—	—	—	—
Sichuan Province																			
Guangyuan Country Garden (廣元碧桂園)	Guangyuan (Lizhou)	townhouses, high-rise apartment buildings, retail shops	357,864	100%	—	—	—	—	—	357,864	343,834	26-Sep-2013	115,736	16-Oct-2013	1st Quarter 2015	—	—	—	—
Nanchong Country Garden (南充碧桂園)	Nanchong (Jialing)	townhouses, high-rise apartment buildings, retail shops	515,596	100%	—	—	—	—	—	515,596	508,161	18-Dec-2013	—	24-Dec-2013	4th Quarter 2015	—	—	—	—
Guizhou Province																			

Project	City (District)	Types of products	Aggregate GFA for entire project	Interest attributable to the Company	Completed property developments: Completed GFA[1]	Total completed saleable GFA[1]	Total saleable GFA sold and delivered[1]	Total saleable GFA pre-sold pending delivery[1]	Completion date	Properties under development: GFA under development[2]	Total saleable GFA under development[2]	Actual commencement date	Total saleable GFA pre-sold[3]	Actual/ Estimated pre-sale commencement date	Estimated completion date	Properties for future development: GFA for future development[4]	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
			sq.m.	(%)		sq.m.	sq.m.	sq.m.		sq.m.	sq.m.		sq.m.			sq.m.			
Huaxi Country Garden (花溪碧桂園)	Guiyang (Huaxi)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	702,224	100%	—	—	—	—	—	551,677	501,035	29-Oct-2013	—	9-Nov-2013	4th Quarter 2015	150,547	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Henan Province																			
Anyang Country Garden (安陽碧桂園)	Anyang (Tangying)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops	129,222	100%	—	—	—	—	—	—	—	—	—	—	—	129,222	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Zhoukou Country Garden (周口碧桂園)	Zhoukou (Dongxin)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	500,822	51%	—	—	—	—	—	—	—	—	—	—	—	500,822	1st Quarter 2014	1st Quarter 2014	1st Quarter 2016
Luoyang Country Garden (洛陽碧桂園)	Luoyang (Yibin)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	425,108	51%	—	—	—	—	—	—	—	—	—	—	—	425,108	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Yunnan Province																			
Qujing Country Garden (曲靖碧桂園)	Qujing (Qilin)	townhouses, high-rise apartment buildings, retail shops	333,837	100%	—	—	—	—	—	—	—	—	—	—	—	333,837	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2015
Hebei Province																			
Qian'an Country Garden (遷安碧桂園)	Tangshan (Qian'an)	townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops, parking spaces	456,058	90%	—	—	—	—	—	—	—	—	—	—	—	456,058	1st Quarter 2014	2nd Quarter 2014	4th Quarter 2016
Malaysia																			
Serendah Project (雙文丹項目)	Selangor (Serendah)	villas, townhouses	304,169	55%	—	—	—	—	—	—	—	—	—	—	—	304,169	1st Quarter 2014	3rd Quarter 2014	1st Quarter 2017
Country Garden Diamond City (碧桂園鑽石城)	Selangor (Semenyih)	villas, townhouses	309,443	55%	—	—	—	—	—	137,388	131,138	4-Jul-2013	16,870	4-Sep-2013	1st Quarter 2016	172,055	1st Quarter 2014	1st Quarter 2014	1st Quarter 2017
Country Garden Danga Bay (碧桂園金海灣)	Johor (Johor Bahru)	high-rise apartment buildings, retail shops	1,250,368	100%	—	—	—	—	—	1,250,368	611,733	4-Jul-2013	396,590	6-Aug-2013	2nd Quarter 2017	—	—	—	—
Total:			118,118,939		45,731,794	43,750,739	39,126,526	1,102,348		33,304,855	31,425,315	—	12,202,502	—	—	39,082,290	—	—	—

Notes:
(1) "Completed GFA," "Total completed saleable GFA" and "Total saleable GFA sold" for completed property developments are based on the surveying reports issued by relevant government departments.

(2) "GFA under development" and "Total saleable GFA under development" are based on the actual measurements by the project management department of the Group.

(3) "Total saleable GFA pre-sold" for properties under development is derived from the Commodity Properties Pre-sale Permit.

(4) "GFA held for future development" for each project is the GFA expected to be built.

As of December 31, 2013, our project companies had entered into land grant contracts or land grant confirmation letters in respect of land in various cities in Guangdong Province, Fujian Province, Hubei Province, Jiangsu Province, Shandong Province, Zhejiang Province, Anhui Province, Guangxi Zhuang Autonomous Region, Jiangxi Province, Chongqing Municipality, Guizhou Province, Hainan Province, Liaoning Province, Sichuan Province, the Johor State in Malaysia and Sydney in Australia. These parcels of land have an aggregate site area of approximately 9,086,377 sq.m., and an aggregate expected GFA of approximately 13,249,284 sq.m. We have not yet paid a portion of the land premium for certain parcels of such land. As of December 31, 2013, we had not obtained land use rights certificates or land title in respect of these parcels of land. We cannot assure you that we will obtain the land use rights certificates or land title in respect of these parcels of land in a timely manner or at all. Further, we have not commenced any construction or preparation of construction relating to these parcels of land, nor do we have any detailed plans for them.

The table below shows the location, site area and expected developable aggregate GFA, for each of these parcels of land as of December 31, 2013. The site area information for these parcels of land is based on the relevant land grant contracts, land transfer contracts, sale and purchase agreements or public auction confirmations.

Location	Site Area	Expected developable aggregate GFA
Guangdong Province		
Dongguan City (Dongkeng),Guangdong Province	61,744	123,488
Dongguan City (Huangjiang),Guangdong Province	105,099	213,054
Foshan City (Gaoming),Guangdong Province	387,933	637,757
Jiangmen City (Heshan),Guangdong Province	109,379	266,704
Maoming City (Dianbai),Guangdong Province	777,943	701,538
Maoming City (Gaozhou),Guangdong Province	69,371	68,544
Maoming City (Maonan),Guangdong Province	30,944	18,156
Meizhou City (Fengshun),Guangdong Province	212,337	224,563
Meizhou City (Xingning),Guangdong Province	8,640	37,759
Shanwei City (Shanwei),Guangdong Province	317,542	306,001
Shaoguan City (Xilian),Guangdong Province	102,935	61,868
Shaoguan City (Zhenjiang),Guangdong Province	462,097	538,449
Zhaoqing City (Guangning),Guangdong Province	180,000	181,800
Zhaoqing City (Sihui),Guangdong Province	101,227	82,043
Fujian Province		
Nanping City (Wuyishan),Fujian Province	191,874	167,881
Ningde City (Fuding),Fujian Province	114,779	206,602
Ningde City (Jiaocheng),Fujian Province	141,743	174,130

Location	Site Area	Expected developable aggregate GFA
Quanzhou City (Yongchun),Fujian Province	300,354	390,460
Sanming City (Meilie),Fujian Province	599,161	934,150
Hubei Province		
Huanggang City (Xishui),Hubei Province	26,034	31,116
Jingmen City (Duodao),Hubei Province	40,402	60,602
Suizhou City (Chengnan),Hubei Province	92,407	99,094
Xianning City (Xian'an),Hubei Province	643,203	616,474
Yichang City (Yidu),Hubei Province	117,709	125,577
Jiangsu Province		
Changzhou City (Liyang),Jiangsu Province	120,627	126,658
Nanjing City (Gaochun),Jiangsu Province	47,003	131,255
Nantong City (Tongzhou),Jiangsu Province	199,581	344,832
Suzhou City (Suqian),Jiangsu Province	134,927	214,500
Wuxi City (Xishan),Jiangsu Province	47,164	79,482
Xuzhou City (Jiawang),Jiangsu Province	65,454	71,999
Yancheng City (Dafeng),Jiangsu Province	70,000	134,674
Yancheng City (Dongtai),Jiangsu Province	66,483	219,387
Shandong Province		
Qingdao City (Chengyang),Shandong Province	214,822	270,542
Yantai City (Haiyang),Shandong Province	324,980	649,960
Yantai City (Penglai),Shandong Province	283,764	680,223
Zoucheng City (Taiping),Shandong Province	134,145	298,301
Zhejiang Province		
Jiaxing City (Pinghu),Zhejiang Province	57,442	126,372
Shaoxing City (Zhuji),Zhejiang Province	4,771	4,867
Shaoxing City (Zhuji), Zhejiang Province	254,660	372,909
Anhui Province		
Hefei City (Chaohu),Anhui Province	298,324	174,573
Lu'an City (Yu'an),Anhui Province	363,432	763,404
Guangxi Zhuang Autonomous Region		
Qinzhou City (Qinbei),Guangxi Zhuang Autonomous Region	149,869	419,634
Wuzhou City (Cangwu),Guangxi Zhuang Autonomous Region	11,290	49,736
Jiangxi Province		
Jiujiang City (Jiujiang),Jiangxi Province	285,198	424,692
Yichun City (Yuanzhou),Jiangxi Province	136,800	85,480
Chongqing Municipality		
Chongqing City (Changshou),Chongqing Municipality	72,374	164,056
Guizhou Province		
Zunyi City (Renhuai),Guizhou Province	129,022	148,375
Hainan Province		
Lin'gao County (Lincheng),Hainan Province	54,155	135,000

Location	Site Area	Expected developable aggregate GFA
Liaoning Province		
Shenyang City (Yuhong),Liaoning Province	71,920	129,334
Sichuan Province		
Nanchong City (Jialing),Sichuan Province	184,396	405,672
Malaysia		
Johor State (Johor Bahru),Malaysia	91,332	301,557
Australia		
Sydney (Ryde),Australia	17,585	54,000
Total	**9,086,377**	**13,249,284**

Description of our property projects

The following map shows the regions where our 168 projects in China are located as of December 31, 2013:

Guangdong

1. Country Garden East Court
2. Shawan Country Garden
3. Huanan Country Garden - Phases One to Five and Phase Seven
4. Huanan Country Garden - Phase Six
5. Licheng Country Garden
6. Country Garden Phoenix City
7. Nansha Country Garden
8. Holiday Islands - Huadu
9. Shunde Country Garden - including Country Garden West Court
10. Jun'an Country Garden
11. Peninsula Country Garden
12. Gaoming Country Garden
13. Nanhai Country Garden
14. Heshan Country Garden
15. Wuyi Country Garden
16. Xinhui Country Garden
17. Taishan Country Garden
18. Yangdong Country Garden
19. Zhaoqing Lanling Residence
20. Zhaoqing Country Garden
21. Shaoguan Country Garden
22. Huiyang Country Garden
23. Lechang Country Garden
24. Enping Country Garden
25. Shanwei Country Garden
26. Shaoguan Country Garden - Sun Palace
27. Sihui Country Garden
28. Maoming Country Garden
29. Yangshan Country Garden
30. Country Garden - Lychee Park
31. Zhaoqing Country Garden - Hill Lake Palace
32. Country Garden - Park Prime
33. Country Garden - Grand Garden
34. Country Garden - Sunshine Coast
35. Holiday Islands - Qingyuan
36. Country Garden Wonderland
37. Dalang Country Garden
38. Country Garden Grand Palace
39. Huaiji Country Garden
40. Country Garden City Garden
41. Country Garden Grand Palace
42. Deqing Country Garden
43. Yunfu Country Garden
44. Jianghai Country Garden
45. Xinhui Country Garden - Phase Four
46. Country Garden City Garden
47. Country Garden - Ten Miles Beach
48. Country Garden Spring City
49. Country Garden Grand Lake
50. Fengkai Country Garden
51. Haifeng Country Garden
52. Country Garden - Hill Lake Grand Palace
53. Ronggui Country Garden
54. Country Garden – Dongjiang Phoenix City
55. Meijiang Country Garden
56. Country Garden Grand Garden
57. Shilou Country Garden
58. Country Garden - Jade Bay
59. Country Garden Forest Hill Garden
60. Shejiang Country Garden
61. Country Garden Shine Hill Lake City
62. Country Garden - Hill Lake Bay
63. Country Garden Hill Lake Bay
64. Country Garden - Jade Bay
65. Country Garden Times City
66. Country Garden Spring City- Phase Two
66. Wuhua Country Garden
68. Xingning Country Garden
69. Country Garden Airport Plaza
70. Country Garden - Forest Lake
71. Country Garden - City Garden
72. Country Garden Phoenix City
73. Changping Country Garden
74. Oishi Dingfeng Country Garden
75. Country Garden - Parklane Bay

Guangxi

76. Beiliu Country Garden
77. Pingguo Country Garden
78. Country Garden - Phoenix City (Wuzhou)

Hunan

79. Changsha Country Garden
80. Country Garden - Hill Lake Palace
81. Yiyang Country Garden
82. Liuyang Country Garden
83. Xiangtan Country Garden
84. Zhangjiajie Country Garden
85. Country Garden - Wonderland
86. Country Garden - Jade Hill
87. Hengyang Country Garden

Chongqing

88. Changshou Country Garden
89. Qianjiang Country Garden
90. Dianjiang Country Garden
91. Country Garden - Jade City

Hubei

92. Wuhan Country Garden
93. Xianning Country Garden
94. Suizhou Country Garden
95. Country Garden - Hot Spring City
96. Jingmen Country Garden
97. Country Garden - Eco City
98. Wuhan Country Garden Phase Three
99. Country Garden Holiday Islands
100. Country Garden Zishan Lake
101. Country Garden - Riverside City
102. Daye Country Garden

Jiangsu

103. Taizhou Country Garden
104. Country Garden - Phoenix City
105. Country Garden Triumph Palace
106. Yixing Country Garden
107. Rudong Country Garden
108. Danyang Country Garden
109. Jingjiang Country Garden
110. Jiangyin Country Garden
111. Rugao Country Garden
112. Gaochun Country Garden
113. Nantong Country Garden
114. Baoying Country Garden
115. Dongtai Country Garden
116. Country Garden Triumph Palace District C

Zhejiang

117. Hangzhou Country Garden
118. Quzhou Country Garden
119. Zhuji Country Garden
120. Tonglu Country Garden
121. Haining Country Garden
122. Cixi Country Garden
123. Wenzhou Country Garden

Anhui

124. Country Garden Lakeside City
125. Chizhou Country Garden
126. Huangshan Country Garden
127. Wuhu Country Garden
128. Country Garden - Hill Lake City
129. Chaohu Country Garden
130. Anqing Country Garden
131. Country Garden – Europe City
132. Country Garden – City Garden
133. Xuancheng Country Garden

Tianjin

134. Tianjin Country Garden
135. Country Garden – Deyu Office Building
136. Country Garden - Seashore City

Liaoning

137. Shenyang Country Garden
138. Country Garden - Phoenix City
139. Country Garden - Sun Palace
140. Country Garden - Galaxy Palace
141. Haicheng Country Garden
142. Country Garden Grand Garden

Inner Mongolia

143. Manzhouli Country Garden
144. Xing'anmeng Country Garden
145. Tongliao Country Garden

Heilongjiang

146. Suihua Country Garden

Hainan

147. Country Garden - Palm City
148. Country Garden Spring Town
149. Country Garden - Golden Beach

Shandong

150. Country Garden - Phoenix City
151. Country Garden - Ten Miles Golden Beach
152. Country Garden - Jade Bay
153. Zibo Country Garden
154. Wendeng Country Garden

Fujian

155. Yongchun Country Garden
156. Nan'an Country Garden
157. Sanming Country Garden

Gansu

158. Country Garden - Lanzhou New City

Guizhou

159. Huaxi Country Garden

Hebei

160. Qian'an Country Garden

Henan

161. Zhoukou Country Garden
162. Luoyang Country Garden
163. Anyang Country Garden

Jiangxi

164. Yichun Country Garden
165. Pingxiang Country Garden

Sichuan

166. Guangyuan Country Garden
167. Nanchong Country Garden

Yunnan

168. Qujing Country Garden

In addition, we had two projects in the State of Selangor and one project in the State of Johor of Malaysia as of December 31, 2013, the project companies of which are Unrestricted Subsidiaries, as defined under "Description of the Notes—Definitions."

The following sets forth brief descriptions of our 171 projects. The commencement date for a project or the commencement date for a phase of a project is the date we start construction of the first building of the project or phase of development. The completion date for a project or the completion date for a phase of a project is either the date we obtain the completion documents or the Construction of Properties and Municipal Infrastructure Completed Construction Works Certified Report (房屋建築工程和市政基礎設施工程竣工驗收備案表) from the local government authorities for the last building or phase of the project.

Guangzhou City, Guangdong Province

Country Garden East Court (碧桂園東苑)

Country Garden East Court is located at the intersection of Yushan West Road and 105 National Highway, Panyu, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 220,943 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 269,222 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 191,044 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 240,550 sq.m. Construction of these properties commenced on June 16, 2000 and was completed on June 29, 2002. The completed properties comprise 2,761 residential flats with an aggregate saleable GFA of approximately 235,251 sq.m, as well as 56 retail shops with an aggregate saleable GFA of approximately 3,609 sq.m. As of December 31, 2013, 2,761 residential flats with an aggregate saleable GFA of approximately 235,251 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 56 retail shops with an aggregate saleable GFA of approximately 3,609 sq.m.

As of December 31, 2013, there was no property under development in Country Garden East Court.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 29,899 sq.m. and had an expected aggregate GFA of approximately 28,672 sq.m.

Country Garden East Court offers various types of products, including low-rise apartment buildings and retail shops. This development features Country Garden Farm, a commercial pedestrian street and fountain plaza.

Shawan Country Garden (沙灣碧桂園)

Shawan Country Garden is located at Shawan, Panyu, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 307,266 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 278,834 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 307,266 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 278,834 sq.m. Construction of these properties commenced on February 14, 2001 and was completed on December 31, 2009. The completed properties comprise 2,093 residential flats with an aggregate saleable GFA of approximately 273,702 sq.m. As of December 31, 2013, 2,093 residential flats with an aggregate saleable GFA of approximately 273,702 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, there was no property under development in Shawan Country Garden.

As of December 31, 2013, there was no property held for future development in Shawan Country Garden.

Shawan Country Garden offers various types of products, including villas, townhouses, high-rise apartment buildings and parking spaces.

Huanan Country Garden—Phases One to Five and Phase Seven (華南碧桂園 -一至五期及七期)

Huanan Country Garden—Phases One to Five and Phase Seven is located on Ying Bin Road, Nan Cun Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,133,278 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,075,096 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,133,278 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,075,096 sq.m. Construction of these properties commenced on July 30, 1999 and was completed on December 19, 2011. The completed properties comprise 6,583 residential flats with an aggregate saleable GFA of approximately 944,115 sq.m., as well as 161 retail shops with an aggregate saleable GFA of approximately 16,342 sq.m. As of December 31, 2013, 6,582 residential flats with an aggregate saleable GFA of approximately 944,024 sq.m. as well as 160 retail shops with an aggregate saleable GFA of approximately 16,281 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised one residential unit with an aggregate saleable GFA of approximately 91 sq.m. and one retail shop with an aggregate saleable GFA of approximately 61 sq.m.

As of December 31, 2013, there was no property under development in Huanan Country Garden—Phases One to Five and Phase Seven.

As of December 31, 2013, there was no property held for future development in Huanan Country Garden—Phases One to Five and Phase Seven.

Huanan Country Garden—Phases One to Five and Phase Seven offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces.

Huanan Country Garden—Phases One to Five and Phase Seven features a clubhouse, an auditorium, a swimming pool, tennis courts, a kindergarten, a primary school, badminton courts, basketball courts, Chinese restaurants, a supermarket, table-tennis rooms, snooker rooms and reading rooms.

Huanan Country Garden—Phase Six (華南碧桂園 -六期)

Huanan Country Garden—Phase Six is located on Ying Bin Road, Nan Cun Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Huanan Country Garden Property Development Co., Ltd., a project company owned equally by us and Guangzhou Zhencheng Property Development Co., Ltd. The project occupies an aggregate site area of approximately 300,033 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 424,231 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 271,495 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 408,391 sq.m. Construction of these properties commenced on July 7, 2004 and was completed on December 20, 2007. The completed properties comprise 2,500 residential flats with an aggregate saleable GFA of approximately 407,552 sq.m. As of December 31, 2013, 2,500 residential flats with an aggregate saleable GFA of approximately 407,552 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 28,538 sq.m. and had an expected aggregate GFA of approximately 15,840 sq.m. were not for sale. Construction of these properties commenced on October 15, 2004 and is expected to be completed in the fourth quarter of 2014.

As of December 31, 2013, there was no property held for future development in Huanan Country Garden—Phase Six.

According to the articles of association of Guangzhou Huanan Country Garden Property Development Co., Ltd., dividend distribution of the company requires the approval of both joint venture partners.

Huanan Country Garden—Phase Six offers various types of products, including villas, townhouses, high-rise apartment buildings, retail shops and parking spaces.

Licheng Country Garden (荔城碧桂園)

Licheng Country Garden is located on Fuqian Road, Licheng Town, Zengcheng District, Guangzhou City, close to Licheng Municipal Plaza. It is being developed by Zengcheng Country Garden Property Development Co., Ltd. ("Zengcheng Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 808,391 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 568,729 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 808,391 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 568,729 sq.m. Construction of these properties commenced on August 31, 2001 and was completed on June 30, 2010. The completed properties comprise 3,302 residential flats with an aggregate saleable GFA of approximately 520,063 sq.m., as well as 372 retail shops with an aggregate saleable GFA of approximately 19,437 sq.m. and 1,308 parking spaces with an aggregate saleable GFA of approximately 11,265 sq.m. As of December 31, 2013, 3,300 residential flats with an aggregate saleable GFA of approximately 518,792 sq.m. as well as 370 retail shops with an aggregate saleable GFA of approximately 19,362 sq.m. and 531 parking spaces with an aggregate saleable GFA of approximately 7,766 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised two residential units with an aggregate saleable GFA of approximately 1,271 sq.m. and two retail shops with an aggregate saleable GFA of approximately 75 sq.m. and 777 parking spaces with an aggregate GFA of approximately 3,499 sq.m.

As of December 31, 2013, there was no property under development in Licheng Country Garden.

As of December 31, 2013, there was no property held for future development in Licheng Country Garden.

Licheng Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. Licheng Country Garden features a lake, a clubhouse, an outdoor swimming pool, tennis courts, badminton courts, a basketball court, table-tennis rooms, an outdoor children's playground, reading rooms, a supermarket, a kindergarten and a commercial street.

Country Garden Phoenix City (碧桂園鳳凰城)

Country Garden Phoenix City is located in Xintang Town, Zengcheng District, Guangzhou City, close to Guangshen Highway. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 6,139,895 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 4,693,969 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 5,997,630 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 4,406,011 sq.m. Construction of these properties commenced on November 5, 2001 and was completed on November 20, 2013. The completed properties comprise 25,067 residential flats with an aggregate saleable GFA of approximately 4,067,231 sq.m., as well as 785 retail shops with an aggregate saleable GFA of approximately 90,481 sq.m. and 944 parking spaces with an aggregate saleable GFA of approximately 19,249 sq.m. As of December 31, 2013, 24,770 residential flats with an aggregate saleable GFA of approximately 3,972,831 sq.m. as well as 689 retail shops with an aggregate saleable GFA of approximately 62,806 sq.m. and 273 parking spaces with an aggregate saleable GFA of approximately 3,822 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 297 residential units with an aggregate saleable GFA of approximately 94,400 sq.m. and 96 retail shops with an aggregate saleable GFA of approximately 27,675 sq.m. and 671 parking spaces with an aggregate GFA of approximately 15,427 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 142,265 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 287,958 sq.m. Construction of these properties commenced on April 29, 2007 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 2,745 residential flats with an aggregate saleable GFA of approximately 245,647 sq.m. and 124 retail shops with an aggregate saleable GFA of approximately 24,263 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Phoenix City.

Country Garden Phoenix City offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. Since its development, approximately 80,000 residents have moved in. This development features Phoenix Island, an international rental community tailored for foreigners, the five- star Phoenix City Hotel, Guangzhou (廣州鳳凰城酒店), Phoenix City Bilingual School (鳳凰城中英文學校), Lychee Cultural Village (荔枝文化村), a transportation hub, a recreational center, Dongmen Retail Street and clubhouses.

Nansha Country Garden (南沙碧桂園)

Nansha Country Garden is located on Jingang Road, Guangzhou Nansha Development Zone, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd. ("Nansha Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 416,657 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 515,889 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 416,657 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 515,889 sq.m. Construction of these properties commenced on September 29, 2004 and was completed on June 28, 2010. The completed properties comprise 3,673 residential flats with an aggregate saleable GFA of approximately 486,892 sq.m., as well as 85 retail shops with an aggregate saleable GFA of approximately 4,110 sq.m. As of December 31, 2013, 3,672 residential flats with an aggregate saleable GFA of approximately 486,386 sq.m. as well as 82 retail shops with an aggregate saleable GFA of approximately 2,918 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised one residential unit with an aggregate saleable GFA of approximately 506 sq.m. and three retail shops with an aggregate saleable GFA of approximately 1,192 sq.m.

As of December 31, 2013, there was no property under development in Nansha Country Garden.

As of December 31, 2013, there was no property held for future development in Nansha Country Garden.

Nansha Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a clubhouse, Yangguang Plaza, a supermarket and a commercial street.

Country Garden Grand Palace (碧桂園豪庭)

Country Garden Grand Palace is located at East Side of Fengtian Residence Zone, Nansha District, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological

Development Zone Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 63,726 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 167,152 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 63,726 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 167,152 sq.m. Construction of these properties commenced on April 22, 2010 and was completed on May 17, 2013. The completed properties comprise 1,340 residential flats with an aggregate saleable GFA of approximately 151,651 sq.m., as well as 54 retail shops with an aggregate saleable GFA of approximately 4,326 sq.m. As of December 31, 2013, 1,339 residential flats with an aggregate saleable GFA of approximately 150,820 sq.m. as well as 54 retail shops with an aggregate saleable GFA of approximately 4,326 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised one residential unit with an aggregate saleable GFA of approximately 831 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Grand Palace.

As of December 31, 2013, there was no property held for future development in Country Garden Grand Palace.

Country Garden Grand Palace offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Holiday Islands—Huadu (假日半島—花都)

Holiday Islands—Huadu is located at Shanqian Avenue, Chini Town, Huadu District, Guangzhou City. It is being developed by Guangzhou Huadu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 937,861 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 444,821 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 909,795 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 418,169 sq.m. Construction of these properties commenced on January 11, 2006 and was completed on October 18, 2012. The completed properties comprise 1,634 residential flats with an aggregate saleable GFA of approximately 403,637 sq.m. As of December 31, 2013, 1,577 residential flats with an aggregate saleable GFA of approximately 350,143 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 57 residential units with an aggregate saleable GFA of approximately 53,494 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 7,300 sq.m. and had an expected aggregate GFA of approximately 5,691 sq.m. were not for sale. Construction of these properties commenced on May 11, 2006 and is expected to be completed in the fourth quarter of 2014.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 20,766 sq.m. and had an expected aggregate GFA of approximately 20,961 sq.m.

Holiday Islands—Huadu offers various types of products, including villas, townhouses and low-rise apartment buildings.

Country Garden Airport Plaza (碧桂園空港廣場)

Country Garden Airport Plaza is located in Huadong Town, the Opposite side of Jiuhu Village, Huadu City. It is being developed by Guangzhou Anhua Logistics Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 55,136 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 114,982 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Airport Plaza.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 55,136 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 114,982 sq.m. Construction of these properties commenced on June 18, 2013 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 1,638 residential flats with an aggregate saleable GFA of approximately 98,931 sq.m. and 79 retail shops with an aggregate saleable GFA of approximately 7,036 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Airport Plaza.

Country Garden Airport Plaza is expected to offer high-rise apartment buildings and retail shops in the future. It will also feature a hotel developed to four-star rating standard.

Country Garden—Lychee Park (碧桂園 • 荔園)

Country Garden—Lychee Park is located at Weiliu Road, Zengjiang Avenue, Zengcheng District, Guangzhou City. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 92,965 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 88,837 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 92,965 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 88,837 sq.m. Construction of these properties commenced on July 6, 2009 and was completed on May 26, 2010. The completed properties comprise 564 residential flats with an aggregate saleable GFA of approximately 78,163 sq.m., as well as 167 retail shops with an aggregate saleable GFA of approximately 7,707 sq.m. and 88 parking spaces with an aggregate saleable GFA of approximately 1,720 sq.m. As of December 31, 2013, 564 residential flats with an aggregate saleable GFA of approximately 78,163 sq.m. as well as 167 retail shops with an aggregate saleable GFA of approximately 7,707 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised and 88 parking spaces with an aggregate GFA of approximately 1,720 sq.m.

As of December 31, 2013, there was no property under development in Country Garden—Lychee Park.

As of December 31, 2013, there was no property held for future development in Country Garden—Lychee Park.

Country Garden—Lychee Park offers various types of products, including townhouses, low-rise apartment buildings, retail shops and parking spaces.

Country Garden—Grand Garden (碧桂園•豪園)

Country Garden—Grand Garden is located at Shitan Town, Zengcheng District, Guangzhou City. It is being developed by Zengcheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 928,242 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,105,356 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 712,963 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 585,640 sq.m. Construction of these properties commenced on September 29, 2009 and was completed on November 26, 2013. The completed properties comprise 3,544 residential flats with an aggregate saleable GFA of approximately 518,850 sq.m., as well as 162 retail shops with an aggregate saleable GFA of approximately 12,228 sq.m. As of December 31, 2013, 3,521 residential flats with an aggregate saleable GFA of approximately 511,258 sq.m. as well as 160 retail shops with an aggregate saleable GFA of approximately 10,733 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 23 residential units with an aggregate saleable GFA of approximately 7,592 sq.m. and two retail shops with an aggregate saleable GFA of approximately 1,495 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 128,001 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 394,490 sq.m. Construction of these properties commenced on July 5, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 3,372 residential flats with an aggregate saleable GFA of approximately 366,303 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 87,279 sq.m. and had an expected aggregate GFA of approximately 125,226 sq.m.

Country Garden—Grand Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Shilou Country Garden (石樓碧桂園)

Shilou Country Garden is located in Daling Village, Shilou Town, Panyu District, Guangzhou City. It is being developed by Guangzhou Shilou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 93,340 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 168,808 sq.m.

As of December 31, 2013, there was no completed property in Shilou Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 63,340 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 144,808 sq.m. Construction of these properties commenced on

December 29, 2011 and is expected to be completed in the first quarter of 2014. Upon completion, there will be 471 residential flats with an aggregate saleable GFA of approximately 133,865 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 30,000 sq.m. and had an expected aggregate GFA of approximately 24,000 sq.m.

Shilou Country Garden is expected to offer townhouses and high-rise apartment buildings in the future.

Country Garden Hill Lake Bay (碧桂園山湖灣)

Country Garden Hill Lake Bay is located at East Part of Jin'gang Avenue, Nansha District, Guangzhou City. It is being developed by Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 283,441 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 505,302 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Hill Lake Bay.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 283,441 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 505,302 sq.m. Construction of these properties commenced on June 28, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 4,170 residential flats with an aggregate saleable GFA of approximately 479,935 sq.m. and 154 retail shops with an aggregate saleable GFA of approximately 11,651 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Hill Lake Bay.

Country Garden Hill Lake Bay is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Foshan City, Guangdong Province

Shunde Country Garden—including Country Garden West Court (順德碧桂園—含碧桂園西苑)

Shunde Country Garden is located at the Bridge of Bijiang, Beijiao Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 3,193,620 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,845,362 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 3,030,608 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 2,376,565 sq.m. Construction of these properties commenced in 1992 and was completed on September 29, 2013. The completed properties comprise 15,092 residential flats with an aggregate saleable GFA of approximately 2,163,534 sq.m., as well as 36 retail shops with an aggregate saleable GFA of approximately 10,625 sq.m. and an office building with an aggregate saleable GFA of approximately 18,666 sq.m. As of December 31, 2013, 14,946 residential flats with an aggregate saleable GFA of approximately 2,108,982 sq.m. as well as two retail shops with an aggregate saleable GFA of approximately 540 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 146 residential units with an aggregate saleable GFA of approximately 54,552 sq.m. and 34 retail shops with an aggregate saleable GFA of approximately 10,085 sq.m. and an office building with an aggregate saleable GFA of approximately 18,666 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 74,893 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 304,552 sq.m. Construction of these properties commenced on August 25, 2008 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,329 residential flats with an aggregate saleable GFA of approximately 209,549 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 88,118 sq.m. and had an expected aggregate GFA of approximately 164,245 sq.m.

Shunde Country Garden—including Country Garden West Court offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. Since its development, approximately 49,000 residents have moved in. This development features a four-star resort hotel, Country Garden Holiday Resorts (順德碧桂園度假村) as well as four clubhouses, a fresh produce market, an international cultural plaza, Country Garden Hospital (碧桂園醫院) and Country Garden School (碧桂園學校).

Jun'an Country Garden (均安碧桂園)

Jun'an Country Garden is located on Cuihu Road, Jun'an Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Jun'an Country Garden Property Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 244,468 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 254,510 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 214,416 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 224,458 sq.m. Construction of these properties commenced on April 13, 2000 and was completed on June 20, 2011. The completed properties comprise 1,410 residential flats with an aggregate saleable GFA of approximately 214,110 sq.m. As of December 31, 2013, 1,410 residential flats with an aggregate saleable GFA of approximately 214,110 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, there was no property under development in Jun'an Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 30,052 sq.m. and had an expected aggregate GFA of approximately 30,052 sq.m.

Jun'an Country Garden offers various types of products, including villas, townhouses and low-rise apartment buildings. A supermarket is in the proximity of this development.

Peninsula Country Garden (半島碧桂園)

Peninsula Country Garden is located next to the Jin Sha Bridge, Chencun Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd., our wholly- owned project company. The project occupies an aggregate site area of approximately 529,948 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 294,330 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 529,948 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 294,330 sq.m. Construction of these properties commenced on April 28, 2003 and was completed on April 16, 2008. The completed properties comprise 1,106 residential flats with an aggregate saleable GFA of approximately 287,042 sq.m. As of December 31, 2013, 1,105 residential flats with an aggregate saleable GFA of approximately 287,042 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, there was no property under development in Peninsula Country Garden.

As of December 31, 2013, there was no property held for future development in Peninsula Country Garden.

Peninsula Country Garden offers various types of products, including villas, townhouses and low-rise apartment buildings. This development features a luxurious clubhouse, a swimming pool, tennis courts, basketball courts, poker rooms and table-tennis rooms, as well as a supermarket and a commercial street.

Gaoming Country Garden (高明碧桂園)

Gaoming Country Garden is located at San Zhou Bai Ling Road, Gaoming District, Foshan City. It is being developed by Foshan Gaoming Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,774,595 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 986,950 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,554,533 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 917,070 sq.m. Construction of these properties commenced on July 28, 2004 and was completed on December 26, 2013. The completed properties comprise 5,074 residential flats with an aggregate saleable GFA of approximately 901,144 sq.m., as well as 129 retail shops with an aggregate saleable GFA of approximately 5,041 sq.m. As of December 31, 2013, 4,997 residential flats with an aggregate saleable GFA of approximately 879,302 sq.m. as well as 129 retail shops with an aggregate saleable GFA of approximately 5,041 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 77 residential units with an aggregate saleable GFA of approximately 21,842 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 207,059 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 56,880 sq.m. Construction of these properties commenced on May 31, 2006 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 206 residential flats with an aggregate saleable GFA of approximately 56,454 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 13,003 sq.m. and had an expected aggregate GFA of approximately 13,000 sq.m.

Gaoming Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, retail shops and parking spaces. This development features various amenities, such as reading rooms, poker rooms, tennis courts, basketball courts, swimming pools, table tennis rooms, a supermarket, commercial streets and Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店), a five-star hotel.

Nanhai Country Garden (南海碧桂園)

Nanhai Country Garden is located in Yayao Village, Dali Town, Nanhai District, Foshan City, near Guangfo Highway, Yayao Intersection and 325 National Highway. It is being developed by Foshan Nanhai Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 494,294 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 553,574 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 494,294 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 553,574 sq.m. Construction of these properties commenced on June 27, 2005 and was completed on March 30, 2011. The completed properties comprise 2,173 residential flats with an aggregate saleable GFA of approximately 540,272 sq.m., as well as 25 retail shops with an aggregate saleable GFA of approximately 2,508 sq.m. As of December 31, 2013, 2,173 residential flats with an aggregate saleable GFA of approximately 540,272 sq.m. as well as 20 retail shops with an aggregate saleable GFA of approximately 1,273 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised five retail shops with an aggregate saleable GFA of approximately 1,235 sq.m.

As of December 31, 2013, there was no property under development in Nanhai Country Garden.

As of December 31, 2013, there was no property held for future development in Nanhai Country Garden.

Nanhai Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a clubhouse with swimming pools, tennis courts, basketball courts, a library, table-tennis rooms and a supermarket.

Country Garden Wonderland (碧桂園山水桃園)

Country Garden Wonderland is located at Lishui Town, Nanhai District, Foshan City. It is being developed by Foshan Nanhai Wonderland Property Development Co., Ltd., our wholly-owned

project company. The project occupies an aggregate site area of approximately 87,246 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 144,508 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 87,246 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 144,508 sq.m. Construction of these properties commenced on December 22, 2009 and was completed on January 19, 2012. The completed properties comprise 1,245 residential flats with an aggregate saleable GFA of approximately 143,410 sq.m. As of December 31, 2013, 1,098 residential flats with an aggregate saleable GFA of approximately 116,927 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 147 residential units with an aggregate saleable GFA of approximately 26,483 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Wonderland.

As of December 31, 2013, there was no property held for future development in Country Garden Wonderland.

Country Garden Wonderland offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and parking spaces.

Country Garden City Garden (碧桂園城市花園)

Country Garden City Garden is located next to Lingnan Avenue, Chancheng District, Foshan City. It is being developed by Foshan Chancheng Country Garden Property Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 68,274 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 450,726 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 68,116 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 450,448 sq.m. Construction of these properties commenced on July 30, 2010 and was completed on December 6, 2013. The completed properties comprise 3,084 residential flats with an aggregate saleable GFA of approximately 362,394 sq.m., as well as 86 retail shops with an aggregate saleable GFA of approximately 42,938 sq.m. and 820 parking spaces with an aggregate saleable GFA of approximately 29,373 sq.m. As of December 31, 2013, 3,039 residential flats with an aggregate saleable GFA of approximately 346,950 sq.m. as well as 31 retail shops with an aggregate saleable GFA of approximately 15,417 sq.m. and 341 parking spaces with an aggregate saleable GFA of approximately 11,251 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 45 residential units with an aggregate saleable GFA of approximately 15,444 sq.m. and 55 retail shops with an aggregate saleable GFA of approximately 27,521 sq.m. and 479 parking spaces with an aggregate GFA of approximately 18,122 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 158 sq.m. and had an expected aggregate GFA of approximately 278 sq.m. were not for sale. Construction of these properties commenced on September 2, 2011 and is expected to be completed in the second quarter of 2014.

As of December 31, 2013, there was no property held for future development in Country Garden City Garden.

Country Garden City Garden offers various types of products, including high-rise apartment buildings, retail shops and parking spaces. It will also feature a hotel developed to five-star rating standard.

Country Garden Grand Palace (碧桂園豪庭)

Country Garden Grand Palace is located at East Side of Xihua Road, Shibu, Longjiang Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 135,936 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 369,867 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 135,936 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 369,867 sq.m. Construction of these properties commenced on February 3, 2010 and was completed on November 21, 2012. The completed properties comprise 2,466 residential flats with an aggregate saleable GFA of approximately 357,740 sq.m., as well as 88 retail shops with an aggregate saleable GFA of approximately 7,439 sq.m. As of December 31, 2013, 2,428 residential flats with an aggregate saleable GFA of approximately 345,715 sq.m. as well as 72 retail shops with an aggregate saleable GFA of approximately 5,258 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 38 residential units with an aggregate saleable GFA of approximately 12,025 sq.m. and 16 retail shops with an aggregate saleable GFA of approximately 2,181 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Grand Palace.

As of December 31, 2013, there was no property held for future development in Country Garden Grand Palace.

Country Garden Grand Palace offers various types of products, including townhouses, high-rise apartment buildings, retail shops and parking spaces. It will also feature a hotel developed to five-star rating standard.

Ronggui Country Garden (容桂碧桂園)

Ronggui Country Garden is located at No.2 of Chaogui North Road, Xiaohuangpu Community, Ronggui Town, Shunde District, Foshan City. It is being developed by Foshan Shunde Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 108,175 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 303,604 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 69,283 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 170,589 sq.m. Construction of these properties commenced on June 22, 2011 and was completed on December 10, 2013. The completed properties comprise 898 residential flats with an aggregate saleable GFA of approximately 162,254 sq.m., as well as 33 retail shops with an aggregate saleable GFA of approximately 2,789 sq.m. As of December 31, 2013, 37 residential flats with an aggregate saleable GFA of approximately 12,675 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 861 residential units with an aggregate saleable GFA of approximately 149,579 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 2,789 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 38,892 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 133,015 sq.m. Construction of these properties commenced on June 28, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 628 residential flats with an aggregate saleable GFA of approximately 129,312 sq.m.

As of December 31, 2013, there was no property held for future development in Ronggui Country Garden.

Ronggui Country Garden offers various types of products, including townhouses, high-rise apartment buildings and retail shops, and is expected to offer parking spaces in the future.

Jiangmen City, Guangdong Province

Heshan Country Garden (鶴山碧桂園)

Heshan Country Garden is located on Heshan Avenue, Shaping Town, Heshan District, Jiangmen City, across from Heshan Central Station and in the proximity of the commercial district of Heshan. It is being developed by Heshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 3,469,521 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,072,266 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 3,284,623 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,867,297 sq.m. Construction of these properties commenced on March 26, 2004 and was completed on April 28, 2013. The completed properties comprise 9,367 residential flats with an aggregate saleable GFA of approximately 1,707,074 sq.m., as well as 505 retail shops with an aggregate saleable GFA of approximately 81,214 sq.m. and 236 parking spaces with an aggregate saleable GFA of approximately 6,445 sq.m. As of December 31, 2013, 9,324 residential flats with an aggregate saleable GFA of approximately 1,684,326 sq.m. as well as 453 retail shops with an aggregate saleable GFA of approximately 61,540 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 43 residential units with an aggregate saleable GFA of approximately 22,748 sq.m. and 52 retail shops with an aggregate saleable GFA of approximately 19,674 sq.m. and 236 parking spaces with an aggregate GFA of approximately 6,445 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 14,267 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 28,147 sq.m. Construction of these properties commenced on

August 9, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 238 residential flats with an aggregate saleable GFA of approximately 24,726 sq.m. and 25 retail shops with an aggregate saleable GFA of approximately 3,091 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 170,631 sq.m. and had an expected aggregate GFA of approximately 176,822 sq.m.

Heshan Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Heshan (鶴山碧桂園鳳凰酒店) and a commercial plaza.

Wuyi Country Garden (五邑碧桂園)

Wuyi Country Garden is located on Xihuan Road, Beixin Zone, Pengjiang District, Jiangmen City. It is being developed by Jiangmen Wuyi Country Garden Property Development Co., Ltd. ("Wuyi Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 1,510,843 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 954,912 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,510,843 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 954,912 sq.m. Construction of these properties commenced on August 16, 2004 and was completed on December 18, 2013. The completed properties comprise 5,243 residential flats with an aggregate saleable GFA of approximately 909,511 sq.m., as well as 19 retail shops with an aggregate saleable GFA of approximately 2,682 sq.m. As of December 31, 2013, 5,232 residential flats with an aggregate saleable GFA of approximately 906,932 sq.m. as well as nine retail shops with an aggregate saleable GFA of approximately 662 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 11 residential units with an aggregate saleable GFA of approximately 2,579 sq.m. and 10 retail shops with an aggregate saleable GFA of approximately 2,020 sq.m.

As of December 31, 2013, there was no property under development in Wuyi Country Garden.

As of December 31, 2013, there was no property held for future development in Wuyi Country Garden.

Wuyi Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店), a hotel built to five-star standard, as well as kindergartens, primary schools, a supermarket and a commercial street.

Xinhui Country Garden (新會碧桂園)

Xinhui Country Garden is located at the intersection of Xin Hui Avenue and Xin Gang Road, Nan Xin District in the city center of Xinhui and in the proximity of Xinhui Central station, Jiangmen City. It is being developed by Jiangmen East Coast Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 356,762 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 588,519 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 356,762 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 588,519 sq.m. Construction of these properties commenced on November 7, 2005 and was completed on December 28, 2012. The completed properties comprise 3,576 residential flats with an aggregate saleable GFA of approximately 557,117 sq.m., as well as 288 retail shops with an aggregate saleable GFA of approximately 21,241 sq.m. As of December 31, 2013, 3,576 residential flats with an aggregate saleable GFA of approximately 557,117 sq.m. as well as 284 retail shops with an aggregate saleable GFA of approximately 20,852 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised four retail shops with an aggregate saleable GFA of approximately 389 sq.m.

As of December 31, 2013, there was no property under development in Xinhui Country Garden.

As of December 31, 2013, there was no property held for future development in Xinhui Country Garden.

Xinhui Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店), which has been developed to five-star standard, a supermarket, Phoenix Commercial Plaza and a clubhouse.

Taishan Country Garden (台山碧桂園)

Taishan Country Garden is located in Shagang Hu Development Zone, Taicheng Town, Taishan District, Jiangmen City. It is being developed by Taishan Country Garden Property Development Co., Ltd. ("Taishan Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 4,277,222 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,327,529 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,770,951 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 906,795 sq.m. Construction of these properties commenced on March 31, 2006 and was completed on December 9, 2013. The completed properties comprise 4,104 residential flats with an aggregate saleable GFA of approximately 854,604 sq.m., as well as 518 retail shops with an aggregate saleable GFA of approximately 28,596 sq.m. As of December 31, 2013, 3,912 residential flats with an aggregate saleable GFA of approximately 792,105 sq.m. as well as 433 retail shops with an aggregate saleable GFA of approximately 18,685 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 192 residential units with an aggregate saleable GFA of approximately 62,499 sq.m. and 85 retail shops with an aggregate saleable GFA of approximately 9,911 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 349,462 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 284,022 sq.m. Construction of these properties commenced on February 29, 2008 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 1,705 residential flats with an aggregate saleable GFA of approximately 272,002 sq.m. and 51 retail shops with an aggregate saleable GFA of approximately 4,132 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 2,156,809 sq.m. and had an expected aggregate GFA of approximately 1,136,712 sq.m.

Taishan Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店), and a commercial pedestrian street.

Enping Country Garden (恩平碧桂園)

Enping Country Garden is located at Shi Street, Chakeng Administration District, Enping District, Jiangmen City. It is being developed by Enping Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 419,241 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 292,134 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 405,271 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 282,166 sq.m. Construction of these properties commenced on November 1, 2007 and was completed on August 9, 2013. The completed properties comprise 1,530 residential flats with an aggregate saleable GFA of approximately 265,676 sq.m., as well as 151 retail shops with an aggregate saleable GFA of approximately 9,786 sq.m. As of December 31, 2013, 1,523 residential flats with an aggregate saleable GFA of approximately 264,884 sq.m. as well as 150 retail shops with an aggregate saleable GFA of approximately 9,649 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised seven residential units with an aggregate saleable GFA of approximately 792 sq.m. and one retail shop with an aggregate saleable GFA of approximately 137 sq.m.

As of December 31, 2013, there was no property under development in Enping Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 13,970 sq.m. and had an expected aggregate GFA of approximately 9,968 sq.m.

Enping Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Park Prime (碧桂園•公園1號)

Country Garden—Park Prime is located at Opposite of Heshan Park, Heshan Avenue, Shanping Town, Heshan District. It is being developed by Heshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 134,897 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 237,723 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 114,530 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 158,504 sq.m. Construction of these properties commenced on July 9, 2009 and was completed on August 30, 2012. The completed properties comprise 1,181 residential flats with an aggregate saleable GFA of approximately 149,557 sq.m., as well as 95 retail shops with an aggregate saleable GFA of approximately 6,391 sq.m. As of December 31, 2013, 1,181 residential flats with an aggregate saleable GFA of approximately 149,557 sq.m. as well as 95 retail shops with an aggregate saleable GFA of approximately 6,391 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 20,366 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 79,219 sq.m. Construction of these properties commenced on February 6, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 992 residential flats with an aggregate saleable GFA of approximately 76,077 sq.m. and 14 retail shops with an aggregate saleable GFA of approximately 1,132 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Park Prime.

Country Garden—Park Prime offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Sunshine Coast (碧桂園 • 陽光水岸)

Country Garden—Sunshine Coast is located at Sanbu Zone, Kaiping District, Jiangmen City. It is being developed by Kaiping Xinzhihe Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 51,107 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 48,718 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 51,107 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 48,718 sq.m. Construction of these properties commenced on November 4, 2009 and was completed on December 15, 2010. The completed properties comprise 301 residential flats with an aggregate saleable GFA of approximately 45,671 sq.m., as well as 32 retail shops with an aggregate saleable GFA of approximately 1,748 sq.m. and 86 parking spaces with an aggregate saleable GFA of approximately 1,027 sq.m. As of December 31, 2013, 299 residential flats with an aggregate saleable GFA of approximately 45,233 sq.m. as well as 21 retail shops with an aggregate saleable GFA of approximately 908 sq.m. and 59 parking spaces with an aggregate saleable GFA of approximately 705 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised two residential units with an aggregate saleable GFA of approximately 438 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 840 sq.m. and 27 parking spaces with an aggregate GFA of approximately 322 sq.m.

As of December 31, 2013, there was no property under development in Country Garden—Sunshine Coast.

As of December 31, 2013, there was no property held for future development in Country Garden—Sunshine Coast.

Country Garden—Sunshine Coast offers various types of products, including townhouses, low-rise apartment buildings, retail shops and parking spaces.

Jianghai Country Garden (江海碧桂園)

Jianghai Country Garden is located at East Side of Adiminstration Zone, Jianghai District, Jiangmen City. It is being developed by Jiangmen Jianghai Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 226,786 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 502,711 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 165,313 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 216,335 sq.m. Construction of these properties commenced on April 30, 2010 and was completed on July 30, 2013. The completed properties comprise 1,484 residential flats with an aggregate saleable GFA of approximately 194,604 sq.m., as well as 82 retail shops with an aggregate saleable GFA of approximately 11,692 sq.m. As of December 31, 2013, 1,107 residential flats with an aggregate saleable GFA of approximately 151,771 sq.m. as well as 76 retail shops with an aggregate saleable GFA of approximately 10,685 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 377 residential units with an aggregate saleable GFA of approximately 42,833 sq.m. and six retail shops with an aggregate saleable GFA of approximately 1,007 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 56,348 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 263,317 sq.m. Construction of these properties commenced on January 18, 2011 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 2,498 residential flats with an aggregate saleable GFA of approximately 252,437 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 5,124 sq.m. and had an expected aggregate GFA of approximately 23,059 sq.m.

Jianghai Country Garden offers various types of products, including townhouses, high-rise apartment buildings and retail shops, and is expected to offer parking spaces in the future. It will also feature a hotel developed to four-star rating standard.

Xinhui Country Garden—Phase Four (新會碧桂園－四期)

Xinhui Country Garden—Phase Four is located at South Side of Xinhui Country Garden, Xinhui District, Jiangmen City. It is being developed by Jiangmen Xinhui Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 250,254 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 598,976 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 131,174 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 229,259 sq.m. Construction of these properties commenced on March 24, 2010 and was completed on December 25, 2013. The completed properties comprise 1,596 residential flats with an aggregate saleable GFA of approximately 222,894 sq.m., as well as 47 retail shops with an aggregate saleable GFA of approximately 4,555 sq.m. As of December 31, 2013, 1,386 residential flats with an aggregate saleable GFA of approximately 195,678 sq.m. as well as 47 retail shops with an aggregate saleable GFA of approximately 4,555 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 210 residential units with an aggregate saleable GFA of approximately 27,216 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 46,998 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 171,968 sq.m. Construction of these properties commenced on January 7, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,629 residential flats with an aggregate saleable GFA of approximately 166,030 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 3,502 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 72,082 sq.m. and had an expected aggregate GFA of approximately 197,749 sq.m.

Xinhui Country Garden—Phase Four offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Country Garden—Hill Lake Grand Palace (碧桂園 • 山水豪園)

Country Garden—Hill Lake Grand Palace is located in Jiangjunpi, Zhishan Town, Heshan City. It is being developed by Heshan Zhishan Country Garden Property Development Co Ltd, a project company in which we hold a 80% interest. The project occupies an aggregate site area of approximately 510,092 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 746,886 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 265,333 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 166,103 sq.m. Construction of these properties commenced on February 18, 2011 and was completed on November 29, 2013. The completed properties comprise 950 residential flats with an aggregate saleable GFA of approximately 159,656 sq.m., as well as 31 retail shops with an aggregate saleable GFA of approximately 5,053 sq.m. As of December 31, 2013, 923 residential flats with an aggregate saleable GFA of approximately 153,194 sq.m. as well as 27 retail shops with an aggregate saleable GFA of approximately 1,587 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 27 residential units with an aggregate saleable GFA of approximately 6,462 sq.m. and four retail shops with an aggregate saleable GFA of approximately 3,466 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 82,405 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 78,663 sq.m. Construction of these properties commenced on March 15, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 618 residential flats with an aggregate saleable GFA of approximately 74,207 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 162,354 sq.m. and had an expected aggregate GFA of approximately 502,120 sq.m.

Country Garden—Hill Lake Grand Palace offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Country Garden—Jade Bay (碧桂園 • 翡翠灣)

Country Garden—Jade Bay is located at No.268 of Kaiping Avenue, Changsha Sub-District, Kaiping City. It is being developed by Kaiping Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 730,710 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 867,862 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 238,426 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 136,741 sq.m. Construction of these properties commenced on July 15, 2011 and was completed on May 30, 2013. The completed properties comprise 718 residential flats with an aggregate saleable GFA of approximately 133,163 sq.m., as well as 26 retail shops with an aggregate saleable GFA of approximately 1,782 sq.m. As of December 31, 2013, 692 residential flats with an aggregate saleable GFA of approximately 120,567 sq.m. as well as 26 retail shops with an aggregate saleable GFA of approximately 1,782 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 26 residential units with an aggregate saleable GFA of approximately 12,596 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 225,960 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 301,112 sq.m. Construction of these properties commenced on September 30, 2011 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 2,078 residential flats with an aggregate saleable GFA of approximately 291,962 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 266,324 sq.m. and had an expected aggregate GFA of approximately 430,009 sq.m.

Country Garden—Jade Bay offers various types of products, including townhouses, high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Country Garden—Hill Lake Bay (碧桂園 • 山湖灣)

Country Garden—Hill Lake Bay is located next To Daze No.1 Reservoir, Xinhui District, Jiangmen City. It is being developed by Jiangmen Xinhui Daze Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 207,044 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 321,764 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 150,200 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 133,514 sq.m. Construction of these properties commenced on July 27, 2012 and was completed on November 20, 2013. The completed properties comprise 802 residential flats with an aggregate saleable GFA of approximately 120,882 sq.m., as well as 28 retail shops with an aggregate saleable GFA of approximately 2,425 sq.m. As of December 31, 2013, 754 residential flats with an aggregate saleable GFA of approximately 104,417 sq.m. as well as 12 retail shops with an aggregate saleable GFA of approximately 1,145 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 48 residential units with an aggregate saleable GFA of approximately 16,465 sq.m. and 16 retail shops with an aggregate saleable GFA of approximately 1,280 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 27,900 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 103,261 sq.m. Construction of these properties commenced on April 19, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,133 residential flats with an aggregate saleable GFA of approximately 101,595 sq.m. and one retail shop with an aggregate saleable GFA of approximately 76 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 28,944 sq.m. and had an expected aggregate GFA of approximately 84,989 sq.m.

Country Garden—Hill Lake Bay offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Country Garden—Forest Lake (碧桂園 • 天麓湖)

Country Garden—Forest Lake is located in Jilonggang, Gonghe Town, Heshan City. It is being developed by Heshan Gonghe Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 413,144 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 410,440 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Forest Lake.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 71,049 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 31,115 sq.m. Construction of these properties commenced on December 16, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 140 residential flats with an aggregate saleable GFA of approximately 30,923 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 342,094 sq.m. and had an expected aggregate GFA of approximately 379,325 sq.m.

Country Garden—Forest Lake is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future. It will also feature a hotel developed to four-star rating standard.

Yangjiang City, Guangdong Province

Yangdong Country Garden (陽東碧桂園)

Yangdong Country Garden is located at Hubin West Road, Yangdong Town, Yangjiang City, beside the Yangdong Central Station in proximity to Yangjiang City Center and Jiangcheng

District. It is being developed by Yangdong Country Garden Property Development Co., Ltd. ("Yangdong Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 580,352 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 390,847 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 580,352 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 390,847 sq.m. Construction of these properties commenced on April 29, 2005 and was completed on December 21, 2010. The completed properties comprise 1,951 residential flats with an aggregate saleable GFA of approximately 347,743 sq.m., as well as 202 retail shops with an aggregate saleable GFA of approximately 22,458 sq.m. As of December 31, 2013, 1,951 residential flats with an aggregate saleable GFA of approximately 347,743 sq.m. as well as 202 retail shops with an aggregate saleable GFA of approximately 22,458 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, there was no property under development in Yangdong Country Garden.

As of December 31, 2013, there was no property held for future development in Yangdong Country Garden.

Yangdong Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a five-star Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店), Yanshan Lake City Plaza, a kindergarten and a commercial street.

Zhaoqing City, Guangdong Province

Zhaoqing Lanling Residence (肇慶藍領公寓)

Zhaoqing Lanling Residence is located inside the high-tech industrial park of Dawang District, Zhaoqing City. It is being developed by Zhaoqing Gaoxin Country Garden Property Development Co., Ltd. ("Zhaoqing Country Garden Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 123,593 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,721 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 123,593 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 185,721 sq.m. Construction of these properties commenced on September 5, 2006 and was completed on June 26, 2009. The completed properties comprise 2,188 residential flats with an aggregate saleable GFA of approximately 85,971 sq.m., as well as 254 retail shops with an aggregate saleable GFA of approximately 19,890 sq.m. As of December 31, 2013, 110 retail shops with an aggregate saleable GFA of approximately 6,655 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 2,188 residential units with an aggregate saleable GFA of approximately 85,971 sq.m. and 144 retail shops with an aggregate saleable GFA of approximately 13,235 sq.m.

As of December 31, 2013, there was no property under development in Zhaoqing Lanling Residence.

As of December 31, 2013, there was no property held for future development in Zhaoqing Lanling Residence.

Zhaoqing Lanling Residence offers various types of products, including low-rise apartment buildings and retail shops.

Zhaoqing Country Garden (肇慶碧桂園)

Zhaoqing Country Garden is located in Xiangshan District, Zhaoqing City. It is being developed by Gaoyao Biyi Property Development Co., Ltd., a project company in which we hold a 51% interest. The project occupies an aggregate site area of approximately 653,967 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 466,375 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 605,211 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 417,584 sq.m. Construction of these properties commenced on September 19, 2006 and was completed on December 26, 2013. The completed properties comprise 2,248 residential flats with an aggregate saleable GFA of approximately 399,710 sq.m., as well as 30 retail shops with an aggregate saleable GFA of approximately 1,466 sq.m. As of December 31, 2013, 2,070 residential flats with an aggregate saleable GFA of approximately 379,063 sq.m. as well as 30 retail shops with an aggregate saleable GFA of approximately 1,466 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 178 residential units with an aggregate saleable GFA of approximately 20,647 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 48,449 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 48,484 sq.m. Construction of these properties commenced on March 1, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 437 residential flats with an aggregate saleable GFA of approximately 48,484 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 307 sq.m. and had an expected aggregate GFA of approximately 307 sq.m.

Zhaoqing Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features a hotel developed to the five-star rating standards, Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店). The development also features a kindergarten and a commercial street.

Sihui Country Garden (四會碧桂園)

Sihui Country Garden is located at Dongcheng Zone, Sihui District, Zhaoqing City. It is being developed by Sihui Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 56,106 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 47,102 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 56,106 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 47,102 sq.m. Construction of these properties commenced on May 27, 2009 and was completed on June 30, 2010. The completed properties comprise 256 residential flats with an aggregate saleable GFA of approximately 44,225 sq.m., as well as 28 retail shops with an aggregate saleable GFA of approximately 1,267 sq.m. As of December 31, 2013, 256 residential flats with an aggregate saleable GFA of approximately 44,225 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 28 retail shops with an aggregate saleable GFA of approximately 1,267 sq.m.

As of December 31, 2013, there was no property under development in Sihui Country Garden.

As of December 31, 2013, there was no property held for future development in Sihui Country Garden.

Sihui Country Garden offers various types of products, including townhouses, low-rise apartment buildings and retail shops.

Zhaoqing Country Garden—Hill Lake Palace (肇慶碧桂園 • 山湖城)

Zhaoqing Country Garden—Hill Lake Palace is located at Tanchang, Gaoyao District, Zhaoqing City. It is being developed by Gaoyao Biyi Property Development Co., Ltd., a project company in which we hold a 51% interest. The project occupies an aggregate site area of approximately 277,748 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 261,079 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 277,748 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 261,079 sq.m. Construction of these properties commenced on June 1, 2009 and was completed on April 28, 2013. The completed properties comprise 1,348 residential flats with an aggregate saleable GFA of approximately 248,229 sq.m., as well as 102 retail shops with an aggregate saleable GFA of approximately 7,535 sq.m. As of December 31, 2013, 1,346 residential flats with an aggregate saleable GFA of approximately 247,831 sq.m. as well as 91 retail shops with an aggregate saleable GFA of approximately 5,167 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised two residential units with an aggregate saleable GFA of approximately 398 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 2,368 sq.m.

As of December 31, 2013, there was no property under development in Zhaoqing Country Garden—Hill Lake Palace.

As of December 31, 2013, there was no property held for future development in Zhaoqing Country Garden—Hill Lake Palace.

Zhaoqing Country Garden—Hill Lake Palace offers various types of products, including townhouses, high-rise apartment buildings, retail shops and parking spaces.

Huaiji Country Garden (懷集碧桂園)

Huaiji Country Garden is located at Qingshuitang, Huaicheng Town, Zhaoqing City. It is being developed by Huaiji Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 187,380 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 241,390 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 151,383 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 138,569 sq.m. Construction of these properties commenced on October 29, 2009 and was completed on November 5, 2013. The completed properties comprise 1,013 residential flats with an aggregate saleable GFA of approximately 137,135 sq.m., as well as six retail shops with an aggregate saleable GFA of approximately 291 sq.m. As of December 31, 2013, 1,003 residential flats with an aggregate saleable GFA of approximately 134,830 sq.m. as well as six retail shops with an aggregate saleable GFA of approximately 291 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 10 residential units with an aggregate saleable GFA of approximately 2,305 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 35,997 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 102,821 sq.m. Construction of these properties commenced on February 24, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 851 residential flats with an aggregate saleable GFA of approximately 94,827 sq.m. and 46 retail shops with an aggregate saleable GFA of approximately 4,204 sq.m.

As of December 31, 2013, there was no property held for future development in Huaiji Country Garden.

Huaiji Country Garden offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future.

Deqing Country Garden (德慶碧桂園)

Deqing Country Garden is located next to Qingyun Mountain, Deqing County. It is being developed by Deqing Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 171,463 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 195,723 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 171,463 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 195,723 sq.m. Construction of these properties commenced on May 17, 2010 and was completed on May 30, 2013. The completed properties comprise 1,261 residential flats with an aggregate saleable GFA of approximately 184,102 sq.m., as well as 143 retail shops with an aggregate saleable GFA of approximately 6,696 sq.m. and 84 parking spaces with an aggregate saleable GFA of approximately 1,553 sq.m. As of December 31, 2013, 1,237 residential flats with an aggregate saleable GFA of approximately 177,947 sq.m. as well as 121 retail shops with an aggregate saleable GFA of approximately 5,295 sq.m. and 56 parking spaces with an aggregate saleable GFA of approximately 1,035 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 24 residential units with an aggregate saleable GFA of approximately

6,155 sq.m. and 22 retail shops with an aggregate saleable GFA of approximately 1,401 sq.m. and 28 parking spaces with an aggregate GFA of approximately 518 sq.m.

As of December 31, 2013, there was no property under development in Deqing Country Garden.

As of December 31, 2013, there was no property held for future development in Deqing Country Garden.

Deqing Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces.

Fengkai Country Garden (封開碧桂園)

Fengkai Country Garden is located in Fengchuan Dongtang, Jiangkou Town, Fengkai County, Zhaoqing City. It is being developed by Fengkai Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 168,010 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 183,554 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 156,007 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 156,687 sq.m. Construction of these properties commenced on October 14, 2010 and was completed on December 13, 2013. The completed properties comprise 1,038 residential flats with an aggregate saleable GFA of approximately 148,051 sq.m., as well as 27 retail shops with an aggregate saleable GFA of approximately 2,915 sq.m. As of December 31, 2013, 909 residential flats with an aggregate saleable GFA of approximately 132,010 sq.m. as well as 22 retail shops with an aggregate saleable GFA of approximately 1,275 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 129 residential units with an aggregate saleable GFA of approximately 16,041 sq.m. and five retail shops with an aggregate saleable GFA of approximately 1,640 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 12,003 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 26,867 sq.m. Construction of these properties commenced on August 9, 2011 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 237 residential flats with an aggregate saleable GFA of approximately 26,665 sq.m.

As of December 31, 2013, there was no property held for future development in Fengkai Country Garden.

Fengkai Country Garden offers various types of products, including townhouses, high-rise apartment buildings and retail shops, and is expected to offer parking spaces in the future.

Huizhou City, Guangdong Province

Huiyang Country Garden (惠陽碧桂園)

Huiyang Country Garden is located in the industrial district of Huiyang Sanhe Economic Development Zone, Huizhou City. It is being developed by Huizhou Huiyang Qishan Holiday Resorts Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 1,110,257 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 975,943 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 791,700 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 561,367 sq.m. Construction of these properties commenced on August 22, 2007 and was completed on December 30, 2013. The completed properties comprise 3,153 residential flats with an aggregate saleable GFA of approximately 540,512 sq.m., as well as 15 retail shops with an aggregate saleable GFA of approximately 755 sq.m. As of December 31, 2013, 2,068 residential flats with an aggregate saleable GFA of approximately 390,327 sq.m. as well as 15 retail shops with an aggregate saleable GFA of approximately 755 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 1,085 residential units with an aggregate saleable GFA of approximately 150,185 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 27,444 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 68,902 sq.m. Construction of these properties commenced on June 30, 2009 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 542 residential flats with an aggregate saleable GFA of approximately 61,083 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 291,112 sq.m. and had an expected aggregate GFA of approximately 345,674 sq.m.

Huiyang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This project also features a hotel developed to five-star rating standard, Country Garden Phoenix Hotel, Huiyang (惠陽碧桂園鳳凰酒店).

Country Garden—Ten Miles Beach (碧桂園•十里銀灘)

Country Garden—Ten Miles Beach is located at Yapojiao, Renshan Town, Huidong District, Huizhou City. It is being developed by Huidong Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 1,883,631 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 5,136,572 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 402,043 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 990,226 sq.m. Construction of these properties commenced on June 14, 2011 and was completed on December 26, 2013. The completed properties comprise 8,590 residential flats with an aggregate saleable GFA of approximately 916,400 sq.m. and a commercial center with an aggregate saleable GFA of approximately 15,724 sq.m. As of December 31, 2013, 8,402 residential flats with an aggregate saleable GFA of approximately 873,431 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 188 residential units with an aggregate saleable GFA of approximately 42,969 sq.m. and a commercial center with an aggregate saleable GFA of approximately 15,724 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 619,511 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,032,502 sq.m. Construction of these properties commenced on June 14, 2011 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 23,366 residential flats with an aggregate saleable GFA of approximately 1,940,201 sq.m. and 331 retail shops with an aggregate saleable GFA of approximately 24,823 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 862,077 sq.m. and had an expected aggregate GFA of approximately 2,113,844 sq.m.

Country Garden—Ten Miles Beach offers various types of products, including townhouses and high-rise apartment buildings, and is expected to offer retail shops in the future. It also features a hotel developed to five-star rating standard, Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店).

Shanwei City, Guangdong Province

Shanwei Country Garden (汕尾碧桂園)

Shanwei Country Garden is located in the Shanwei City, close to Pinqing Lake. It is being developed by Shanwei Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 449,387 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 720,473 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 277,463 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 390,409 sq.m. Construction of these properties commenced on September 12, 2008 and was completed on June 19, 2013. The completed properties comprise 2,261 residential flats with an aggregate saleable GFA of approximately 369,448 sq.m., as well as 118 retail shops with an aggregate saleable GFA of approximately 8,892 sq.m. As of December 31, 2013, 2,261 residential flats with an aggregate saleable GFA of approximately 369,448 sq.m. as well as 118 retail shops with an aggregate saleable GFA of approximately 8,892 sq.m. had been sold and delivered. There was no sold but undelivered property and unsold property of the remaining completed properties.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 90,359 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 161,444 sq.m. Construction of these properties commenced on August 20, 2012 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 928 residential flats with an aggregate saleable GFA of approximately 158,503 sq.m. and 22 retail shops with an aggregate saleable GFA of approximately 2,941 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 81,565 sq.m. and had an expected aggregate GFA of approximately 168,620 sq.m.

Shanwei Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Haifeng Country Garden (海豐碧桂園)

Haifeng Country Garden is located in New District, North of Haifeng County, Shanwei City. It is being developed by Haifeng Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 370,847 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 340,319 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 328,470 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 316,493 sq.m. Construction of these properties commenced on March 11, 2011 and was completed on December 18, 2013. The completed properties comprise 1,633 residential flats with an aggregate saleable GFA of approximately 305,246 sq.m., as well as 126 retail shops with an aggregate saleable GFA of approximately 8,632 sq.m. As of December 31, 2013, 1,401 residential flats with an aggregate saleable GFA of approximately 271,025 sq.m. as well as 63 retail shops with an aggregate saleable GFA of approximately 3,080 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 232 residential units with an aggregate saleable GFA of approximately 34,221 sq.m. and 63 retail shops with an aggregate saleable GFA of approximately 5,552 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 42,377 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 23,826 sq.m. Construction of these properties commenced on August 29, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be and 40 retail shops with an aggregate saleable GFA of approximately 8,793 sq.m.

As of December 31, 2013, there was no property held for future development in Haifeng Country Garden.

Haifeng Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Shaoguan City, Guangdong Province

Shaoguan Country Garden (韶關碧桂園)

Shaoguan Country Garden is located in Lashi Ba, Zhen Jiang District, Shaoguan City, in the proximity of the commercial center. It is being developed by Shaoguan Shunhong Property Development Co., Ltd. ("Shaoguan Shun Hong Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 3,498,573 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 3,500,325 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 2,286,050 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 1,566,686 sq.m. Construction of these properties commenced on January 17, 2007 and was completed on December 30, 2013. The completed properties comprise 7,829 residential flats with an aggregate saleable GFA of approximately 1,454,036 sq.m., as well as 366 retail shops with an aggregate saleable GFA of approximately 39,312 sq.m. and a supermarket with an aggregate saleable GFA of approximately 11,524 sq.m. As of December 31, 2013, 6,852 residential flats with an aggregate saleable GFA of approximately 1,295,429 sq.m. as well as 236 retail shops with an aggregate saleable GFA of approximately 20,213 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 977 residential units with an aggregate saleable GFA of approximately 158,607 sq.m. and 130 retail shops with an aggregate saleable GFA of approximately 19,099 sq.m. and a supermarket with an aggregate saleable GFA of approximately 11,524 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 663,069 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 767,269 sq.m. Construction of these properties commenced on January 17, 2007 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 4,737 residential flats with an aggregate saleable GFA of approximately 725,539 sq.m. and 135 retail shops with an aggregate saleable GFA of approximately 8,883 sq.m. and a composite building with an aggregate saleable GFA of 8,171 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 549,454 sq.m. and had an expected aggregate GFA of approximately 1,166,370 sq.m.

Shaoguan Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development also features a commercial street, a five-star rating standard hotel, Country Garden Phoenix Hotel, Shaoguan (韶關碧桂園鳳凰酒店).

Lechang Country Garden (樂昌碧桂園)

Lechang Country Garden is located in Meile Road, Lechang District, Shaoguan City. It is being developed by Lechang Country Garden Property Development Co., Ltd. The project occupies an aggregate site area of approximately 868,579 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,581,124 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 395,897 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 340,722 sq.m. Construction of these properties commenced on October 23, 2007 and was completed on November 20, 2013. The completed properties comprise 2,114 residential flats with an aggregate saleable GFA of approximately 329,275 sq.m., as well as 92 retail shops with an aggregate saleable GFA of approximately 5,416 sq.m. As of December 31, 2013, 1,816 residential flats with an aggregate saleable GFA of approximately 271,498 sq.m. as well as 52 retail shops with an aggregate saleable GFA of approximately 2,154 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 298 residential units with an aggregate saleable GFA of approximately 57,777 sq.m. and 40 retail shops with an aggregate saleable GFA of approximately 3,262 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 70,313 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 69,962 sq.m. Construction of these properties commenced on January 27, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 466 residential flats with an aggregate saleable GFA of approximately 55,584 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 402,369 sq.m. and had an expected aggregate GFA of approximately 1,170,440 sq.m.

Lechang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops. It also features a hotel, Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店), developed to five-star rating standard.

Shaoguan Country Garden—Sun Palace (韶關碧桂園•太陽城)

Shaoguan Country Garden—Sun Palace is located in Furong Avenue, Wujiang District, Shaoguan City. It is being developed by Shaoguan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 2,207,337 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 4,881,243 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 557,907 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 489,165 sq.m. Construction of these properties commenced on March 10, 2008 and was completed on November 26, 2013. The completed properties comprise 2,969 residential flats with an aggregate saleable GFA of approximately 474,019 sq.m., as well as 165 retail shops with an aggregate saleable GFA of approximately 8,232 sq.m. As of December 31, 2013, 2,913 residential flats with an aggregate saleable GFA of approximately 460,897 sq.m. as well as 139 retail shops with an aggregate saleable GFA of approximately 6,642 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 56 residential units with an aggregate saleable GFA of approximately 13,122 sq.m. and 26 retail shops with an aggregate saleable GFA of approximately 1,590 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 438,178 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 766,177 sq.m. Construction of these properties commenced on December 28, 2009 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 4,744 residential flats with an aggregate saleable GFA of approximately 728,563 sq.m. and 80 retail shops with an aggregate saleable GFA of approximately 7,939 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 1,211,252 sq.m. and had an expected aggregate GFA of approximately 3,625,901 sq.m.

Shaoguan Country Garden—Sun Palace offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Maoming City, Guangdong Province

Maoming Country Garden (茂名碧桂園)

Maoming Country Garden is located at West Side of Huanshi West Road, Maonan District, Maoming City. It is being developed by Maoming Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 532,574 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 439,274 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 479,393 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 344,538 sq.m. Construction of these properties commenced on March 4, 2009 and was completed on July 19, 2013. The completed properties comprise 1,679 residential flats with an aggregate saleable GFA of approximately 325,543 sq.m., as well as 66 retail shops with an aggregate saleable GFA of approximately 3,203 sq.m. As of December 31, 2013, 1,562 residential flats with an aggregate saleable GFA of approximately 298,195 sq.m. as well as 62 retail shops with an aggregate saleable GFA of approximately 3,000 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 117 residential units with an aggregate saleable GFA of approximately 27,348 sq.m. and four retail shops with an aggregate saleable GFA of approximately 203 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 49,252 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 90,276 sq.m. Construction of these properties commenced on December 10, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 621 residential flats with an aggregate saleable GFA of approximately 85,449 sq.m. and 31 retail shops with an aggregate saleable GFA of approximately 1,829 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 3,928 sq.m. and had an expected aggregate GFA of approximately 4,460 sq.m.

Maoming Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden City Garden (碧桂園城市花園)

Country Garden City Garden is located at Huancheng East Road, Binhai New District, Maoming City. It is being developed by Maoming Shuidongwan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 1,730,052 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,432,615 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 197,376 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 115,055 sq.m. Construction of these properties commenced on December 31, 2011 and was completed on December 20, 2013. The completed properties comprise 546 residential flats with an aggregate saleable GFA of approximately 114,494 sq.m. As of December 31, 2013, 340 residential flats with an aggregate saleable GFA of approximately 68,005 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 206 residential units with an aggregate saleable GFA of approximately 46,489 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 365,622 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 292,650 sq.m. Construction of these properties commenced on December 31, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,879 residential flats with an aggregate saleable GFA of approximately 289,541 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 1,167,054 sq.m. and had an expected aggregate GFA of approximately 1,024,910 sq.m.

Country Garden City Garden offers various types of products, including townhouses and high-rise apartment buildings. The development features a hotel developed to the five-star rating standard, Country Garden Phoenix Hotel, Maoming (茂名碧桂園鳳凰酒店), which commenced partial trial operation on October 31, 2013.

Country Garden Phoenix City (碧桂園鳳凰城)

Country Garden Phoenix City is located at West side of 207 National Highway, Baoguang Street, Gaozhou City. It is being developed by Gaozhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 258,723 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 271,501 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Phoenix City.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 203,426 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 217,555 sq.m. Construction of these properties commenced on September 17, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 1,476 residential flats with an aggregate saleable GFA of approximately 203,624 sq.m. and 82 retail shops with an aggregate saleable GFA of approximately 5,795 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 55,297 sq.m. and had an expected aggregate GFA of approximately 53,946 sq.m.

Country Garden Phoenix City is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Qingyuan City, Guangdong Province

Yangshan Country Garden (陽山碧桂園)

Yangshan Country Garden is located at South of New City District, Yangshan County, Qingyuan City. It is being developed by Yangshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 599,619 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 845,727 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 240,708 sq.m. and had an aggregate GFA (including saleable and non-saleable

GFA) of approximately 225,621 sq.m. Construction of these properties commenced on December 1, 2008 and was completed on March 20, 2013. The completed properties comprise 1,494 residential flats with an aggregate saleable GFA of approximately 218,227 sq.m., as well as 130 retail shops with an aggregate saleable GFA of approximately 5,404 sq.m. As of December 31, 2013, 1,441 residential flats with an aggregate saleable GFA of approximately 202,320 sq.m. as well as 122 retail shops with an aggregate saleable GFA of approximately 4,760 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 53 residential units with an aggregate saleable GFA of approximately 15,907 sq.m. and eight retail shops with an aggregate saleable GFA of approximately 644 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 107,086 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 117,814 sq.m. Construction of these properties commenced on November 30, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 860 residential flats with an aggregate saleable GFA of approximately 115,474 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 251,825 sq.m. and had an expected aggregate GFA of approximately 502,292 sq.m.

Yangshan Country Garden offers various types of products, including townhouses, low-rise apartment buildings ,high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Holiday Islands—Qingyuan (假日半島—清遠)

Holiday Islands—Qingyuan is located at Shijiao Town, Qingcheng District, Qingyuan City. It is being developed by Qingyuan Holiday Islands Country Garden Real Estate Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 698,428 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 435,667 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 698,428 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 435,667 sq.m. Construction of these properties commenced on November 11, 2009 and was completed on November 30, 2012. The completed properties comprise 1,889 residential flats with an aggregate saleable GFA of approximately 433,927 sq.m. As of December 31, 2013, 1,886 residential flats with an aggregate saleable GFA of approximately 433,273 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised three residential units with an aggregate saleable GFA of approximately 654 sq.m.

As of December 31, 2013, there was no property under development in Holiday Islands—Qingyuan.

As of December 31, 2013, there was no property held for future development in Holiday Islands—Qingyuan.

Holiday Islands—Qingyuan offers townhouses.

Country Garden Spring City (碧桂園清泉城)

Country Garden Spring City is located in Lianyao Village, Shuitou Town, Fogang County, Qingyuan City. It is being developed by Fogang Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 699,761 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 588,781 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 540,354 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 241,822 sq.m. Construction of these properties commenced on April 2, 2010 and was completed on December 20, 2013. The completed properties comprise 1,003 residential flats with an aggregate saleable GFA of approximately 236,109 sq.m., as well as 46 retail shops with an aggregate saleable GFA of approximately 5,657 sq.m. As of December 31, 2013, 979 residential flats with an aggregate saleable GFA of approximately 228,240 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 24 residential units with an aggregate saleable GFA of approximately 7,869 sq.m. and 46 retail shops with an aggregate saleable GFA of approximately 5,657 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 99,707 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 141,261 sq.m. Construction of these properties commenced on November 3, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,304 residential flats with an aggregate saleable GFA of approximately 141,091 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 59,700 sq.m. and had an expected aggregate GFA of approximately 205,698 sq.m.

Country Garden Spring City offers various types of products, including townhouses and low-rise apartment buildings. It also features a hotel developed to five-star rating standard, Country Garden Holiday Hot Springs Hotel, Fogang (佛岡碧桂園假日溫泉酒店).

Country Garden Shine Hill Lake City (碧桂園新亞山湖城)

Country Garden Shine Hill Lake City is located in Baijiadusong Village, High-Tech Zone, Qingyuan City. It is being developed by Qingyuan Country Garden Xinya Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 1,059,713 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,083,173 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 217,156 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 104,478 sq.m. Construction of these properties commenced on November 24, 2011 and was completed on December 13, 2013. The completed properties comprise 366 residential flats with an aggregate saleable GFA of approximately 104,478 sq.m. As of December 31, 2013, 336 residential flats with an aggregate saleable GFA of approximately 91,908 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 30 residential units with an aggregate saleable GFA of approximately 12,570 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 165,738 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 159,000 sq.m. Construction of these properties commenced on July 19, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 852 residential flats with an aggregate saleable GFA of approximately 148,117 sq.m. and 57 retail shops with an aggregate saleable GFA of approximately 6,334 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 676,819 sq.m. and had an expected aggregate GFA of approximately 819,695 sq.m.

Country Garden Shine Hill Lake City offers various types of products, including townhouses, and is expected to offer low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Country Garden Spring City-Phase Two (碧桂園清泉城 -二期)

Country Garden Spring City-Phase Two is located in Lianyao Village, Shuitou Town, Fogang County, Qingyuan City. It is being developed by Fogang Country Garden Spring City Property Development Co., Ltd., a project company in which we hold a 95% equity interest. The project occupies an aggregate site area of approximately 218,556 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 171,490 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Spring City-Phase Two.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 164,804 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 142,702 sq.m. Construction of these properties commenced on November 28, 2012 and is expected to be completed in the second quarter of 2014. Upon completion, there will be 1,572 residential flats with an aggregate saleable GFA of approximately 141,823 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 53,753 sq.m. and had an expected aggregate GFA of approximately 28,788 sq.m.

Country Garden Spring City-Phase Two is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Yunfu City, Guangdong Province

Yunfu Country Garden (雲浮碧桂園)

Yunfu Country Garden is located in Jinshan District, Chengbei, Yunfu City. It is being developed by Yunfu Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 341,627 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 524,033 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 226,589 sq.m. and had an aggregate GFA (including saleable and non-saleable

GFA) of approximately 212,466 sq.m. Construction of these properties commenced on May 7, 2010 and was completed on November 27, 2013. The completed properties comprise 1,208 residential flats with an aggregate saleable GFA of approximately 206,849 sq.m., as well as 72 retail shops with an aggregate saleable GFA of approximately 5,103 sq.m. As of December 31, 2013, 1,156 residential flats with an aggregate saleable GFA of approximately 198,639 sq.m. as well as 64 retail shops with an aggregate saleable GFA of approximately 4,547 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 52 residential units with an aggregate saleable GFA of approximately 8,210 sq.m. and eight retail shops with an aggregate saleable GFA of approximately 556 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 104,924 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 268,516 sq.m. Construction of these properties commenced on February 24, 2011 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,780 residential flats with an aggregate saleable GFA of approximately 207,684 sq.m. and 144 retail shops with an aggregate saleable GFA of approximately 22,211 sq.m. and a supermarket and a movie threater with an aggregate saleable GFA of 23,112 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 10,115 sq.m. and had an expected aggregate GFA of approximately 43,051 sq.m.

Yunfu Country Garden offers various types of products, including townhouses, high-rise apartment buildings, retail shops and parking spaces. It also features a hotel developed to five-star rating standard, Country Garden Phoenix Hotel, Yunfu (雲浮碧桂園鳳凰酒店).

Country Garden—City Garden (碧桂園•城市花園)

Country Garden—City Garden is located in Foshan (Yunfu) Industrial Transfer Park, Duyang Town, Yuncheng District, Yunfu City. It is being developed by Yunfu Xijiang New Town Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 272,158 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 401,136 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—City Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 161,575 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 141,055 sq.m. Construction of these properties commenced on July 30, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 827 residential flats with an aggregate saleable GFA of approximately 124,935 sq.m. and 83 retail shops with an aggregate saleable GFA of approximately 6,640 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 110,584 sq.m. and had an expected aggregate GFA of approximately 260,081 sq.m.

Country Garden—City Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Heyuan City, Guangdong Province

Country Garden—Dongjiang Phoenix City (碧桂園•東江鳳凰城)

Country Garden—Dongjiang Phoenix City is located at the intersection of Yanjiang Road and Jianshe Avenue, Yuancheng District, Heyuan City. It is being developed by Heyuan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 552,738 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 919,611 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 274,168 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 242,921 sq.m. Construction of these properties commenced on May 9, 2011 and was completed on October 21, 2013. The completed properties comprise 1,222 residential flats with an aggregate saleable GFA of approximately 216,860 sq.m., as well as 249 retail shops with an aggregate saleable GFA of approximately 23,098 sq.m. As of December 31, 2013, 1,161 residential flats with an aggregate saleable GFA of approximately 203,272 sq.m. as well as 183 retail shops with an aggregate saleable GFA of approximately 13,505 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 61 residential units with an aggregate saleable GFA of approximately 13,588 sq.m. and 66 retail shops with an aggregate saleable GFA of approximately 9,593 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 123,115 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 379,984 sq.m. Construction of these properties commenced on May 31, 2011 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 2,758 residential flats with an aggregate saleable GFA of approximately 358,676 sq.m. and 110 retail shops with an aggregate saleable GFA of approximately 12,861 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 155,455 sq.m. and had an expected aggregate GFA of approximately 296,706 sq.m.

Country Garden—Dongjiang Phoenix City offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Zhongshan City, Guangdong Province

Country Garden Grand Lake (碧桂園秀麗湖)

Country Garden Grand Lake is located next to Xiuli Lake, Changmingshui Village, Wugui Mountain, Zhongshan City. It is being developed by Zhongshan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 109,862 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 79,849 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 109,862 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 79,849 sq.m. Construction of these properties commenced on September 29, 2010 and was completed on October 31, 2012. The completed properties comprise

100 residential flats with an aggregate saleable GFA of approximately 74,534 sq.m. As of December 31, 2013, 73 residential flats with an aggregate saleable GFA of approximately 54,307 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 27 residential units with an aggregate saleable GFA of approximately 20,227 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Grand Lake.

As of December 31, 2013, there was no property held for future development in Country Garden Grand Lake.

Country Garden Grand Lake offers townhouses.

Dongguan City, Guangdong Province

Dalang Country Garden (大朗碧桂園)

Dalang Country Garden is located at the intersection of Langdong Road and Langchang Road of Dalang Town, Dongguan City. It is being developed by Dongguan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 236,660 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 377,760 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 236,660 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 377,760 sq.m. Construction of these properties commenced on April 27, 2010 and was completed on May 17, 2013. The completed properties comprise 3,146 residential flats with an aggregate saleable GFA of approximately 363,287 sq.m., as well as 59 retail shops with an aggregate saleable GFA of approximately 5,349 sq.m. As of December 31, 2013, 3,114 residential flats with an aggregate saleable GFA of approximately 354,331 sq.m. as well as 51 retail shops with an aggregate saleable GFA of approximately 2,964 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 32 residential units with an aggregate saleable GFA of approximately 8,956 sq.m. and eight retail shops with an aggregate saleable GFA of approximately 2,385 sq.m.

As of December 31, 2013, there was no property under development in Dalang Country Garden.

As of December 31, 2013, there was no property held for future development in Dalang Country Garden.

Dalang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops.

Country Garden Grand Garden (碧桂園豪園)

Country Garden Grand Garden is located at No.88 of Gaoyu South Road, Pingshan Village, Tangxia Town, Dongguan City. It is being developed by Dongguan Dexia Country Garden Property Development Co., Ltd, a project company in which we hold a 70% equity interest. The project occupies an aggregate site area of approximately 111,104 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 291,910 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 29,132 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 53,540 sq.m. Construction of these properties commenced on March 19, 2012 and was completed on September 30, 2013. The completed properties comprise 107 residential flats with an aggregate saleable GFA of approximately 44,098 sq.m. As of December 31, 2013, 34 residential flats with an aggregate saleable GFA of approximately 13,998 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 73 residential units with an aggregate saleable GFA of approximately 30,100 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 81,972 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 238,370 sq.m. Construction of these properties commenced on March 19, 2012 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 2,414 residential flats with an aggregate saleable GFA of approximately 221,899 sq.m. and 56 retail shops with an aggregate saleable GFA of approximately 2,519 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Grand Garden.

Country Garden Grand Garden offers townhouses, and is expected to offer high-rise apartment buildings and retail shops in the future.

Country Garden Forest Hill Garden (碧桂園天麓山花園)

Country Garden Forest Hill Garden is located at West Side of Huanshi East Road, Shitanpu, Tangxia Town, Dongguan City. It is being developed by Dongguan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 209,258 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 446,787 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 72,741 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 58,958 sq.m. Construction of these properties commenced on March 21, 2012 and was completed on June 28, 2013. The completed properties comprise 170 residential flats with an aggregate saleable GFA of approximately 58,958 sq.m. As of December 31, 2013, 163 residential flats with an aggregate saleable GFA of approximately 56,635 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised seven residential units with an aggregate saleable GFA of approximately 2,323 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 136,517 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 387,829 sq.m. Construction of these properties commenced on March 20, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 3,308 residential flats with an aggregate saleable GFA of approximately 347,948 sq.m. and 90 retail shops with an aggregate saleable GFA of approximately 4,808 sq.m. and a commercial building with an aggregate saleable GFA of 1,268 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Forest Hill Garden.

Country Garden Forest Hill Garden offers townhouses, and is expected to offer high-rise apartment buildings and retail shops in the future.

Country Garden Times City (碧桂園時代城)

Country Garden Times City is located at No.1 of Huayuan New Street, Tangxia Town, Dongguan City. It is being developed by Dongguan Shuntang Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 24,087 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 125,023 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 24,087 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 125,023 sq.m. Construction of these properties commenced on January 10, 2012 and was completed on December 31, 2013. The completed properties comprise 932 residential flats with an aggregate saleable GFA of approximately 76,133 sq.m., as well as 266 retail shops with an aggregate saleable GFA of approximately 43,411 sq.m. As of December 31, 2013, 266 retail shops with an aggregate saleable GFA of approximately 43,411 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 932 residential units with an aggregate saleable GFA of approximately 76,133 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Times City.

As of December 31, 2013, there was no property held for future development in Country Garden Times City.

Country Garden Times City offers various types of products, including high-rise apartment buildings and retail shops.

Changping Country Garden (常平碧桂園)

Changping Country Garden is located in the Qiaoli Village, Changping Town, Dongguan City. It is being developed by Dongguan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 52,441 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 91,788 sq.m.

As of December 31, 2013, there was no completed property in Changping Country Garden.

As of December 31, 2013, there was no property under development in Changping Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 52,441 sq.m. and had an expected aggregate GFA of approximately 91,788 sq.m.

Changping Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Qishi Dingfeng Country Garden (企石鼎峰碧桂園)

Qishi Dingfeng Country Garden is located in Tielukeng Village, Qishi Town, Dongguan City. It is being developed by Dongguan Dingfeng Country Garden Property Development Co., Ltd, a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 56,752 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 106,605 sq.m.

As of December 31, 2013, there was no completed property in Qishi Dingfeng Country Garden.

As of December 31, 2013, there was no property under development in Qishi Dingfeng Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 56,752 sq.m. and had an expected aggregate GFA of approximately 106,605 sq.m.

Qishi Dingfeng Country Garden is expected to offer high-rise apartment buildings, retail shops and parking spaces in the future.

Country Garden—Parklane Bay (碧桂園 • 柏麗灣)

Country Garden—Parklane Bay is located in Yanggongzhou Village, Shatian Town, Dongguan City. It is being developed by Dongguan River Bank Garden Property Development Co., Ltd, a project company in which we hold a 50% equity interest. The project occupies an aggregate site area of approximately 192,560 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 237,458 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 72,900 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 109,547 sq.m. Construction of these properties commenced on September 27, 2012 and was completed on November 21, 2013. The completed properties comprise 284 residential flats with an aggregate saleable GFA of approximately 109,547 sq.m. As of December 31, 2013, 195 residential flats with an aggregate saleable GFA of approximately 71,705 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 89 residential units with an aggregate saleable GFA of approximately 37,842 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 119,660 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 127,911 sq.m. Construction of these properties commenced on September 27, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,116 residential flats with an aggregate saleable GFA of approximately 117,170 sq.m. and 35 retail shops with an aggregate saleable GFA of approximately 2,673 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Parklane Bay.

Country Garden—Parklane Bay offers townhouses, and is expected to offer high-rise apartment buildings and retail shops in the future.

Meizhou City, Guangdong Province

Meijiang Country Garden (梅江碧桂園)

Meijiang Country Garden is located at Yuemei Road, West Side of Jiaying University's west gate, Meizhou City. It is being developed by Meizhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 507,956 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 856,269 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 191,311 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 300,401 sq.m. Construction of these properties commenced on July 5, 2011 and was completed on September 30, 2013. The completed properties comprise 1,731 residential flats with an aggregate saleable GFA of approximately 285,483 sq.m., as well as 75 retail shops with an aggregate saleable GFA of approximately 5,006 sq.m. As of December 31, 2013, 1,647 residential flats with an aggregate saleable GFA of approximately 259,658 sq.m. as well as 75 retail shops with an aggregate saleable GFA of approximately 5,006 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 84 residential units with an aggregate saleable GFA of approximately 25,825 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 253,790 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 472,361 sq.m. Construction of these properties commenced on August 26, 2011 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 3,844 residential flats with an aggregate saleable GFA of approximately 459,784 sq.m. and 82 retail shops with an aggregate saleable GFA of approximately 8,317 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 62,855 sq.m. and had an expected aggregate GFA of approximately 83,507 sq.m.

Meijiang Country Garden offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Shejiang Country Garden (畲江碧桂園)

Shejiang Country Garden is located in Central Avenue, High-Tech industrial Park, Shejiang Town, Meizhou City. It is being developed by Meizhou Shejiang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 166,030 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 236,359 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 56,851 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 42,501 sq.m. Construction of these properties commenced on November 15, 2011 and was completed on June 15, 2013. The completed properties comprise 238 residential flats with an aggregate saleable GFA of approximately 42,244 sq.m. As of December 31, 2013, 116 residential flats with an aggregate saleable GFA of approximately 14,063 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 122 residential units with an aggregate saleable GFA of approximately 28,181 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 1,336 sq.m. and had an expected aggregate GFA of approximately 223 sq.m. were not for sale. Construction of these properties commenced on November 15, 2011 and is expected to be completed in the first quarter of 2014.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 107,843 sq.m. and had an expected aggregate GFA of approximately 193,635 sq.m.

Shejiang Country Garden offers various types of products, including townhouses and high-rise apartment buildings. It will also feature a hotel developed to four-star rating standard.

Country Garden—Jade Bay (碧桂園 • 翡翠灣)

Country Garden—Jade Bay is located at Southwest of Fengjia Avenue, Jiaocheng Town, Jiaoling County, Meizhou City. It is being developed by Jiaoling Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 235,036 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 372,285 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 74,162 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 80,174 sq.m. Construction of these properties commenced on August 21, 2012 and was completed on October 15, 2013. The completed properties comprise 490 residential flats with an aggregate saleable GFA of approximately 64,211 sq.m., as well as 96 retail shops with an aggregate saleable GFA of approximately 6,335 sq.m. As of December 31, 2013, 464 residential flats with an aggregate saleable GFA of approximately 55,940 sq.m. as well as 94 retail shops with an aggregate saleable GFA of approximately 5,343 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 26 residential units with an aggregate saleable GFA of approximately 8,271 sq.m. and two retail shops with an aggregate saleable GFA of approximately 992 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 106,440 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 195,778 sq.m. Construction of these properties commenced on April 27, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,159 residential flats with an aggregate saleable GFA of approximately 172,149 sq.m. and 121 retail shops with an aggregate saleable GFA of approximately 12,420 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 54,434 sq.m. and had an expected aggregate GFA of approximately 96,333 sq.m.

Country Garden—Jade Bay offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. It will also feature a hotel developed to four-star rating standard.

Wuhua Country Garden (五華碧桂園)

Wuhua Country Garden is located at No.3 Road of Industrial Park, Shuizhai Town, Wuhua County, Meizhou City. It is being developed by Wuhua Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 101,327 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 218,938 sq.m.

As of December 31, 2013, there was no completed property in Wuhua Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 101,093 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 218,623 sq.m. Construction of these properties commenced on July 26, 2013 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,833 residential flats with an aggregate saleable GFA of approximately 215,450 sq.m. and seven retail shops with an aggregate saleable GFA of approximately 382 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 234 sq.m. and had an expected aggregate GFA of approximately 315 sq.m.

Wuhua Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Xingning Country Garden (興寧碧桂園)

Xingning Country Garden is located at West side of Xingnan Avenue, Xingning City. It is being developed by Xingning Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 149,907 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 203,660 sq.m.

As of December 31, 2013, there was no completed property in Xingning Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 149,171 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 203,108 sq.m. Construction of these properties commenced on June 17, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 1,332 residential flats with an aggregate saleable GFA of approximately 176,185 sq.m. and 110 retail shops with an aggregate saleable GFA of approximately 9,894 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 736 sq.m. and had an expected aggregate GFA of approximately 552 sq.m.

Xingning Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Changsha City, Hunan Province

Changsha Country Garden (長沙碧桂園)

Changsha Country Garden is located at the north end of Xingsha Avenue, Changsha City. It is being developed by Changsha Venice Palace Property Development Co., Ltd. ("Changsha Venice Co."), our wholly-owned project company. The project occupies an aggregate site area of approximately 1,724,298 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,319,816 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,626,125 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 860,317 sq.m. Construction of these properties commenced on March 1, 2006 and was completed on May 18, 2012. The completed properties comprise 3,703 residential flats with an aggregate saleable GFA of approximately 790,723 sq.m., as well as 108 retail shops with an aggregate saleable GFA of approximately 23,242 sq.m. As of December 31, 2013, 3,686 residential flats with an aggregate saleable GFA of approximately 785,398 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 17 residential units with an aggregate saleable GFA of approximately 5,325 sq.m. and 108 retail shops with an aggregate saleable GFA of approximately 23,242 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 49,713 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 275,365 sq.m. Construction of these properties commenced on May 15, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 1,627 residential flats with an aggregate saleable GFA of approximately 261,307 sq.m. and 6,298 retail shops with an aggregate saleable GFA of approximately 6,298 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 48,460 sq.m. and had an expected aggregate GFA of approximately 184,134 sq.m.

Changsha Country Garden offers various types of products, including villas, townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店), a hotel built to the five-star standard, bilingual schools and a commercial plaza.

Country Garden—Hill Lake Palace (碧桂園•山湖城)

Country Garden—Hill Lake Palace is located at Jinzhou Avenue, Ningxiang County, Changsha City. It is being developed by Changsha Ningxiang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 847,216 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 560,617 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 609,790 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 314,292 sq.m. Construction of these properties commenced on November 12, 2007 and was completed on August 26, 2012. The completed properties comprise 1,167 residential flats with an aggregate saleable GFA of approximately 279,940 sq.m., as well as 43 retail shops with an aggregate saleable GFA of approximately 6,865 sq.m. As of December 31, 2013, 871 residential flats with an aggregate saleable GFA of approximately 204,180 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 296 residential units with an aggregate saleable GFA of approximately 75,760 sq.m. and 43 retail shops with an aggregate saleable GFA of approximately 6,865 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 190,800 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 221,613 sq.m. Construction of these properties commenced on July 9, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,810 residential flats with an aggregate saleable GFA of approximately 221,113 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 46,626 sq.m. and had an expected aggregate GFA of approximately 24,712 sq.m.

Country Garden—Hill Lake Palace offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店), a hotel built to the five-star standard.

Liuyang Country Garden (瀏陽碧桂園)

Liuyang Country Garden is located at the Shishuang Avenue, Liuyang District, Changsha City. It is being developed by Liuyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 874,162 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,105,795 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 370,875 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 349,832 sq.m. Construction of these properties commenced on December 9, 2008 and was completed on September 17, 2013. The completed properties comprise 2,290 residential flats with an aggregate saleable GFA of approximately 340,141 sq.m., as well as 72 retail shops with an aggregate saleable GFA of approximately 4,839 sq.m. As of December 31, 2013, 1,319 residential flats with an aggregate saleable GFA of approximately 216,268 sq.m. as well as 57 retail shops with an aggregate saleable GFA of approximately 3,956 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 971 residential units with an aggregate saleable GFA of approximately 123,873 sq.m. and 15 retail shops with an aggregate saleable GFA of approximately 883 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 139,850 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 97,830 sq.m. Construction of these properties commenced on December 6, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 540 residential flats with an aggregate saleable GFA of approximately 92,130 sq.m. and 92 retail shops with an aggregate saleable GFA of approximately 5,452 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 363,437 sq.m. and had an expected aggregate GFA of approximately 658,133 sq.m.

Liuyang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Wonderland (碧桂園 • 山水桃園)

Country Garden—Wonderland is located at No.288 of Ouzhou North Road, Jinzhou New District, Changsha City. It is being developed by Changsha Ningxiang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 160,229 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 119,682 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 115,688 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 93,246 sq.m. Construction of these properties commenced on September 30, 2010 and was completed on November 28, 2013. The completed properties comprise 352 residential flats with an aggregate saleable GFA of approximately 90,636 sq.m. As of December 31, 2013, 234 residential flats with an aggregate saleable GFA of approximately 55,491 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 118 residential units with an aggregate saleable GFA of approximately 35,145 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 44,541 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 26,436 sq.m. Construction of these properties commenced on May 30, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 121 residential flats with an aggregate saleable GFA of approximately 26,353 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Wonderland.

Country Garden—Wonderland offers villas.

Yiyang City, Hunan Province

Yiyang Country Garden (益陽碧桂園)

Yiyang Country Garden is located at the Kangfu Avenue, Yiyang City. It is being developed by Yiyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 749,883 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,298,915 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 467,126 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 400,516 sq.m. Construction of these properties commenced on April 2, 2009 and was completed on December 3, 2013. The completed properties comprise 2,357 residential flats with an aggregate saleable GFA of approximately 387,817 sq.m., as well as 107 retail shops with an aggregate saleable GFA of approximately 8,270 sq.m. As of December 31, 2013, 944 residential flats with an aggregate saleable GFA of approximately 210,924 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 1,413 residential units with an aggregate saleable GFA of approximately 176,893 sq.m. and 107 retail shops with an aggregate saleable GFA of approximately 8,270 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 120,906 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 280,197 sq.m. Construction of these properties commenced on August 5, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 2,194 residential flats with an aggregate saleable GFA of approximately 271,936 sq.m. and 45 retail shops with an aggregate saleable GFA of approximately 6,534 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 161,851 sq.m. and had an expected aggregate GFA of approximately 618,202 sq.m.

Yiyang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. It will also feature a hotel developed to five-star rating standard.

Xiangtan City, Hunan Province

Xiangtan Country Garden (湘潭碧桂園)

Xiangtan Country Garden is located at South side of Tianyi Avenue, Tianyi District, Xiangtan City. It is being developed by Xiangtan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 419,232 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 623,331 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 148,804 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 172,741 sq.m. Construction of these properties commenced on May 31, 2011 and was completed on September 10, 2013. The completed properties comprise 986 residential flats with an aggregate saleable GFA of approximately 141,715 sq.m., as well as 72 retail shops with an aggregate saleable GFA of approximately 6,069 sq.m. As of December 31, 2013, 792 residential flats with an aggregate saleable GFA of approximately 111,806 sq.m. as well as 50 retail shops with an aggregate saleable GFA of approximately 3,852 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 194 residential units with an aggregate saleable GFA of approximately 29,909 sq.m. and 22 retail shops with an aggregate saleable GFA of approximately 2,217 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 202,887 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 216,790 sq.m. Construction of these properties commenced on June 25, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,536 residential flats with an aggregate saleable GFA of approximately 211,781 sq.m. and 35 retail shops with an aggregate saleable GFA of approximately 4,751 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 67,540 sq.m. and had an expected aggregate GFA of approximately 233,800 sq.m.

Xiangtan Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Chenzhou City, Hunan Province

Country Garden—Jade Hill (碧桂園 • 翡翠山)

Country Garden—Jade Hill is located at The intersection of Qingnian Avenue and Guanshan Avenue, Suxian District, Chenzhou City. It is being developed by Chenzhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 219,117 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 471,642 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 59,712 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 38,779 sq.m. Construction of these properties commenced on February 15, 2012 and was completed on October 30, 2013. The completed properties comprise 164 residential flats with an aggregate saleable GFA of approximately 36,808 sq.m., as well as 41 retail shops with an aggregate saleable GFA of approximately 1,971 sq.m. As of December 31, 2013, 157 residential flats with an aggregate saleable GFA of approximately 33,872 sq.m. as well as 41 retail shops with an aggregate saleable GFA of approximately 1,971 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised seven residential units with an aggregate saleable GFA of approximately 2,936 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 159,405 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 432,863 sq.m. Construction of these properties commenced on February 15, 2012 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 3,196 residential flats with an aggregate saleable GFA of approximately 419,563 sq.m. and 90 retail shops with an aggregate saleable GFA of approximately 6,127 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Jade Hill.

Country Garden—Jade Hill offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future.

Zhangjiajie City, Hunan Province

Zhangjiajie Country Garden (張家界碧桂園)

Zhangjiajie Country Garden is located in Banping Village, Yongding District, Zhangjiajie City. It is being developed by Zhangjiajie Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 595,965 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 263,058 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 27,950 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 23,685 sq.m. Construction of these properties commenced on August 24, 2009 and was completed on September 28, 2010. As of December 31, 2013, the completed properties with an aggregate GFA of 23,685 sq.m. were not for sale.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 136,406 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 53,792 sq.m. Construction of these properties commenced on July 20, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 222 residential flats with an aggregate saleable GFA of approximately 53,184 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 431,609 sq.m. and had an expected aggregate GFA of approximately 185,581 sq.m.

Zhangjiajie Country Garden is expected to offer villas in the future. It will also feature a hotel developed to five-star rating standard.

Hengyang City, Hunan Province

Hengyang Country Garden (衡陽碧桂園)

Hengyang Country Garden is located at No.128 of Zhengxiang South Road, Yanfeng District, Hengyang City. It is being developed by Gongchuang Hengyang Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 198,376 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 436,851 sq.m.

As of December 31, 2013, there was no completed property in Hengyang Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 135,100 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 246,867 sq.m. Construction of these properties commenced on December 26, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 1,968 residential flats with an aggregate saleable GFA of approximately 228,975 sq.m. and 113 retail shops with an aggregate saleable GFA of approximately 9,207 sq.m. and a composite building with an aggregate saleable GFA of 3,775 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 63,276 sq.m. and had an expected aggregate GFA of approximately 189,984 sq.m.

Hengyang Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Taizhou City, Jiangsu Province

Taizhou Country Garden (泰州碧桂園)

Taizhou Country Garden is located in the northeast of Hailing District, Taizhou City. It is being developed by Taizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 718,244 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 735,385 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 688,644 sq.m. and had an aggregate GFA (including saleable and non-saleable

GFA) of approximately 721,430 sq.m. Construction of these properties commenced on August 8, 2007 and was completed on November 29, 2013. The completed properties comprise 3,215 residential flats with an aggregate saleable GFA of approximately 639,732 sq.m., as well as 64 retail shops with an aggregate saleable GFA of approximately 28,691 sq.m. As of December 31, 2013, 2,996 residential flats with an aggregate saleable GFA of approximately 583,774 sq.m. as well as 10 retail shops with an aggregate saleable GFA of approximately 1,117 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 219 residential units with an aggregate saleable GFA of approximately 55,958 sq.m. and 54 retail shops with an aggregate saleable GFA of approximately 27,574 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 29,600 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 13,955 sq.m. Construction of these properties commenced on June 27, 2007 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 31 residential flats with an aggregate saleable GFA of approximately 11,085 sq.m.

As of December 31, 2013, there was no property held for future development in Taizhou Country Garden.

Taizhou Country Garden offers various types of products, including townhouses and high-rise apartment buildings and parking spaces. It also features a hotel developed to five-star rating standard, Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店).

Jingjiang Country Garden (靖江碧桂園)

Jingjiang Country Garden is located at South side of Yangguang Avenue, West side of Tongjiang Road, Jingjiang City. It is being developed by Jingjiang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 145,748 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 308,762 sq.m.

As of December 31, 2013, there was no completed property in Jingjiang Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 145,748 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 308,762 sq.m. Construction of these properties commenced on June 9, 2013 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 2,338 residential flats with an aggregate saleable GFA of approximately 288,990 sq.m. and 17 retail shops with an aggregate saleable GFA of approximately 993 sq.m.

As of December 31, 2013, there was no property held for future development in Jingjiang Country Garden.

Jingjiang Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Zhenjiang City, Jiangsu Province

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at S122 Avenue, Development Zone, Jurong District, Zhenjiang City. It is being developed by Jurong Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 2,353,552 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 4,712,463 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 343,719 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 753,479 sq.m. Construction of these properties commenced on January 11, 2011 and was completed on December 10, 2013. The completed properties comprise 5,039 residential flats with an aggregate saleable GFA of approximately 718,010 sq.m., as well as 46 retail shops with an aggregate saleable GFA of approximately 3,858 sq.m. As of December 31, 2013, 4,026 residential flats with an aggregate saleable GFA of approximately 486,020 sq.m. as well as 40 retail shops with an aggregate saleable GFA of approximately 3,427 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 1,013 residential units with an aggregate saleable GFA of approximately 231,990 sq.m. and six retail shops with an aggregate saleable GFA of approximately 431 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 431,565 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,378,246 sq.m. Construction of these properties commenced on January 11, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 9,377 residential flats with an aggregate saleable GFA of approximately 1,197,760 sq.m. and 140 retail shops with an aggregate saleable GFA of approximately 14,960 sq.m. and a commercial street with an aggregate saleable GFA of 155,698 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 1,578,268 sq.m. and had an expected aggregate GFA of approximately 2,580,738 sq.m.

Country Garden—Phoenix City offers various types of products, including townhouses, high-rise apartment buildings, retail shops and parking spaces. It also features a hotel developed to five-star rating standard, Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店).

Danyang Country Garden (丹陽碧桂園)

Danyang Country Garden is located at No.108 of Hua'nan Road, Danyang City. It is being developed by Danyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 159,422 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 477,861 sq.m.

As of December 31, 2013, there was no completed property in Danyang Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 159,422 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 477,861 sq.m. Construction of these properties commenced on May 10, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 3,801 residential flats with an aggregate saleable GFA of approximately 458,759 sq.m. and 59 retail shops with an aggregate saleable GFA of approximately 4,374 sq.m.

As of December 31, 2013, there was no property held for future development in Danyang Country Garden.

Danyang Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Wuxi City, Jiangsu Province

Country Garden—Triumph Palace (碧桂園凱旋華庭)

Country Garden—Triumph Palace is located at North of Xinhua Road or East of Runxi Road, Anzhen Town, Xishan District, Wuxi City. It is being developed by Wuxi Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 142,603 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 301,550 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 93,347 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 177,356 sq.m. Construction of these properties commenced on July 6, 2011 and was completed on October 29, 2013. The completed properties comprise 1,220 residential flats with an aggregate saleable GFA of approximately 167,082 sq.m., as well as 47 retail shops with an aggregate saleable GFA of approximately 3,526 sq.m. As of December 31, 2013, 1,158 residential flats with an aggregate saleable GFA of approximately 147,068 sq.m. as well as 38 retail shops with an aggregate saleable GFA of approximately 2,368 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 62 residential units with an aggregate saleable GFA of approximately 20,014 sq.m. and nine retail shops with an aggregate saleable GFA of approximately 1,158 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 49,256 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 124,194 sq.m. Construction of these properties commenced on October 16, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 918 residential flats with an aggregate saleable GFA of approximately 113,774 sq.m. and 28 retail shops with an aggregate saleable GFA of approximately 3,686 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Triumph Palace.

Country Garden—Triumph Palace offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Yixing Country Garden (宜興碧桂園)

Yixing Country Garden is located at Xiaohou Road, Fangqiao Town, Yixing City. It is being developed by Yixing Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 170,709 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 200,080 sq.m.

As of December 31, 2013, there was no completed property in Yixing Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 170,709 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 200,080 sq.m. Construction of these properties commenced on December 31, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,276 residential flats with an aggregate saleable GFA of approximately 193,169 sq.m. and 44 retail shops with an aggregate saleable GFA of approximately 5,106 sq.m.

As of December 31, 2013, there was no property held for future development in Yixing Country Garden.

Yixing Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Jiangyin Country Garden (江陰碧桂園)

Jiangyin Country Garden is located at No.52 of Nanxin Road, Nanzha Town, Jiangyin City. It is being developed by Jiangyin Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 40,071 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 68,819 sq.m.

As of December 31, 2013, there was no completed property in Jiangyin Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 40,071 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 68,819 sq.m. Construction of these properties commenced on August 30, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 517 residential flats with an aggregate saleable GFA of approximately 58,717 sq.m. and 39 retail shops with an aggregate saleable GFA of approximately 7,265 sq.m.

As of December 31, 2013, there was no property held for future development in Jiangyin Country Garden.

Jiangyin Country Garden is expected to offer low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Country Garden Triumph Palace District C (碧桂園凱旋華庭C區)

Country Garden Triumph Palace District C is located at North side of Danshan Road, East side of Runxizhong Road, Business District of Wuxi High-speed Railway Station, Wuxi City. It is being developed by Wuxi Xinbi Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 99,124 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 176,304 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Triumph Palace District C.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 48,554 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 91,750 sq.m. Construction of these properties commenced on

December 18, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 801 residential flats with an aggregate saleable GFA of approximately 85,768 sq.m. and 49 retail shops with an aggregate saleable GFA of approximately 1,858 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 50,570 sq.m. and had an expected aggregate GFA of approximately 84,554 sq.m.

Country Garden Triumph Palace District C is expected to offer high-rise apartment buildings and retail shops in the future.

Nantong City, Jiangsu Province

Rudong Country Garden (如東碧桂園)

Rudong Country Garden is located at No.22 of Taishan Road, Juegang Town, Rudong County, Nantong City. It is being developed by Rudong Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 145,856 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 227,343 sq.m.

As of December 31, 2013, there was no completed property in Rudong Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 145,856 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 227,343 sq.m. Construction of these properties commenced on April 27, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 1,744 residential flats with an aggregate saleable GFA of approximately 210,204 sq.m., 89 retail shops with an aggregate saleable GFA of approximately 9,741 sq.m. and a composite building with an aggregate saleable GFA of 2,713 sq.m.

As of December 31, 2013, there was no property held for future development in Rudong Country Garden.

Rudong Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Rugao Country Garden (如皋碧桂園)

Rugao Country Garden is located at East side of Haiyang North Road, South side of Xinbei Road. It is being developed by Rugao Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 81,472 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,787 sq.m.

As of December 31, 2013, there was no completed property in Rugao Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 78,775 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 184,164 sq.m. Construction of these properties commenced on June 29, 2013 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,511 residential flats with an aggregate saleable GFA of approximately 170,608 sq.m, 74 retail shops with an aggregate saleable GFA of approximately 8,976 sq.m. and a composite building with an aggregate saleable GFA of 4,553 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 2,697 sq.m. and had an expected aggregate GFA of approximately 1,623 sq.m.

Rugao Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Nantong Country Garden (南通碧桂園)

Nantong Country Garden is located at No.8 of Chengxing East Road, Development Zone, Nantong City. It is being developed by Nantong Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 111,502 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,242 sq.m.

As of December 31, 2013, there was no completed property in Nantong Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 111,502 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 185,242 sq.m. Construction of these properties commenced on December 18, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 1,432 residential flats with an aggregate saleable GFA of approximately 177,465 sq.m.

As of December 31, 2013, there was no property held for future development in Nantong Country Garden.

Nantong Country Garden is expected to offer townhouses, low-rise apartment buildings and high-rise apartment buildings in the future.

Nanjing City, Jiangsu Province

Gaochun Country Garden (高淳碧桂園)

Gaochun Country Garden is located at No.78 of Shijiuhu North Road, Chunxi Town, Gaochun District, Nanjing City. It is being developed by Nanjing Gaochun Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 161,934 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 339,738 sq.m.

As of December 31, 2013, there was no completed property in Gaochun Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 125,368 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 238,423 sq.m. Construction of these properties commenced on November 22, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 1,848 residential flats with an aggregate saleable GFA of approximately 222,300 sq.m. and 59 retail shops with an aggregate saleable GFA of approximately 3,886 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 36,565 sq.m. and had an expected aggregate GFA of approximately 101,315 sq.m.

Gaochun Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Baoying City, Jiangsu Province

Baoying Country Garden (寶應碧桂園)

Baoying Country Garden is located at South side of Baoshe Bridge, Baitian South Road, Baoying Country. It is being developed by Baoying Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 124,439 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 284,384 sq.m.

As of December 31, 2013, there was no completed property in Baoying Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 7,313 sq.m., had an expected aggregate GFA of approximately 9,687 sq.m. were not for sale. Construction of these properties commenced on December 31, 2013 and is expected to be completed in the fourth quarter of 2015.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 117,126 sq.m. and had an expected aggregate GFA of approximately 274,697 sq.m.

Baoying Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Yancheng City, Jiangsu Province

Dongtai Country Garden (東台碧桂園)

Dongtai Country Garden is located at No.199 of Yaju Road, Dongtai City. It is being developed by Dongtai Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 63,991 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 34,730 sq.m.

As of December 31, 2013, there was no completed property in Dongtai Country Garden.

As of December 31, 2013, there was no property under development in Dongtai Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 63,991 sq.m. and had an expected aggregate GFA of approximately 34,730 sq.m.

Dongtai Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Wuhan City, Hubei Province

Wuhan Country Garden (武漢碧桂園)

Wuhan Country Garden is located at Zilin Street of Hannan District, Wuhan City. It is being developed by Wuhan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 808,869 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 760,689 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 562,066 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 490,381 sq.m. Construction of these properties commenced on December 28, 2007 and was completed on December 11, 2013. The completed properties comprise 3,163 residential flats with an aggregate saleable GFA of approximately 469,769 sq.m. As of December 31, 2013, 2,766 residential flats with an aggregate saleable GFA of approximately 375,994 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 397 residential units with an aggregate saleable GFA of approximately 93,775 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 117,054 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 182,352 sq.m. Construction of these properties commenced on January 30, 2008 and is expected to be completed in the first quarter of 2014. Upon completion, there will be 1,347 residential flats with an aggregate saleable GFA of approximately 161,073 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 129,748 sq.m. and had an expected aggregate GFA of approximately 87,956 sq.m.

Wuhan Country Garden offers various types of products, including townhouses, low-rise apartment buildings and high-rise apartment buildings. The development features a hotel developed to the five-star rating standard, Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店).

Country Garden—Eco City (碧桂園 • 生態城)

Country Garden—Eco City is located at No.2 of Huacheng Avenue, Huashan Town, Donghu High-Tech industrial Development. It is being developed by Wuhan Country Garden-Eco City Investment Co., Ltd, a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 814,280 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 831,889 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 192,117 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 107,485 sq.m. Construction of these properties commenced on June 27, 2012 and was completed on November 26, 2013. The completed properties comprise 432 residential flats with an aggregate saleable GFA of approximately 107,059 sq.m. As of December 31, 2013, 346 residential flats with an aggregate saleable GFA of approximately

81,056 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 86 residential units with an aggregate saleable GFA of approximately 26,003 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 569,056 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 688,723 sq.m. Construction of these properties commenced on September 4, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 4,888 residential flats with an aggregate saleable GFA of approximately 660,454 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 53,107 sq.m. and had an expected aggregate GFA of approximately 35,681 sq.m.

Country Garden—Eco City offers townhouses, and is expected to offer low-rise apartment buildings, high-rise apartment buildings and retail shops in the future. The development features a hotel developed to the five-star rating standard, Hilton Wuhan Optics Valley (武漢光穀希爾頓酒店), which commenced partial trial operation on on 31 December 2013.

Wuhan Country Garden Phase Three (武漢碧桂園三期)

Wuhan Country Garden Phase Three is located next To Wujin Farm, Hannan District, Wuhan City. It is being developed by Wuhan Country Garden Lianfa Investment Co., Ltd, a project company in which we hold a 52% equity interest. The project occupies an aggregate site area of approximately 333,333 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 594,489 sq.m.

As of December 31, 2013, there was no completed property in Wuhan Country Garden Phase Three.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 205,888 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 200,696 sq.m. Construction of these properties commenced on June 17, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,518 residential flats with an aggregate saleable GFA of approximately 193,384 sq.m. and 94 retail shops with an aggregate saleable GFA of approximately 5,248 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 127,445 sq.m. and had an expected aggregate GFA of approximately 393,793 sq.m.

Wuhan Country Garden Phase Three is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Xianning City, Hubei Province

Xianning Country Garden (咸寧碧桂園)

Xianning Country Garden is located in Pansizhou of Xian'an District, Xianning City. It is being developed by Xianning Country Garden Property Development Co., Ltd., our wholly-owned

project company. The project occupies an aggregate site area of approximately 778,399 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 707,340 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 527,055 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 352,959 sq.m. Construction of these properties commenced on January 15, 2008 and was completed on December 30, 2013. The completed properties comprise 2,090 residential flats with an aggregate saleable GFA of approximately 328,083 sq.m., as well as 34 retail shops with an aggregate saleable GFA of approximately 5,207 sq.m. As of December 31, 2013, 1,841 residential flats with an aggregate saleable GFA of approximately 286,794 sq.m. as well as 14 retail shops with an aggregate saleable GFA of approximately 1,033 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 249 residential units with an aggregate saleable GFA of approximately 41,289 sq.m. and 20 retail shops with an aggregate saleable GFA of approximately 4,174 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 112,332 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 136,085 sq.m. Construction of these properties commenced on July 27, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 908 residential flats with an aggregate saleable GFA of approximately 130,623 sq.m. and 33 retail shops with an aggregate saleable GFA of approximately 4,397 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 139,012 sq.m. and had an expected aggregate GFA of approximately 218,296 sq.m.

Xianning Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden—Hot Spring City (碧桂園•溫泉城)

Country Garden—Hot Spring City is located at Yuzuo Village, Xian'an District, Xianing City. It is being developed by Xianning Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,523,497 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,121,480 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 575,157 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 389,299 sq.m. Construction of these properties commenced on February 7, 2010 and was completed on November 20, 2013. The completed properties comprise 2,259 residential flats with an aggregate saleable GFA of approximately 388,108 sq.m. As of December 31, 2013, 2,036 residential flats with an aggregate saleable GFA of approximately 354,125 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 223 residential units with an aggregate saleable GFA of approximately 33,983 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 385,414 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 216,224 sq.m. Construction of these properties commenced on May 19, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,251 residential flats with an aggregate saleable GFA of approximately 215,049 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 562,926 sq.m. and had an expected aggregate GFA of approximately 515,957 sq.m.

Country Garden—Hot Spring City offers various types of products, including townhouses, low-rise apartment buildings and high-rise apartment buildings. This development features Country Garden Phoenix Hot Spring Hotel (碧桂園鳳凰溫泉酒店), a five-star hotel.

Country Garden Zishan Lake (碧桂園梓山湖)

Country Garden Zishan Lake is located at North Street of Hesheng Village, Heshengqiao Town, Xian'an District, Xianning City. It is being developed by Hubei Lianzhi Country Garden Zishanhu Property Development Co., Ltd., a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 558,723 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 499,963 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Zishan Lake.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 454,703 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 198,195 sq.m. Construction of these properties commenced on September 19, 2013 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 1,224 residential flats with an aggregate saleable GFA of approximately 186,465 sq.m. and 14 retail shops with an aggregate saleable GFA of approximately 1,135 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 104,020 sq.m. and had an expected aggregate GFA of approximately 301,768 sq.m.

Country Garden Zishan Lake is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Suizhou City, Hubei Province

Suizhou Country Garden (隨州碧桂園)

Suizhou Country Garden is located at Chengnan District, Suizhou City. It is being developed by Suizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,258,814 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,552,339 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 609,879 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 505,125 sq.m. Construction of these properties commenced on May 21, 2008 and was completed on November 9, 2013. The completed properties comprise 2,982 residential flats with an aggregate saleable GFA of approximately 465,501 sq.m., as well as 130 retail shops with an aggregate saleable GFA of approximately 34,354 sq.m. As of December 31, 2013, 2,554 residential flats with an aggregate saleable GFA of approximately 412,539 sq.m. as well as 102 retail shops with an aggregate saleable GFA of approximately 14,756 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 428 residential units with an aggregate saleable GFA of approximately 52,962 sq.m. and 28 retail shops with an aggregate saleable GFA of approximately 19,598 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 286,254 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 236,644 sq.m. Construction of these properties commenced on May 21, 2008 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,541 residential flats with an aggregate saleable GFA of approximately 228,572 sq.m. and 83 retail shops with an aggregate saleable GFA of approximately 7,695 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 362,681 sq.m. and had an expected aggregate GFA of approximately 810,570 sq.m.

Suizhou Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Jingmen City, Hubei Province

Jingmen Country Garden (荊門碧桂園)

Jingmen Country Garden is located at North Side of Fengyuan Road, Duodao District, Jingmen City. It is being developed by Jingmen Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,025,390 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,278,354 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 509,132 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 324,749 sq.m. Construction of these properties commenced on January 15, 2009 and was completed on November 29, 2013. The completed properties comprise 1,577 residential flats with an aggregate saleable GFA of approximately 320,787 sq.m., as well as 55 retail shops with an aggregate saleable GFA of approximately 2,707 sq.m. As of December 31, 2013, 1,552 residential flats with an aggregate saleable GFA of approximately 313,505 sq.m. as well as 46 retail shops with an aggregate saleable GFA of approximately 2,099 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 25 residential units with an aggregate saleable GFA of approximately 7,282 sq.m. and nine retail shops with an aggregate saleable GFA of approximately 608 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 194,089 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 294,569 sq.m. Construction of these properties commenced on

July 4, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 2,362 residential flats with an aggregate saleable GFA of approximately 279,031 sq.m. and six retail shops with an aggregate saleable GFA of approximately 2,321 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 322,169 sq.m. and had an expected aggregate GFA of approximately 659,036 sq.m.

Jingmen Country Garden offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店), a four-star rating hotel.

Ezhou City, Hubei Province

Country Garden Holiday Islands (碧桂園假日半島)

Country Garden Holiday Islands is located in Wutong New City, Liangzihu District, Ezhou City. It is being developed by Liantou Country Garden Investment Co., Ltd., a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 234,792 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 120,857 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Holiday Islands.

As of December 31, 2013, there was no property under development in Country Garden Holiday Islands.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 234,792 sq.m. and had an expected aggregate GFA of approximately 120,857 sq.m.

Country Garden Holiday Islands is expected to offer townhouses, low-rise apartment buildings and high-rise apartment buildings in the future.

Huanggang City, Hubei Province

Country Garden—Riverside City (碧桂園•江灣城)

Country Garden—Riverside City is located at East side of Huangshi River Bridge, Xishui County, Huanggang City. It is being developed by Xishui Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 389,567 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 279,691 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Riverside City.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 389,567 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 279,691 sq.m. Construction of these properties commenced on June 8, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,659 residential flats with an aggregate saleable GFA of approximately 252,449 sq.m., 68 retail shops with an aggregate saleable GFA of approximately 5,113 sq.m. and a composite building with an aggregate saleable GFA of 21,274 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Riverside City.

Country Garden—Riverside City is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Huangshi City, Hubei Province

Daye Country Garden (大冶碧桂園)

Daye Country Garden is located at No.11 of Tonglushan Road, Jinhu Sub-District office, Daye City. It is being developed by Daye Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 219,123 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 299,860 sq.m.

As of December 31, 2013, there was no completed property in Daye Country Garden.

As of December 31, 2013, there was no property under development in Daye Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 219,123 sq.m. and had an expected aggregate GFA of approximately 299,860 sq.m.

Daye Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces in the future.

Hefei City, Anhui Province

Country Garden Lakeside City (*碧桂園濱湖城*)

Country Garden Lakeside City is located at Jingtanghe Village, Zhongmiao Town, Hefei City. It is being developed by Anhui Zhongmiao Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,486,154 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 986,114 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,275,275 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 752,268 sq.m. Construction of these properties commenced on December 13, 2007 and was completed on November 14, 2013. The completed properties comprise 4,764 residential flats with an aggregate saleable GFA of approximately 713,720 sq.m., as well as 300 retail shops with an aggregate saleable GFA of approximately 25,259 sq.m. As of December 31, 2013, 4,576 residential flats with an aggregate saleable GFA of approximately 687,755 sq.m. as well as 22 retail shops with an aggregate saleable GFA of approximately 3,572 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 188 residential units with an aggregate saleable GFA of approximately 25,965 sq.m. and 278 retail shops with an aggregate saleable GFA of approximately 21,687 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 132,739 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 138,734 sq.m. Construction of these properties commenced on December 13, 2007 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 758 residential flats with an aggregate saleable GFA of approximately 95,078 sq.m and a supermarket with an aggregate saleable GFA of 38,991 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 78,140 sq.m. and had an expected aggregate GFA of approximately 95,112 sq.m.

Country Garden Lakeside City offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Chaohu Country Garden (巢湖碧桂園)

Chaohu Country Garden is located at the North of Chaolu Road, Nan'an, Hefei City. It is being developed by Chaohu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 847,355 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 740,764 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 553,238 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 457,124 sq.m. Construction of these properties commenced on April 23, 2008 and was completed on December 15, 2013. The completed properties comprise 2,881 residential flats with an aggregate saleable GFA of approximately 384,813 sq.m., as well as 391 retail shops with an aggregate saleable GFA of approximately 33,760 sq.m. As of December 31, 2013, 2,794 residential flats with an aggregate saleable GFA of approximately 362,632 sq.m. as well as 19 retail shops with an aggregate saleable GFA of approximately 2,228 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 87 residential units with an aggregate saleable GFA of approximately 22,181 sq.m. and 372 retail shops with an aggregate saleable GFA of approximately 31,532 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 146,375 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 122,335 sq.m. Construction of these properties commenced on August 11, 2008 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 922 residential flats with an aggregate saleable GFA of approximately 119,011 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 147,742 sq.m. and had an expected aggregate GFA of approximately 161,305 sq.m.

Chaohu Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Chizhou City, Anhui Province

Chizhou Country Garden (池州碧桂園)

Chizhou Country Garden is located at the opposite site of Chizhou Railway Station, Chizhou City. It is being developed by Chizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 467,159 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 418,094 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 403,375 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 322,038 sq.m. Construction of these properties commenced on January 27, 2008 and was completed on August 30, 2012. The completed properties comprise 1,894 residential flats with an aggregate saleable GFA of approximately 318,136 sq.m. As of December 31, 2013, 1,875 residential flats with an aggregate saleable GFA of approximately 313,495 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 19 residential units with an aggregate saleable GFA of approximately 4,641 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 63,784 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 96,056 sq.m. Construction of these properties commenced on August 24, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 568 residential flats with an aggregate saleable GFA of approximately 69,996 sq.m. and 91 retail shops with an aggregate saleable GFA of approximately 16,529 sq.m.

As of December 31, 2013, there was no property held for future development in Chizhou Country Garden.

Chizhou Country Garden offers various types of products, including townhouses, low-rise apartment buildings and high-rise apartment buildings, and is expected to offer retail shops in the future. This development features Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Maanshan City, Anhui Province

Country Garden—Hill Lake City (碧桂園 • 如山湖城)

Country Garden-Hill Lake City is located at Rufangshan Road, Shiyang Street, Shiyang Town, Hexian, Maanshan City. It is being developed by Anhui Hexian Country Garden Property Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,406,926 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,096,159 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 926,495 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 649,923 sq.m. Construction of these properties commenced on May 9, 2008 and was completed on October 21, 2011. The completed properties comprise 4,597 residential flats with an aggregate saleable GFA of approximately 625,407 sq.m. As of December 31, 2013, 1,682 residential flats with an aggregate saleable GFA of approximately

298,654 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 2,915 residential units with an aggregate saleable GFA of approximately 326,753 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 193,964 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 79,628 sq.m. Construction of these properties commenced on July 17, 2012 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 502 residential flats with an aggregate saleable GFA of approximately 79,308 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 286,467 sq.m. and had an expected aggregate GFA of approximately 366,608 sq.m.

Country Garden—Hill Lake City offers various types of products, including townhouses and high-rise apartment buildings. This development features Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店), a hotel built to the five-star rating standard.

Huangshan City, Anhui Province

Huangshan Country Garden (黃山碧桂園)

Huangshan Country Garden is located at Meilin Avenue, Huangshan Economic and Technological Development Zone, Huangshan City. It is being developed by Huangshan Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 322,029 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 330,953 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 320,770 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 330,024 sq.m. Construction of these properties commenced on January 6, 2008 and was completed on November 26, 2012. The completed properties comprise 2,368 residential flats with an aggregate saleable GFA of approximately 288,396 sq.m., as well as 92 retail shops with an aggregate saleable GFA of approximately 23,275 sq.m. As of December 31, 2013, 2,360 residential flats with an aggregate saleable GFA of approximately 285,476 sq.m. as well as 53 retail shops with an aggregate saleable GFA of approximately 10,723 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised eight residential units with an aggregate saleable GFA of approximately 2,920 sq.m. and 39 retail shops with an aggregate saleable GFA of approximately 12,552 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 1,259 sq.m. and had an expected aggregate GFA of approximately 929 sq.m. were not for sale. Construction of these properties commenced on September 28, 2011 and is expected to be completed in the second quarter of 2014.

As of December 31, 2013, there was no property held for future development in Huangshan Country Garden.

Huangshan Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Anqing City, Anhui Province

Anqing Country Garden (安慶碧桂園)

Anqing Country Garden is located at Xincheng Business District, the East of Yingjiang District, Anqing City. It is being developed by Anqing Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,980,474 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,865,463 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 1,013,138 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 829,203 sq.m. Construction of these properties commenced on June 19, 2008 and was completed on August 22, 2013. The completed properties comprise 4,773 residential flats with an aggregate saleable GFA of approximately 703,262 sq.m., as well as 262 retail shops with an aggregate saleable GFA of approximately 32,478 sq.m. and 74 parking spaces with an aggregate saleable GFA of approximately 1,932 sq.m. As of December 31, 2013, 4,763 residential flats with an aggregate saleable GFA of approximately 701,191 sq.m. as well as 178 retail shops with an aggregate saleable GFA of approximately 14,217 sq.m. and 66 parking spaces with an aggregate saleable GFA of approximately 1,748 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 10 residential units with an aggregate saleable GFA of approximately 2,071 sq.m. and 84 retail shops with an aggregate saleable GFA of approximately 18,261 sq.m. and eight parking spaces with an aggregate GFA of approximately 184 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 319,188 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 842,960 sq.m. Construction of these properties commenced on June 19, 2008 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 7,363 residential flats with an aggregate saleable GFA of approximately 791,633 sq.m. and 212 retail shops with an aggregate saleable GFA of approximately 16,309 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 648,148 sq.m. and had an expected aggregate GFA of approximately 1,193,300 sq.m.

Anqing Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. The development also features a hotel developed to the five-star rating standard, Anqing Country Garden Phoenix Hotel (安慶碧桂園鳳凰酒店).

Wuhu City, Anhui Province

Wuhu Country Garden (蕪湖碧桂園)

Wuhu Country Garden is located at Longwo Lake, Sanshan District, Wuhu City. It is being developed by Wuhu Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,490,508 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,104,268 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 985,361 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 822,392 sq.m. Construction of these properties commenced on June 25, 2008 and was completed on October 29, 2012. The completed properties comprise 4,584 residential flats with an aggregate saleable GFA of approximately 756,894 sq.m., as well as 39 retail shops with an aggregate saleable GFA of approximately 8,392 sq.m. and a supermarket with an aggregate saleable GFA of approximately 4,646 sq.m. As of December 31, 2013, 4,292 residential flats with an aggregate saleable GFA of approximately 627,541 sq.m. as well as 14 retail shops with an aggregate saleable GFA of approximately 1,984 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 292 residential units with an aggregate saleable GFA of approximately 129,353 sq.m. and 25 retail shops with an aggregate saleable GFA of approximately 6,408 sq.m. and a supermarket with an aggregate saleable GFA of approximately 4,646 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 149,381 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 344,054 sq.m. Construction of these properties commenced on June 27, 2008 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 3,160 residential flats with an aggregate saleable GFA of approximately 321,062 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 355,766 sq.m. and had an expected aggregate GFA of approximately 937,822 sq.m.

Wuhu Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店), a hotel built to the five-star rating standard.

Chuzhou City, Anhui Province

Country Garden—Europe City (碧桂園 • 歐洲城)

Chuzhou Country Garden is located at Xuning Expressway, Wuyi Town, Chuzhou City. It is being developed by Chuzhou Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 818,764 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,465,001 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 275,414 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 343,975 sq.m. Construction of these properties commenced on December 24, 2010 and was completed on November 15, 2013. The completed properties comprise 2,709 residential flats with an aggregate saleable GFA of approximately 317,713 sq.m., as well as 78 retail shops with an aggregate saleable GFA of approximately 14,972 sq.m. As of December 31, 2013, 1,852 residential flats with an aggregate saleable GFA of approximately 204,123 sq.m. as well as 32 retail shops with an aggregate saleable GFA of approximately 1,466 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 857 residential units with an aggregate saleable GFA of approximately 113,590 sq.m. and 46 retail shops with an aggregate saleable GFA of approximately 13,506 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 215,311 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 397,677 sq.m. Construction of these properties commenced on November 19, 2010 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 3,253 residential flats with an aggregate saleable GFA of approximately 386,806 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 328,039 sq.m. and had an expected aggregate GFA of approximately 723,349 sq.m.

Country Garden—Europe City offers various types of products, including townhouses, high-rise apartment buildings and retail shops. This development features Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店), a hotel built to the five-star rating standard.

Country Garden—City Garden (碧桂園•城市花園)

Country Garden—City Garden is located at West Side of 104 National Highway, Chahe Town, Laian County, Chuzhou City. It is being developed by Laian Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 956,793 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,549,780 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 230,212 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 332,622 sq.m. Construction of these properties commenced on June 23, 2011 and was completed on August 30, 2013. The completed properties comprise 3,077 residential flats with an aggregate saleable GFA of approximately 324,918 sq.m. As of December 31, 2013, 2,540 residential flats with an aggregate saleable GFA of approximately 257,482 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 537 residential units with an aggregate saleable GFA of approximately 67,436 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 570,279 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 985,605 sq.m. Construction of these properties commenced on September 11, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 8,695 residential flats with an aggregate saleable GFA of approximately 948,760 sq.m. and 59 retail shops with an aggregate saleable GFA of approximately 6,471 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 156,302 sq.m. and had an expected aggregate GFA of approximately 231,553 sq.m.

Country Garden—City Garden offers various types of products, including townhouses and high-rise apartment buildings, and is expected to offer retail shops and parking spaces in the future.

Xuancheng City, Anhui Province

Xuancheng Country Garden (宣城碧桂園)

Xuancheng Country Garden is located at Southeast side of the intersection of Nihe Road and Xiawan Road, Xuanzhou District, Xuancheng City. It is being developed by Xuanchen Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 164,447 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 342,867 sq.m.

As of December 31, 2013, there was no completed property in Xuancheng Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 161,488 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 334,257 sq.m. Construction of these properties commenced on May 4, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 2,905 residential flats with an aggregate saleable GFA of approximately 319,953 sq.m. and 59 retail shops with an aggregate saleable GFA of approximately 6,729 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 2,959 sq.m. and had an expected aggregate GFA of approximately 8,610 sq.m.

Xuancheng Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces in the future.

Shenyang City, Liaoning Province

Country Garden—Sun Palace (碧桂園 • 太陽城)

Country Garden—Sun Palace is located in Shangxiao Village Daoyi Town, Shenbei District, Shenyang City. It is being developed by Shenyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 619,661 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,044,873 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 377,515 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 396,253 sq.m. Construction of these properties commenced on September 30, 2007 and was completed on November 29, 2013. The completed properties comprise 2,919 residential flats with an aggregate saleable GFA of approximately 389,277 sq.m. As of December 31, 2013, 2,633 residential flats with an aggregate saleable GFA of approximately 347,875 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 286 residential units with an aggregate saleable GFA of approximately 41,402 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 46,080 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 142,354 sq.m. Construction of these properties commenced on July 28, 2009 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 1,686 residential flats with an aggregate saleable GFA of approximately 120,034 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 2,506 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 196,066 sq.m. and had an expected aggregate GFA of approximately 506,266 sq.m.

Country Garden—Sun Palace offers various types of products, including townhouses and high-rise apartment buildings, and is expected to offer retail shops in the future.

Shenyang Country Garden (瀋陽碧桂園)

Shenyang Country Garden is located in Huashan Village, Huishan Agricultural High-tech Development Zone, Shenyang City. It is being developed by Shenyang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,128,903 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,302,248 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 614,848 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 340,292 sq.m. Construction of these properties commenced on July 21, 2007 and was completed on August 10, 2012. The completed properties comprise 1,394 residential flats with an aggregate saleable GFA of approximately 326,742 sq.m., as well as 29 retail shops with an aggregate saleable GFA of approximately 4,314 sq.m. and 90 parking spaces with an aggregate saleable GFA of approximately 2,464 sq.m. As of December 31, 2013, 1,074 residential flats with an aggregate saleable GFA of approximately 269,108 sq.m. and 69 parking spaces with an aggregate saleable GFA of approximately 1,897 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 320 residential units with an aggregate saleable GFA of approximately 57,634 sq.m. and 29 retail shops with an aggregate saleable GFA of approximately 4,314 sq.m. and 21 parking spaces with an aggregate GFA of approximately 567 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 70,692 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 108,621 sq.m. Construction of these properties commenced on September 8, 2007 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 877 residential flats with an aggregate saleable GFA of approximately 106,675 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 443,363 sq.m. and had an expected aggregate GFA of approximately 853,335 sq.m.

Shenyang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, retail shops and parking spaces, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店), a hotel built to the five-star rating standard.

Country Garden—Galaxy Palace (碧桂園 • 銀河城)

Country Garden—Galaxy Palace is located at Wanghe Road of Yuhong District, Shenyang City. It is being developed by Shenyang Huarui Real Estate Co., Ltd., our wholly-owned project company.

The project occupies an aggregate site area of approximately 1,399,223 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,637,187 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 708,227 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 985,071 sq.m. Construction of these properties commenced on March 19, 2008 and was completed on October 28, 2013. The completed properties comprise 6,206 residential flats with an aggregate saleable GFA of approximately 916,709 sq.m., as well as 252 retail shops with an aggregate saleable GFA of approximately 47,836 sq.m. As of December 31, 2013, 5,997 residential flats with an aggregate saleable GFA of approximately 833,626 sq.m. as well as 124 retail shops with an aggregate saleable GFA of approximately 22,429 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 209 residential units with an aggregate saleable GFA of approximately 83,083 sq.m. and 128 retail shops with an aggregate saleable GFA of approximately 25,407 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 444,603 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,112,969 sq.m. Construction of these properties commenced on March 23, 2012 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 10,231 residential flats with an aggregate saleable GFA of approximately 1,002,702 sq.m. and 255 retail shops with an aggregate saleable GFA of approximately 46,176 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 246,393 sq.m. and had an expected aggregate GFA of approximately 539,147 sq.m.

Country Garden—Galaxy Palace offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店), a hotel built to the five-star rating standard.

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at Dingxiang Street of Sujiatun District, Shenyang City. It is being developed by Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,251,370 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 2,082,571 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 570,796 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 730,878 sq.m. Construction of these properties commenced on September 24, 2007 and was completed on October 29, 2013. The completed properties comprise 5,973 residential flats with an aggregate saleable GFA of approximately 710,788 sq.m., as well as 55 retail shops with an aggregate saleable GFA of approximately 11,257 sq.m. As of December 31, 2013, 5,624 residential flats with an aggregate saleable GFA of approximately 659,117 sq.m. as well as 40 retail shops with an aggregate saleable GFA of approximately 8,421 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 349 residential units with an aggregate saleable GFA of approximately 51,671 sq.m. and 15 retail shops with an aggregate saleable GFA of approximately 2,836 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 350,177 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 637,370 sq.m. Construction of these properties commenced on June 26, 2008 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 4,854 residential flats with an aggregate saleable GFA of approximately 605,595 sq.m. and 66 retail shops with an aggregate saleable GFA of approximately 14,347 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 330,397 sq.m. and had an expected aggregate GFA of approximately 714,323 sq.m.

Country Garden—Phoenix City offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Country Garden Grand Garden (碧桂豪園)

Country Garden Grand Garden is located Mantang Street, Development Zone, Qipanshan, Shenyang City. It is being developed by Shenyang Qipanshan Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 212,464 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 171,243 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 119,819 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 72,531 sq.m. Construction of these properties commenced on April 12, 2011 and was completed on September 10, 2012. The completed properties comprise 220 residential flats with an aggregate saleable GFA of approximately 72,498 sq.m. As of December 31, 2013, 126 residential flats with an aggregate saleable GFA of approximately 34,143 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 94 residential units with an aggregate saleable GFA of approximately 38,355 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 67,536 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 27,512 sq.m. Construction of these properties commenced on April 12, 2011 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 140 residential flats with an aggregate saleable GFA of approximately 26,654 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 25,110 sq.m. and had an expected aggregate GFA of approximately 71,200 sq.m.

Country Garden Grand Garden offers townhouses.

Anshan City, Liaoning Province

Haicheng Country Garden (海城碧桂園)

Haicheng Country Garden is located at Tiexixinghai Administration District, Anshan City. It is being developed by Haicheng Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 429,894 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 369,901 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 187,742 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 112,028 sq.m. Construction of these properties commenced on October 25, 2007 and was completed on December 17, 2013. The completed properties comprise 634 residential flats with an aggregate saleable GFA of approximately 105,927 sq.m., as well as 11 retail shops with an aggregate saleable GFA of approximately 1,163 sq.m. and eight parking spaces with an aggregate saleable GFA of approximately 345 sq.m. As of December 31, 2013, 596 residential flats with an aggregate saleable GFA of approximately 101,998 sq.m. and six parking spaces with an aggregate saleable GFA of approximately 259 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 38 residential units with an aggregate saleable GFA of approximately 3,929 sq.m. and 11 retail shops with an aggregate saleable GFA of approximately 1,163 sq.m. and two parking spaces with an aggregate GFA of approximately 86 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 178,478 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 120,901 sq.m. Construction of these properties commenced on October 20, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 848 residential flats with an aggregate saleable GFA of approximately 118,802 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 63,674 sq.m. and had an expected aggregate GFA of approximately 136,972 sq.m.

Haicheng Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. The development features a hotel developed to the five-star rating standard, Country Garden Phoenix Hotel, Haicheng (海城碧桂園鳳凰酒店).

Hulunbei'er City, Inner Mongolia Autonomous Region

Manzhouli Country Garden (滿洲里碧桂園)

Manzhouli Country Garden is located at the intersection of Xinjia East Road and Hubei Road, Manzhouli, Hulunbei'er City. It is being developed by Manzhouli Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,356,018 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,596,813 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 211,244 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 159,232 sq.m. Construction of these properties commenced on July 23, 2007 and was completed on October 29, 2013. The completed properties comprise 774 residential flats with an aggregate saleable GFA of approximately 120,094 sq.m., as well as 147 retail shops with an aggregate saleable GFA of approximately 23,762 sq.m. and 514 parking spaces with an aggregate saleable GFA of approximately 13,824 sq.m. As of December 31, 2013, 647 residential flats with an aggregate saleable GFA of approximately 95,805 sq.m. as well as three retail shops with an aggregate saleable GFA of approximately 338 sq.m. and 460 parking spaces with an aggregate saleable GFA of approximately 12,395 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 127 residential units with an aggregate saleable GFA of approximately 24,289 sq.m. and 144 retail shops with an aggregate saleable GFA of approximately 23,424 sq.m. and 54 parking spaces with an aggregate GFA of approximately 1,429 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 324,298 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 224,378 sq.m. Construction of these properties commenced on July 23, 2007 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 1,400 residential flats with an aggregate saleable GFA of approximately 198,037 sq.m. and 83 retail shops with an aggregate saleable GFA of approximately 10,899 sq.m. and 158 parking spaces with an aggregate saleable GFA of approximately 4,263 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 820,476 sq.m. and had an expected aggregate GFA of approximately 1,213,203 sq.m.

Manzhouli Country Garden offers various types of products, including townhouses, low-rise apartment buildings, retail shops and parking spaces, and is expected to offer high-rise apartment buildings in the future. The development will feature a hotel developed to the five-star rating standard and a commercial street.

Xing'anmeng, Inner Mongolia Autonomous Region

Xing'anmeng Country Garden (興安盟碧桂園)

Xing'anmeng Country Garden is located at Keerqin Town of Keyouqianqi, Xing'anmeng. It is being developed by Keyouqianqi Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,259,396 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,235,742 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 655,679 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 359,705 sq.m. Construction of these properties commenced on September 20, 2007 and was completed on October 30, 2013. The completed properties comprise 2,038 residential flats with an aggregate saleable GFA of approximately 342,673 sq.m., as well as 14 retail shops with an aggregate saleable GFA of approximately 6,338 sq.m. As of December 31, 2013, 1,698 residential flats with an aggregate saleable GFA of approximately 268,540 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 340 residential units with an aggregate saleable GFA of approximately 74,133 sq.m. and 14 retail shops with an aggregate saleable GFA of approximately 6,338 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 255,011 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 219,037 sq.m. Construction of these properties commenced on September 29, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,678 residential flats with an aggregate saleable GFA of approximately 209,383 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 348,706 sq.m. and had an expected aggregate GFA of approximately 657,000 sq.m.

Xing'anmeng Country Garden offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. This development features Country Garden Phoenix Hotel, Xing'anmeng (興安盟碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Tongliao City, Inner Mongolia Autonomous Region

Tongliao Country Garden (通遼碧桂園)

Tongliao Country Garden is located at Jianguo North Road, Tongliao City. It is being developed by Tongliao Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 1,942,519 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,749,189 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 534,925 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 425,219 sq.m. Construction of these properties commenced on November 3, 2007 and was completed on November 29, 2013. The completed properties comprise 2,777 residential flats with an aggregate saleable GFA of approximately 391,070 sq.m., as well as 25 retail shops with an aggregate saleable GFA of approximately 17,776 sq.m. and 58 parking spaces with an aggregate saleable GFA of approximately 1,443 sq.m. As of December 31, 2013, 2,676 residential flats with an aggregate saleable GFA of approximately 376,662 sq.m. as well as 25 retail shops with an aggregate saleable GFA of approximately 17,776 sq.m. and 58 parking spaces with an aggregate saleable GFA of approximately 1,443 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 101 residential units with an aggregate saleable GFA of approximately 14,408 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 383,180 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 291,349 sq.m. Construction of these properties commenced on September 19, 2012 and is expected to be completed in the third quarter of 2016. Upon completion, there will be 1,738 residential flats with an aggregate saleable GFA of approximately 289,008 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 1,024,414 sq.m. and had an expected aggregate GFA of approximately 1,032,621 sq.m.

Tongliao Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Tianjin Municipality

Country Garden—Deyu Office Building (碧桂園•德域大廈)

Country Garden—Deyu Office Building is located at Bihexi Road, Tanggu District, Tianjin City. It is being developed by Tianjin Deyu Investment Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 16,595 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 114,504 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Deyu Office Building.

As of December 31, 2013, there was no property under development in Country Garden—Deyu Office Building.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 16,595 sq.m. and had an expected aggregate GFA of approximately 114,504 sq.m.

Country Garden—Deyu Office Building is expected to offer offices in the future.

Tianjin Country Garden (天津碧桂園)

Tianjin Country Garden is located at Balitai Town, Jinnan District, Tianjin City. It is being developed by Tianjin Balizhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 646,598 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,000,357 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 381,149 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 432,583 sq.m. Construction of these properties commenced on June 12, 2010 and was completed on December 31, 2013. The completed properties comprise 2,755 residential flats with an aggregate saleable GFA of approximately 385,978 sq.m., as well as 55 retail shops with an aggregate saleable GFA of approximately 15,803 sq.m. As of December 31, 2013, 2,632 residential flats with an aggregate saleable GFA of approximately 355,799 sq.m. as well as 24 retail shops with an aggregate saleable GFA of approximately 1,360 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 123 residential units with an aggregate saleable GFA of approximately 30,179 sq.m. and 31 retail shops with an aggregate saleable GFA of approximately 14,443 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 119,731 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 239,764 sq.m. Construction of these properties commenced on March 15, 2011 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 2,002 residential flats with an aggregate saleable GFA of approximately 230,279 sq.m., seven retail shops with an aggregate saleable GFA of approximately 1,386 sq.m. and a composite building with an aggregate GFA of 859 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 145,718 sq.m. and had an expected aggregate GFA of approximately 328,010 sq.m.

Tianjin Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops. This development features Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Country Garden—Seashore City (碧桂園 • 濱海城)

Country Garden—Seashore City is located at The intersection of Zhongyang Avenue and Haibo Road, Binhai New Area, Tianjin City. It is being developed by Tianjin New District Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 98,413 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 120,844 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 36,400 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 22,889 sq.m. Construction of these properties commenced on December 11, 2012 and was completed on December 24, 2013. The completed properties comprise 110 residential flats with an aggregate saleable GFA of approximately 22,519 sq.m. As of December 31, 2013, no completed property had been sold and delivered.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 62,013 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 97,955 sq.m. Construction of these properties commenced on December 11, 2012 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 939 residential flats with an aggregate saleable GFA of approximately 89,495 sq.m. and 22 retail shops with an aggregate saleable GFA of approximately 1,574 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Seashore City.

Country Garden—Seashore City offers townhouses, and is expected to offer high-rise apartment buildings and retail shops in the future.

Wenchang City, Hainan Province

Country Garden—Palm City (碧桂園 • 椰城)

Country Garden—Palm City is located in Tanbei Village, Tanniu Town, Wenchang City. It is being developed by Hainan Wenchang Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 143,667 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 129,337 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 76,752 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 48,796 sq.m. Construction of these properties commenced on February 22, 2012 and was completed on November 18, 2013. The completed properties comprise 426 residential flats with an aggregate saleable GFA of approximately 40,225 sq.m. As of December 31, 2013, 177 residential flats with an aggregate saleable GFA of approximately 17,896 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 249 residential units with an aggregate saleable GFA of approximately 22,329 sq.m.

As of December 31, 2013, there was no property under development in Country Garden—Palm City.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 66,915 sq.m. and had an expected aggregate GFA of approximately 80,541 sq.m.

Country Garden—Palm City offers various types of products, including townhouses and high-rise apartment buildings.

Lin'gao County, Hainan Province

Country Garden Spring Town (碧桂園小城之春)

Country Garden Spring Town is located at West Side of No.3 Bridge, Lincheng Town, Lin'gao County. It is being developed by Hainan Lingao Country Garden Fineland Property Development Co Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 10,703 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 37,375 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 10,703 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 37,375 sq.m. Construction of these properties commenced on July 27, 2011 and was completed on October 29, 2013. The completed properties comprise 609 residential flats with an aggregate saleable GFA of approximately 34,691 sq.m., as well as 23 retail shops with an aggregate saleable GFA of approximately 1,672 sq.m. As of December 31, 2013, 258 residential flats with an aggregate saleable GFA of approximately 15,004 sq.m. as well as 22 retail shops with an aggregate saleable GFA of approximately 1,605 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 351 residential units with an aggregate saleable GFA of approximately 19,687 sq.m. and one retail shop with an aggregate saleable GFA of approximately 67 sq.m.

As of December 31, 2013, there was no property under development in Country Garden Spring Town.

As of December 31, 2013, there was no property held for future development in Country Garden Spring Town.

Country Garden Spring Town offers various types of products, including high-rise apartment buildings and retail shops.

Country Garden—Golden Beach (碧桂園•金沙灘)

Country Garden Long Wave Bay is located in Longbowan, Bohou Town, Lin'gao County. It is being developed by Hainan Lingao Country Garden Fineland Property Development Co Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 430,857 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 465,152 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 129,985 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 63,153 sq.m. Construction of these properties commenced on November 8, 2012 and was completed on December 1, 2013. The completed properties comprise 627 residential flats with an aggregate saleable GFA of approximately 62,429 sq.m. As of December 31, 2013, 520 residential flats with an aggregate saleable GFA of approximately 55,016 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 107 residential units with an aggregate saleable GFA of approximately 7,413 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 300,872 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 401,999 sq.m. Construction of these properties commenced on November 8, 2012 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 4,612 residential flats with an aggregate saleable GFA of approximately 367,977 sq.m. and 60 retail shops with an aggregate saleable GFA of approximately 16,050 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Golden Beach.

Country Garden—Golden Beach offers various types of products, including townhouses and low-rise apartment buildings, and is expected to offer high-rise apartment buildings and retail shops in the future.

Yulin City, Guangxi Zhuang Autonomous Region

Beiliu Country Garden (北流碧桂園)

Beiliu Country Garden is located at No. 299, South 2nd Road, Beiliu City. It is being developed by Beiliu Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 410,021 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 426,362 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 289,625 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 192,971 sq.m. Construction of these properties commenced on February 2, 2010 and was completed on December 20, 2013. The completed properties comprise 951 residential flats with an aggregate saleable GFA of approximately 183,689 sq.m., as well as 80 retail shops with an aggregate saleable GFA of approximately 5,660 sq.m. As of December 31, 2013, 865 residential flats with an aggregate saleable GFA of approximately 164,763 sq.m. as well as 62 retail shops with an aggregate saleable GFA of approximately 2,986 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 86 residential units with an aggregate saleable GFA of approximately 18,926 sq.m. and 18 retail shops with an aggregate saleable GFA of approximately 2,674 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 60,417 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 91,321 sq.m. Construction of these properties commenced on

October 21, 2011 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 674 residential flats with an aggregate saleable GFA of approximately 82,859 sq.m. and 44 retail shops with an aggregate saleable GFA of approximately 3,408 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 59,979 sq.m. and had an expected aggregate GFA of approximately 142,070 sq.m.

Beiliu Country Garden offers various types of products, including townhouses, low-rise apartment buildings and retail shops, and is expected to offer high-rise apartment buildings in the future. The development will feature a hotel developed to the five-star rating standard.

Pingguo City, Guangxi Zhuang Autonomous Region

Pingguo Country Garden (平果碧桂園)

Pingguo Country Garden is located in Nalao New Area, Jincheng Avenue, Pingguo, Baise City. It is being developed by Guangxi Pingguo Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 186,841 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 201,479 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 134,989 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 86,798 sq.m. Construction of these properties commenced on March 15, 2012 and was completed on October 28, 2013. The completed properties comprise 344 residential flats with an aggregate saleable GFA of approximately 72,613 sq.m., as well as 68 retail shops with an aggregate saleable GFA of approximately 5,193 sq.m. As of December 31, 2013, 223 residential flats with an aggregate saleable GFA of approximately 54,249 sq.m. as well as 55 retail shops with an aggregate saleable GFA of approximately 4,467 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 121 residential units with an aggregate saleable GFA of approximately 18,364 sq.m. and 13 retail shops with an aggregate saleable GFA of approximately 726 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 21,330 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 13,231 sq.m. Construction of these properties commenced on March 20, 2013 and is expected to be completed in the second quarter of 2014. Upon completion, there will be 68 residential flats with an aggregate saleable GFA of approximately 13,231 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 30,522 sq.m. and had an expected aggregate GFA of approximately 101,450 sq.m.

Pingguo Country Garden offers various types of products, including townhouses, high-rise apartment buildings and retail shops.

Wuzhou City, Guangxi Zhuang Autonomous Region

Country Garden—Phoenix City (Wuzhou) (碧桂園•鳳凰城「梧州」)

Country Garden—Phoenix City(Wuzhou) is located at No.393 of Southwest Avenue, Longwei Town, Cangwu County. It is being developed by Wuzhou Hefu Country Garden Property

Development Co., Ltd, a project company in which we hold a 80% equity interest. The project occupies an aggregate site area of approximately 317,316 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 328,221 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Phoenix City(Wuzhou).

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 191,589 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 110,732 sq.m. Construction of these properties commenced on September 3, 2012 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 420 residential flats with an aggregate saleable GFA of approximately 110,328 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 125,727 sq.m. and had an expected aggregate GFA of approximately 217,489 sq.m.

Country Garden—Phoenix City(Wuzhou) is expected to offer townhouses, low-rise apartment buildings and high-rise apartment buildings in the future.

Chongqing Municipality

Changshou Country Garden (長壽碧桂園)

Changshou Country Garden is located at the eastern part of Taohuaxincheng, Changshou District, Chongqing Municipality. It is being developed by Chongqing Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 402,721 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 631,705 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 288,825 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 434,195 sq.m. Construction of these properties commenced on November 5, 2007 and was completed on October 15, 2013. The completed properties comprise 2,926 residential flats with an aggregate saleable GFA of approximately 361,715 sq.m., as well as 313 retail shops with an aggregate saleable GFA of approximately 50,022 sq.m. and 70 parking spaces with an aggregate saleable GFA of approximately 1,256 sq.m. As of December 31, 2013, 2,900 residential flats with an aggregate saleable GFA of approximately 347,257 sq.m. as well as 260 retail shops with an aggregate saleable GFA of approximately 34,843 sq.m. and nine parking spaces with an aggregate saleable GFA of approximately 161 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 26 residential units with an aggregate saleable GFA of approximately 14,458 sq.m. and 53 retail shops with an aggregate saleable GFA of approximately 15,179 sq.m. and 61 parking spaces with an aggregate GFA of approximately 1,095 sq.m.

As of December 31, 2013, there was no property under development in Changshou Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 113,896 sq.m. and had an expected aggregate GFA of approximately 197,510 sq.m.

Changshou Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces. This development features Country Garden Pheonix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店), a hotel built to the five-star rating standard.

Qianjiang Country Garden (黔江碧桂園)

Qianjiang Country Garden is located at Zhengyang Avenue of Zhengyang Street, Qianjiang District. It is being developed by Chongqing Qianjiang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 195,467 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 199,401 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 119,533 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 86,918 sq.m. Construction of these properties commenced on August 30, 2012 and was completed on October 31, 2013. The completed properties comprise 593 residential flats with an aggregate saleable GFA of approximately 78,366 sq.m., as well as 101 retail shops with an aggregate saleable GFA of approximately 5,153 sq.m. As of December 31, 2013, 55 residential flats with an aggregate saleable GFA of approximately 12,620 sq.m. as well as 97 retail shops with an aggregate saleable GFA of approximately 4,982 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 538 residential units with an aggregate saleable GFA of approximately 65,746 sq.m. and four retail shops with an aggregate saleable GFA of approximately 171 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 42,486 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 95,465 sq.m. Construction of these properties commenced on August 9, 2013 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 878 residential flats with an aggregate saleable GFA of approximately 91,947 sq.m. and 53 retail shops with an aggregate saleable GFA of approximately 3,518 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 33,448 sq.m. and had an expected aggregate GFA of approximately 17,018 sq.m.

Qianjiang Country Garden offers various types of products, including townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops.

Dianjiang Country Garden (墊江碧桂園)

Dianjiang Country Garden is located at No.27 of Yueyang West Road, Guixi Town, Dianjiang City. It is being developed by Chongqing Dianjiang Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 154,712 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 354,731 sq.m.

As of December 31, 2013, there was no completed property in Dianjiang Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 154,712 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 354,731 sq.m. Construction of these properties commenced on February 7, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 3,116 residential flats with an aggregate saleable GFA of approximately 326,773 sq.m. and 115 retail shops with an aggregate saleable GFA of approximately 7,988 sq.m.

As of December 31, 2013, there was no property held for future development in Dianjiang Country Garden.

Dianjiang Country Garden is expected to offer townhouses,low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Country Garden—Jade City (碧桂園•翡翠城)

Country Garden—Jade City is located at No.115 of Yongjia Avenue, Bishan County. It is being developed by Chongqing Bishan Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 191,086 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 376,802 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Jade City.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 137,058 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 267,074 sq.m. Construction of these properties commenced on December 13, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 2,620 residential flats with an aggregate saleable GFA of approximately 250,287 sq.m. and 49 retail shops with an aggregate saleable GFA of approximately 6,910 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 54,028 sq.m. and had an expected aggregate GFA of approximately 109,728 sq.m.

Country Garden—Jade City is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Suihua City, Heilongjiang Province

Suihua Country Garden (綏化碧桂園)

Suihua Country Garden is located at Zhongxingxi Avenue, Beilin District, Suihua City. It is being developed by Suihua Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 262,400 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 271,731 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 164,618 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 149,298 sq.m. Construction of these properties commenced on September 25, 2008 and was completed on July 27, 2012. The completed properties comprise 1,082 residential flats with an aggregate saleable GFA of approximately 131,133 sq.m., as well as 165 retail shops with an aggregate saleable GFA of approximately 14,899 sq.m. and 128 parking spaces with an aggregate saleable GFA of approximately 2,843 sq.m. As of December 31, 2013, 1,059 residential flats with an aggregate saleable GFA of approximately 128,414 sq.m. as well as 161 retail shops with an aggregate saleable GFA of approximately 14,317 sq.m. and 128 parking spaces with an aggregate saleable GFA of approximately 2,843 sq.m. had been sold and delivered. The remaining completed properties, which included sold but undelivered properties and unsold properties, comprised 23 residential units with an aggregate saleable GFA of approximately 2,719 sq.m. and four retail shops with an aggregate saleable GFA of approximately 582 sq.m.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 92,916 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 107,839 sq.m. Construction of these properties commenced on November 10, 2012 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 768 residential flats with an aggregate saleable GFA of approximately 91,336 sq.m. and 50 retail shops with an aggregate saleable GFA of approximately 2,336 sq.m. and 119 parking spaces with an aggregate saleable GFA of approximately 3,115 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 4,865 sq.m. and had an expected aggregate GFA of approximately 14,594 sq.m.

Suihua Country Garden offers various types of products, including townhouses, low-rise apartment buildings, retail shops and parking spaces.

Hangzhou City, Zhejiang Province

Hangzhou Country Garden (杭州碧桂園)

Hangzhou Country Garden is located at the intersection of Yuntao North Road and Shuiyun Road, Xiasha Economic Development Zone, Hangzhou City. It is being developed by Hangzhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 65,711 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 184,651 sq.m.

As of December 31, 2013, there was no completed property in Hangzhou Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 65,711 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 184,651 sq.m. Construction of these properties commenced on April 14, 2012 and is expected to be completed in the second quarter of 2014. Upon completion, there will be 1,767 residential flats with an aggregate saleable GFA of approximately 176,318 sq.m. and 43 retail shops with an aggregate saleable GFA of approximately 4,324 sq.m.

As of December 31, 2013, there was no property held for future development in Hangzhou Country Garden.

Hangzhou Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Tonglu Country Garden (桐廬碧桂園)

Tonglu Country Garden is located at No.799 of Chengnan Road, Tonglu County, Hangzhou City. It is being developed by Tonglu Country Garden Property Development Co., Ltd, our wholly-owned

project company. The project occupies an aggregate site area of approximately 112,266 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 120,974 sq.m.

As of December 31, 2013, there was no completed property in Tonglu Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 112,266 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 120,974 sq.m. Construction of these properties commenced on November 30, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 833 residential flats with an aggregate saleable GFA of approximately 111,835 sq.m., 22 retail shops with an aggregate saleable GFA of approximately 2,852 sq.m. and a commercial building with an aggregate GFA of 4,069 sq.m.

As of December 31, 2013, there was no property held for future development in Tonglu Country Garden.

Tonglu Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Quzhou City, Zhejiang Province

Quzhou Country Garden (衢州碧桂園)

Quzhou Country Garden is located at No.57 of Donggang 3rd Road, Quzhou City. It is being developed by Quzhou Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 220,949 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 296,923 sq.m.

As of December 31, 2013, there was no completed property in Quzhou Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 184,282 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 238,427 sq.m. Construction of these properties commenced on September 18, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 1,738 residential flats with an aggregate saleable GFA of approximately 222,864 sq.m. and 86 retail shops with an aggregate saleable GFA of approximately 12,470 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 36,667 sq.m. and had an expected aggregate GFA of approximately 58,496 sq.m.

Quzhou Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future. It will also feature a hotel developed to five-star rating standard.

Shaoxing City, Zhejiang Province

Zhuji Country Garden (諸暨碧桂園)

Zhuji Country Garden is located at No.148-1 of Shinan Road, Wangjiajing Town, Zhuji City. It is being developed by Zhuji Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 119,097 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 135,276 sq.m.

As of December 31, 2013, there was no completed property in Zhuji Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 119,097 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 135,276 sq.m. Construction of these properties commenced on December 9, 2013 and is expected to be completed in the fourth quarter of 2014. Upon completion, there will be 563 residential flats with an aggregate saleable GFA of approximately 132,461 sq.m. and two retail shops with an aggregate saleable GFA of approximately 462 sq.m.

As of December 31, 2013, there was no property held for future development in Zhuji Country Garden.

Zhuji Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Jiaxing City, Zhejiang Province

Haining Country Garden (海寧碧桂園)

Haining Country Garden is located at No.2168 of Renmin Road, Xucun Town, Haining City. It is being developed by Haining Country Garden Property Development Co Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 62,815 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 150,875 sq.m.

As of December 31, 2013, there was no completed property in Haining Country Garden.

As of December 31, 2013, there was no property under development in Haining Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 62,815 sq.m. and had an expected aggregate GFA of approximately 150,875 sq.m.

Haining Country Garden is expected to offer high-rise apartment buildings and retail shops in the future.

Ningbo City, Zhejiang Province

Cixi Country Garden (慈溪碧桂園)

Cixi Country Garden is located at No.1189 of Taoyuan East Road, Guanhaiwei Town, Cixi City. It is being developed by Cixi Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 119,010 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 217,030 sq.m.

As of December 31, 2013, there was no completed property in Cixi Country Garden.

As of December 31, 2013, there was no property under development in Cixi Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 119,010 sq.m. and had an expected aggregate GFA of approximately 217,030 sq.m.

Cixi Country Garden is expected to offer townhouses, high-rise apartment buildings, retail shops and parking spaces in the future.

Wenzhou City, Zhejiang Province

Wenzhou Country Garden (溫州碧桂園)

Wenzhou Country Garden is located at the intersation of Jingjiu Road and Weishi Road, Jinhai Industrial Park, Longwan District, Wenzhou City. It is being developed by Wenzhou Xinghan Real Estate Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 60,366 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 137,706 sq.m.

As of December 31, 2013, there was no completed property in Wenzhou Country Garden.

As of December 31, 2013, there was no property under development in Wenzhou Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 60,366 sq.m. and had an expected aggregate GFA of approximately 137,706 sq.m.

Wenzhou Country Garden is expected to offer high-rise apartment buildings, retail shops and parking spaces in the future.

Ji'nan City, Shandong Province

Country Garden—Phoenix City (碧桂園 • 鳳凰城)

Country Garden—Phoenix City is located at No.230 of Furong Street, Zaoyuan Sub-District, Zhangqiu, Ji'nan City. It is being developed by Zhangqiu Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 613,072 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 601,966 sq.m.

As of December 31, 2013, the completed properties occupied an aggregate site area of approximately 214,600 sq.m. and had an aggregate GFA (including saleable and non-saleable GFA) of approximately 138,098 sq.m. Construction of these properties commenced on July 30, 2012 and was completed on December 10, 2013. The completed properties comprise 712 residential flats with an aggregate saleable GFA of approximately 127,897 sq.m., as well as 18 retail shops with an aggregate saleable GFA of approximately 3,086 sq.m. As of December 31, 2013, no completed property had been sold and delivered.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 299,201 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 154,148 sq.m. Construction of these properties commenced on July 30, 2012 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 496 residential flats with an aggregate saleable GFA of approximately 129,893 sq.m. and 106 retail shops with an aggregate saleable GFA of approximately 16,244 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 99,271 sq.m. and had an expected aggregate GFA of approximately 309,720 sq.m.

Country Garden—Phoenix City is expected to offer townhouses, high-rise apartment buildings, retail shops and parking spaces in the future.

Yan'tai City, Shandong Province

Country Garden—Ten Miles Golden Beach (碧桂園 • 十里金灘)

Country Garden—Ten Miles Golden Beach is located at Xinzheng North Road, Xin'an Town, Haiyang City. It is being developed by Haiyang Honghui Development Co., Ltd., a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 1,364,623 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,076,797 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Ten Miles Golden Beach.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 871,709 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 625,541 sq.m. Construction of these properties commenced on July 4, 2013 and is expected to be completed in the second quarter of 2014. Upon completion, there will be 6,400 residential flats with an aggregate saleable GFA of approximately 603,073 sq.m. and 73 retail shops with an aggregate saleable GFA of approximately 15,336 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 492,914 sq.m. and had an expected aggregate GFA of approximately 451,256 sq.m.

Country Garden—Ten Miles Golden Beach is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Weifang City, Shandong Province

Country Garden—Jade Bay (碧桂園 • 翡翠灣)

Country Garden—Jade Bay is located at intersection of Yishan Road and Binhe West Road, Linqu County, Weifang City. It is being developed by Linqu Country Garden Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 130,143 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 139,722 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Jade Bay.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 130,143 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 139,722 sq.m. Construction of these properties commenced on November 15, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 890 residential flats with an aggregate saleable GFA of approximately 132,440 sq.m. and 18 retail shops with an aggregate saleable GFA of approximately 5,829 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden—Jade Bay.

Country Garden—Jade Bay is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Zibo City, Shandong Province

Zibo Country Garden (淄博碧桂園)

Zibo Country Garden is located at North side of Zhangzhou Road, West side of Xiaofu River, Zhoucun District, Zibo City. It is being developed by Zibo Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 275,168 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 301,710 sq.m.

As of December 31, 2013, there was no completed property in Zibo Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 275,168 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 301,710 sq.m. Construction of these properties commenced on September 17, 2013 and is expected to be completed in the third quarter of 2015. Upon completion, there will be 2,025 residential flats with an aggregate saleable GFA of approximately 277,871 sq.m. and 147 retail shops with an aggregate saleable GFA of approximately 12,854 sq.m. and a composite building with an aggregate GFA of 635 sq.m.

As of December 31, 2013, there was no property held for future development in Zibo Country Garden.

Zibo Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Weihai City, Shandong Province

Wendeng Country Garden (文登碧桂園)

Wendeng Country Garden is located at West side of Shenghai Road, South side of Yushan Road, Wendeng City. It is being developed by Wendeng Gaochun Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 66,205 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 32,365 sq.m.

As of December 31, 2013, there was no completed property in Wendeng Country Garden.

As of December 31, 2013, there was no property under development in Wendeng Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 66,205 sq.m. and had an expected aggregate GFA of approximately 32,365 sq.m.

Wendeng Country Garden is expected to offer townhouses, low-rise apartment buildings and retail shops in the future.

Quanzhou City, Fujian Province

Yongchun Country Garden (永春碧桂園)

Yongchun Country Garden is located at North side of Yangxian Community, Wulijie Town, Yongchun County, Quanzhou City. It is being developed by Yongchun Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 149,774 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 194,505 sq.m.

As of December 31, 2013, there was no completed property in Yongchun Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 149,774 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 194,505 sq.m. Construction of these properties commenced on May 31, 2013 and is expected to be completed in the third quarter of 2014. Upon completion, there will be 1,337 residential flats with an aggregate saleable GFA of approximately 174,773 sq.m. and 100 retail shops with an aggregate saleable GFA of approximately 7,166 sq.m.

As of December 31, 2013, there was no property held for future development in Yongchun Country Garden.

Yongchun Country Garden is expected to offer townhouses, high-rise apartment buildings, retail shops and parking spaces in the future.

Nan'an Country Garden (南安碧桂園)

Nan'an Country Garden is located at Nan'an Avenue, Nan'an City. It is being developed by Nan'an Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 113,404 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 131,400 sq.m.

As of December 31, 2013, there was no completed property in Nan'an Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 113,404 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 131,400 sq.m. Construction of these properties commenced on November 28, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 806 residential flats with an aggregate saleable GFA of approximately 116,710 sq.m. and 60 retail shops with an aggregate saleable GFA of approximately 5,533 sq.m.

As of December 31, 2013, there was no property held for future development in Nan'an Country Garden.

Nan'an Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Sanming City, Fujian Province

Sanming Country Garden (三明碧桂園)

Sanming Country Garden is located in Meilie District, Sanming City. It is being developed by Sanming Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 54,642 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 48,451 sq.m.

As of December 31, 2013, there was no completed property in Sanming Country Garden.

As of December 31, 2013, there was no property under development in Sanming Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 54,642 sq.m. and had an expected aggregate GFA of approximately 48,451 sq.m.

Sanming Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Lanzhou City, Gansu Province

Country Garden—Lanzhou New City (碧桂園•蘭州新城)

Country Garden—Lanzhou New City is located at No.188 of Jianshuigou Village, Qingbaishi Street, Chengguan District, Lanzhou City. It is being developed by Lanzhou Country Garden Property Development Co., Ltd., our wholly-owned project company. The project occupies an aggregate site area of approximately 533,435 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 716,835 sq.m.

As of December 31, 2013, there was no completed property in Country Garden—Lanzhou New City.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 496,670 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 643,306 sq.m. Construction of these properties commenced on October 29, 2013 and is expected to be completed in the third quarter of 2016. Upon completion, there will be 4,264 residential flats with an aggregate saleable GFA of approximately 599,869 sq.m. and 220 retail shops with an aggregate saleable GFA of approximately 37,585 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 36,764 sq.m. and had an expected aggregate GFA of approximately 73,529 sq.m.

Country Garden—Lanzhou New City is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Yichun City, Jiangxi Province

Yichun Country Garden (宜春碧桂園)

Yichun Country Garden is located at No.998 of Zhongshan West Road, Yuanzhou District, Yichun City. It is being developed by Yichun Country Garden Investment Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 144,999 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 431,920 sq.m.

As of December 31, 2013, there was no completed property in Yichun Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 144,999 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 431,920 sq.m. Construction of these properties commenced on July 31, 2013 and is expected to be completed in the second quarter of 2015. Upon completion, there will be 3,622 residential flats with an aggregate saleable GFA of approximately 392,633 sq.m. and 215 retail shops with an aggregate saleable GFA of approximately 31,986 sq.m.

As of December 31, 2013, there was no property held for future development in Yichun Country Garden.

Yichun Country Garden is expected to offer high-rise apartment buildings, retail shops in the future.

Pingxaing City, Jiangxi Province

Pingxiang Country Garden (萍鄉碧桂園)

Pingxiang Country Garden is located at No.66 of Fengquan Avenue, Chishan Town, Shangli County, Pingxiang City. It is being developed by Pingxiang Gaochun Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 206,678 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 222,197 sq.m.

As of December 31, 2013, there was no completed property in Pingxiang Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 206,678 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 222,197 sq.m. Construction of these properties commenced on November 28, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 1,386 residential flats with an aggregate saleable GFA of approximately 206,767 sq.m. and 45 retail shops with an aggregate saleable GFA of approximately 7,909 sq.m.

As of December 31, 2013, there was no property held for future development in Pingxiang Country Garden.

Pingxiang Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Guangyuan City, Sichuan Province

Guangyuan Country Garden (廣元碧桂園)

Guangyuan Country Garden is located in 3rd group of Happy Village, Dashi Town, Guangyuan City. It is being developed by Guangyuan Country Garden Investment Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 154,383 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 357,864 sq.m.

As of December 31, 2013, there was no completed property in Guangyuan Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 154,383 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 357,864 sq.m. Construction of these properties commenced on September 26, 2013 and is expected to be completed in the first quarter of 2015. Upon completion, there will be 3,052 residential flats with an aggregate saleable GFA of approximately 334,711 sq.m. and 130 retail shops with an aggregate saleable GFA of approximately 9,123 sq.m.

As of December 31, 2013, there was no property held for future development in Guangyuan Country Garden.

Guangyuan Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Nanchong City, Sichuan Province

Nanchong Country Garden (南充碧桂園)

Nanchong Country Garden is located at No.86 of Wenfeng 1st Part, Jia'Nan Avenue, Jialing District, Nanchong City. It is being developed by Nanchong Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 234,782 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 515,596 sq.m.

As of December 31, 2013, there was no completed property in Nanchong Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 234,782 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 515,596 sq.m. Construction of these properties commenced on December 18, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 4,633 residential flats with an aggregate saleable GFA of approximately 495,217 sq.m. and 85 retail shops with an aggregate saleable GFA of approximately 12,944 sq.m.

As of December 31, 2013, there was no property held for future development in Nanchong Country Garden.

Nanchong Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Guiyang City, Guizhou Province

Huaxi Country Garden (花溪碧桂園)

Huaxi Country Garden is located in Mengguan Village, Mengguan County, Huaxi District, Guiyang City. It is being developed by Guiyang Huaxi Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 708,907 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 702,224 sq.m.

As of December 31, 2013, there was no completed property in Huaxi Country Garden.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 591,366 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 551,677 sq.m. Construction of these properties commenced on October 29, 2013 and is expected to be completed in the fourth quarter of 2015. Upon completion, there will be 3,575 residential flats with an aggregate saleable GFA of approximately 489,841 sq.m. and 86 retail shops with an aggregate saleable GFA of approximately 11,194 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 117,541 sq.m. and had an expected aggregate GFA of approximately 150,547 sq.m.

Huaxi Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Anyang City, Henan Province

Anyang Country Garden (安陽碧桂園)

Anyang Country Garden is located at Southeast side of the intersection of Zhonghua Road and Kunzhen Avenue, Tangyin County, Anyang City. It is being developed by Tangyin Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 133,341 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 129,222 sq.m.

As of December 31, 2013, there was no completed property in Anyang Country Garden.

As of December 31, 2013, there was no property under development in Anyang Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 133,341 sq.m. and had an expected aggregate GFA of approximately 129,222 sq.m.

Anyang Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings and retail shops in the future.

Zhoukou City, Henan Province

Zhoukou Country Garden (周口碧桂園)

Zhoukou Country Garden is located at South side of Wenti Road, North side of Guiyuan Road, Zhoukou City. It is being developed by Zhoukou Country Garden Fangyun Property Development Co., Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 266,858 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 500,822 sq.m.

As of December 31, 2013, there was no completed property in Zhoukou Country Garden.

As of December 31, 2013, there was no property under development in Zhoukou Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 266,858 sq.m. and had an expected aggregate GFA of approximately 500,822 sq.m.

Zhoukou Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces in the future.

Luoyang City, Henan Province

Luoyang Country Garden (洛陽碧桂園)

Luoyang Country Garden is located at North side of the intersation of Luoyan Freeway and Guiyuan Road, Yibin District, Luoyang City. It is being developed by Luoyang Country Garden Property Development Co Ltd, a project company in which we hold a 51% equity interest. The project occupies an aggregate site area of approximately 266,647 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 425,108 sq.m.

As of December 31, 2013, there was no completed property in Luoyang Country Garden.

As of December 31, 2013, there was no property under development in Luoyang Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 266,647 sq.m. and had an expected aggregate GFA of approximately 425,108 sq.m.

Luoyang Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces in the future.

Qujing City, Yunnan Province

Qujing Country Garden (曲靖碧桂園)

Qujing Country Garden is located at Nanyuan Road, Beside Jinling Bay, Qilin District, Qujing City. It is being developed by Qujing Qilin Country Garden Property Development Co., Ltd, our wholly-owned project company. The project occupies an aggregate site area of approximately 347,603 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 333,837 sq.m.

As of December 31, 2013, there was no completed property in Qujing Country Garden.

As of December 31, 2013, there was no property under development in Qujing Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 347,603 sq.m. and had an expected aggregate GFA of approximately 333,837 sq.m.

Qujing Country Garden is expected to offer townhouses, high-rise apartment buildings and retail shops in the future.

Tangshan City, Hebei Province

Qian'an Country Garden (遷安碧桂園)

Qian'an Country Garden is located at North side of the Olympic Center, Yanshan South Road, Qian'an City. It is being developed by Qian'an Country Garden Property Development Co., Ltd, a project company in which we hold a 90% equity interest. The project occupies an aggregate site area of approximately 269,685 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 456,058 sq.m.

As of December 31, 2013, there was no completed property in Qian'an Country Garden.

As of December 31, 2013, there was no property under development in Qian'an Country Garden.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 269,685 sq.m. and had an expected aggregate GFA of approximately 456,058 sq.m.

Qian'an Country Garden is expected to offer townhouses, low-rise apartment buildings, high-rise apartment buildings, retail shops and parking spaces in the future.

Selangor State, Malaysia

Serendah Project (雙文丹項目)

Serendah Project is located in Serendah Golf Resort, Serendah Selangor. It is being developed by Vibrant Corridor SDN. BHD., a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 678,119 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 304,169 sq.m.

As of December 31, 2013, there was no completed property in Serendah Project.

As of December 31, 2013, there was no property under development in Serendah Project.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 678,119 sq.m. and had an expected aggregate GFA of approximately 304,169 sq.m.

Serendah Project is expected to offer villas and townhouses in the future.

Country Garden Diamond City (碧桂園鑽石城)

Country Garden Diamond City is located in Taman Bukit Mewah, Jalan Tun Zamrud, off Jalan Semenyih, Kajang, Selangor Darul Ehsan. It is being developed by Mayland Venue Sdn Bhd, a project company in which we hold a 55% equity interest. The project occupies an aggregate site area of approximately 1,041,344 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 309,443 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Diamond City.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 403,333 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 137,388 sq.m. Construction of these properties commenced on July 4, 2013 and is expected to be completed in the first quarter of 2016. Upon completion, there will be 415 residential flats with an aggregate saleable GFA of approximately 131,138 sq.m.

As of December 31, 2013, the properties held for future development occupied an aggregate site area of approximately 638,011 sq.m. and had an expected aggregate GFA of approximately 172,055 sq.m.

Country Garden Diamond City is expected to offer villas and townhouses in the future.

Johor State, Malaysia

Country Garden Danga Bay (碧桂園金海灣)

Country Garden Danga Bay is located in Tingkat 3, Lot PTB 22056, Danga Bay, Jalan Skudai, 80200 Johor Bahru, Johor. It is being developed by Country Garden Danga Bay Sdn Bhd, our wholly-owned project company. The project occupies an aggregate site area of approximately 139,867 sq.m. and has an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,250,368 sq.m.

As of December 31, 2013, there was no completed property in Country Garden Danga Bay.

As of December 31, 2013, the properties under development occupied an aggregate site area of approximately 139,867 sq.m. and had an expected aggregate GFA (including saleable and non-saleable GFA) of approximately 1,250,368 sq.m. Construction of these properties commenced on July 4, 2013 and is expected to be completed in the second quarter of 2017. Upon completion, there will be 6,647 residential flats with an aggregate saleable GFA of approximately 611,733 sq.m.

As of December 31, 2013, there was no property held for future development in Country Garden Danga Bay.

Country Garden Danga Bay is expected to offer high-rise apartment buildings and retail shops in the future.

Property development

Our property development and project management procedures

We integrate our resources to conduct land acquisition, planning, project design and construction, sales and post-sales support, and a series of development works. These areas are coordinated and supervised by our central management and carried out by our various functional departments, subsidiaries, and affiliates. We have also established a regional project management structure with a view to further strengthening our project management capabilities and efficiency as our operations continue to grow both inside and outside Guangdong Province. Under this regional project management structure, we currently divide our property development operations into 24 regions. Each region has a designated regional director responsible for overseeing property development.

Site selection

Site selection is a fundamental step in our property development process. A team of full-time staff members is designated for identifying sites in the PRC or Malaysia for prospective property development. Our pre-acquisition site visits and investigations, in conjunction with research and analysis, enable us to understand the general trends and specific conditions of target property markets when assessing the suitability for development of a particular site. When selecting sites for our development projects, we usually apply the following criteria:

- geographical location of the development sites, for example, proximity and accessibility to city centers or business districts;
- property market conditions in the vicinity of the development site;
- local urban planning and specifications; and
- estimated cost, investment and financial return.

Our marketing and sales center and our design service providers are involved in the early stages of the site identification process. The marketing and sales center carries out research and analysis relating to potential market demand. Design services, including planning and concept design, are provided by Guangdong Elite Architectural Co., Ltd., which is our affiliate and principal design service provider.

Upon completion of the preliminary feasibility studies, our executive directors become closely involved in the assessment process by conducting on-site visits before deciding whether to proceed with the acquisition of a site.

Once we have decided to acquire a site, Guangdong Elite Architectural Co., Ltd. begins its preliminary site-planning work.

Land acquisition

Prior to July 2002, we acquired some of our land use rights through a land grant contract or a land transfer agreement entered into with local government authorities. Since July 1, 2002, the PRC government introduced regulations requiring that the land transferred from government authorities be sold by a public tender, auction or listing-for-sale. Prior to submitting a tender, we analyze the market and estimate the budget required to develop the project. To acquire a parcel of land, we first need to be successful in the public tender, auction or the listing-for-sale process.

As of December 31, 2013, we had an aggregate GFA under development and for future development of approximately 72,387,145 sq.m. for which we have obtained the relevant land use rights certificates, development and operation rights or land title. We estimate that our current land reserves will be sufficient for our development needs for the next three to five years.

In addition, as of December 31, 2013, our project companies had entered into land grant contracts or land transfer contracts in respect of land in various cities in Guangdong Province, eleven other provinces, one autonomous region and one municipality in China, as well as in the State of Johor in Malaysia and in Sydney, Australia, for which we have applied or were in the process of applying for land use rights certificates or land title. This land bank covers an aggregate site area of approximately 9,086,377 sq.m., with an aggregate expected GFA of approximately 13,249,284 sq.m. for future development.

In certain cases where we are interested in acquiring land in the PRC, we assist local governments in clearing the land and relocate the original residents so that the land is ready for tender, auction and listing-for-sale. In such cases, we enter into land clearance agreements with the relevant land authorities, under which we are reimbursed for expenses we incur for land clearance and relocation and we are entitled to a portion of the profit realized by the local government on the land sale. We do not control the timing of the sale of the land use rights in the land that we have cleared, nor do we set the price for which such land use rights are sold. Sales of the land use rights are conducted by the relevant local government land authorities, through a bidding, auction or listing-for-sale process. If we are interested in bidding for the land, we are required to go through the tender, auction and listing-for-sale process as with other developers and there can be no assurance that we will win the bid. See "Risk factors—Risks relating to our business—We may not receive full compensation for assistance we provide to local governments to clear land for government land sales."

Our ability to acquire land for development is subject to extensive regulations issued by the PRC central and local governments. Further to the requirement of public tender, auction and listing-for-sale, on September 28, 2007, the Ministry of Land and Resources issued a new regulation, which provides that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate or commence development on the land, effective November 1, 2007.

On November 18, 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office issued the "Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant" (關于進一步加强土地出讓收支管理的通知),

which raises the minimum down payment for land premiums to 50% of the total premium and requires the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions.

On March 8, 2010, the Ministry of Land and Resources issued the "Circular on Strengthening Real Estate Land Supply and Supervision" (關于加强房地產用地供應和監管有關問題的通知) under which the minimum price for a given land transfer is required to be equal to at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be equal to at least 20% of the applicable minimum transfer price. Property developers are also required to pay 50% of the land premium (taking into account any deposits previously paid) as a down payment within one month of signing a land grant contract and the total amount of land premium is to be paid in full within one year of the date of the land grant contract, subject to limited exceptions.

On May 23, 2012, the Ministry of Land and Resources issued the "Catalog of Restricted Use of Land (2012 Version Supplement)" (限制用地項目目錄(2012年本增補本)) and the "Catalog of Prohibited Use of Land (2012 Version Supplement)" (禁止用地項目目錄(2012年本增補本)) which provides that the area of a parcel of land granted for commodity housing development must not exceed seven hectares in small cities (towns), 14 hectares in medium cities or 20 hectares in large cities.

As a result of these regulations, property developers in the PRC are no longer allowed to bid for a large piece of land, make partial payment, and then apply for a land use rights certificate for the corresponding portion of land and commence development, which was the practice in many Chinese cities. The implementation of these regulations may increase land transfer prices and require property developers to maintain a higher level of working capital. We cannot assure you that we are able to acquire land suitable for development at a reasonable cost or that our cash flow position, financial condition or business plans will not be materially and adversely affected as a result of the implementation of these regulations. We believe that larger property developers like ourselves generally are in a better position to compete for large pieces of land because they normally are in a stronger financial condition.

In Malaysia, we rely on local counsel and consultants to guide us through the land acquisition process and assist us in entering into various sales and purchase agreements to acquire land sites for development.

Financing property developments and land premium

We finance our property developments through a combination of internal funds derived from sales proceeds and shareholder contributions as well as external financings mainly through bank loans and equity and debt financing in the international capital markets. We typically use internal funds and proceeds from capital markets financings to pay for the land acquisition costs and use internal funds and project loans from PRC and Malaysian banks to finance the initial construction costs for our property developments. External financing therefore is an important source of funding for our property development projects. As of December 31, 2013, our outstanding borrowings (including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018, the 2023 Notes and the 2021 Notes) amounted to RMB56,248.8 million (US$9,291.6 million). Our operations generate cash through pre-sales after the properties meet the requirements of pre-sale under PRC and Malaysian regulations. Such proceeds from pre-sales, together with the project loans, are the major sources of funding for the construction of our property developments.

On June 5, 2003, PBOC published the Notice on Further Strengthening the Management of Loans for Property Business (中國人民銀行關於進一步加強房地產信貸業管理的通知), which prohibits commercial banks from advancing loans to fund the payment of land premiums. As a result, property developers may not use PRC bank loans to pay for land premiums. Following the publication of this notice, we have paid land premiums from the proceeds from the sale of properties and not from any of our outstanding bank borrowings. We plan to continue to use the proceeds from the sale of our properties, our other internal funds and proceeds from capital market financing to finance our future land premium payments. In addition, pursuant to the Guidance on Risk Management of Property Loans of Commercial Banks (商業銀行房地產貸款風險管理指引), issued on September 2, 2004, any property developer applying for property development loans must have, as its own working capital, at least 35% of the project capital required for the development. In May 2009, to combat the impact of the global economic slowdown and to encourage domestic consumption, the State Council issued the "Notice for Adjusting the Capital Ratio for 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). Under this notice, the internal capital ratio for protected housing projects and ordinary commodity housing projects was lowered from 35% to 20%, and the internal capital ratio for other property projects was lowered from 35% to 30%. However, in an attempt to control the growth of the PRC property market, the PRC government in November 2009 raised the minimum down payment to 50% of the total land premium and on March 8, 2010, the Ministry of Land and Resources issued the circular on Strengthening Real Estate Land Supply and Supervision (關於加強房地產用地供應和監管有關問題的通知) under which property developers are required to pay 50% of the land premium as a down payment within one month of signing a land grant contract and the total amount of land premium is to be paid in full within one year of the date of the land grant contract, subject to limited exceptions. Such policy may constrain our cash otherwise available for additional land acquisition and construction in the PRC.

We obtain project loans from a number of commercial banks in the PRC and in Malaysia, including major PRC banks such as Agricultural Bank of China, Industrial and Commercial Bank of China, Bank of China, China Construction Bank and Guangdong Development Bank, as well as major Malaysian banks such as Bank of China (Malaysia) Berhad, CIMB Bank Berhad, HSBC Bank Malaysia Berhad, Industrial and Commercial Bank of China (Malaysia) Berhad, Public Bank Berhad and Malayan Banking Berhad.

We cannot assure you that we will be able to continue to obtain sufficient bank loans or facilities in the future. See "Risk factors—Risks relating to our business—We may not have adequate funding resources to finance land acquisitions or property developments, or to service our financing obligations."

Project design work

Our general design work is mainly undertaken by Guangdong Elite Architectural Co., Ltd., which is an affiliate of our controlling shareholder and provides services to us on a priority basis. Our landscaping and greenery design is mainly undertaken by Foshan Shunde Oasis Greenery Design Co., Ltd., an independent third party. In Malaysia, both Elite Architectural Co. and Foshan Shunde Oasis Greenery Design Co., Ltd. also work with local consultants to ensure their designs meet the standards set by relevant Malaysian government agencies.

The design companies become involved in planning research and preliminary design work for a development project at the site selection and land acquisition stages. When determining the design of a particular property development, the designers and engineers generally consider the recommendations of our marketing and sales center regarding product mix, project location and market conditions, as well as the regulatory requirements regarding the design. Involving the design companies at an early stage allows for the formulation of a preliminary design when we are negotiating with the government, enabling us to commence construction shortly after the requisite approval to develop a parcel of land has been granted. The overall time needed to complete the development is therefore reduced.

Construction work and procurement

Construction work

The construction phase of a development project in the PRC begins once we obtain the Construction Permit for the project. The general project management department is responsible for the overall coordination and allocation of responsibilities in respect of the construction of each project area at different stages and supervises the progress of construction work. Prior to that, our project cost management department prepares the overall budget for a development at different stages. We set up a project company for each project to manage the whole property development project. The project company has a project manager, a project management department, a finance department and a sales department, all of which report to their corresponding functional departments at our headquarters.

Giant Leap Construction Co., our wholly owned subsidiary, currently undertakes most of the construction work for our development projects in Guangdong Province. For the years ended December 31, 2011, 2012 and 2013, construction costs attributable to Giant Leap Construction Co. amounted to 29.8%, 19.5% and 17.4%, respectively, of our total construction costs. Apart from a few related parties and other third parties, we are the principal customer of Giant Leap Construction Co.

For property projects outside Guangdong Province and overseas such as in Malaysia, we generally outsource the construction work to third party contractors to leverage on their local expertise. In addition, when Giant Leap Construction Co. does not have adequate resources to deal with a particular development or when the projected profits from a project are not economically attractive, we outsource project construction work in whole or in part to independent third parties. In such outsourcing cases, we select construction contractors through a tender process organized by our project cost management department. On a selective basis, we may also consider acquiring or setting up local construction companies in our major markets outside Guangdong Province. We have so far established local construction companies for our projects in Anhui Province, Hubei Province, Jiangsu Province and Liaoning Province. In Malaysia, we have also set up regional offices of Giant Leap Construction Co. to support the work of our third party contractors there.

Under PRC national laws and regulations, a tender process is usually required to select the contractors for public construction projects. When a tender process is required for one of our projects, the Tender Law of the PRC (中華人民共和國招標投標法) will apply. Certain local governments in the PRC may require that all construction projects go through a tender process.

Because of the growth in the number of our projects and their geographical coverage, we expect that we will continue to engage the services of independent construction contractors, particularly for projects outside Guangdong Province and overseas such as in Malaysia. See "Risk factors—

Risks relating to our business—We rely on independent contractors." Without any long-term construction outsourcing contracts in place, we intend to work with a number of qualified contractor candidates in order to create a competitive environment among them.

Procurement

Currently, some of the construction work for our projects in the PRC is undertaken by Giant Leap Construction Co., our wholly owned subsidiary. Some of the supplies, including equipment and material, for our construction work undertaken by Giant Leap Construction Co. are centrally procured through our procurement department. Our procurement department typically solicits price quotes from at least two prospective suppliers, negotiates the price and other terms with them and finalizes the purchase arrangements with the winning supplier by signing price confirmations for regular supplies and executing procurement contracts for major equipment and constructions. Each transaction is initiated by a purchase order from our procurement department, and the suppliers are asked to deliver the supplies to locations specified by the relevant project companies or to our central warehouse, which has a computerized record-keeping system for inventory. Our centralized procurement system gives us more bargaining power and better cost control, enabling us to benefit from economies of scale.

When we outsource the construction work for a project to a third party contractor, the contractor generally undertakes the procurement of key construction materials such as steel, cement, sand and stone according to the specifications provided in the construction contract. The total contractor fee takes into account the costs of these materials and the construction contract typically allows adjustment to the total contractor fees if at the time of purchases, the prices of such construction materials have fluctuated beyond the range stipulated in the construction contract.

Fitting and decoration work

The finishing of most of our projects includes fitting and decoration in accordance with the standards set out in our design specifications for the project. Our wholly owned subsidiary, Finest Decoration Co., provides most of the fitting and decoration services for our projects in the PRC and Malaysia. Finest Decoration Co. will continue to provide fitting and decoration services exclusively for our projects in the future. We also outsource some components of the fitting and decoration work to independent third parties through a tender process.

Quality control

We have established procedures to ensure that the quality of our properties and services complies with relevant regulations and meets market standards. Quality control procedures are implemented by the relevant functional departments as well as by each project company. For each property development project in the PRC, quality inspections and regulatory compliance reviews are carried out by the construction company, construction supervisory companies and our project management department.

In accordance with the PRC regulations, we engage the services of PRC-qualified third-party construction supervisory companies to supervise the construction of our property developments. These construction supervisory companies oversee, under a construction supervision contract, the progress and quality of the construction work of a property development throughout the construction phase. We select construction supervisory companies through a tender process.

In Malaysia, to ensure construction quality, the relevant departments of our project companies work closely with local government agencies and consultants to perform site checks and supervise the construction process.

Pre-sales

Pre-sale of our property units commences before the completion of a project or a project phase. Under the Law of the Administration of Urban Real Estate of the PRC and the Administrative Measures governing the Pre-sale of Urban Real Estate (城市商品房預售管理辦法), as amended in 2001 and 2004, we must comply with the following conditions before pre-sales of a particular property in the PRC can commence:

- the land premiums must have been fully paid and the land use rights certificates must have been obtained;
- the construction works planning permit and construction project building permit must have been obtained;
- the funds contributed to the development of the property developments where property units are to be pre-sold must reach 25% or above of the total amount to be invested in the project, the project must comply with the relevant governmental regulations and the expected completion date and delivery date of the construction work must have been ascertained; and
- pre-sale permits must have been obtained from the county-level construction bureau or property administration authority.

According to the Notice on Further Enhancing the Supervision of the Real Estate Market and Improving the Pre-sale System of Commodity Housing (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) issued by the MOHURD on April 13, 2010, the property developers are not allowed to charge the property purchasers any deposit, pre-payment or payment of the similar nature prior to obtaining the pre-sale permit.

Local governments have also implemented regulations relating to pre-sales of properties. Some of these regulations contain stricter requirements than the central government regulations. We are subject to these local regulations in areas where we have property developments.

Under PRC law, the proceeds from the pre-sales of our properties must be deposited in escrow accounts. Before the completion of the pre-sold properties, the monies deposited in these escrow accounts may only be used to purchase construction materials and equipment, make interim construction payments and pay taxes, subject to prior approval from the relevant local authorities. See the section headed "Regulation" to this offering memorandum for further information on PRC regulations that relate to pre-sales.

Under Malaysian laws, we must receive the following approvals before launching the pre-sales of a particular property:

- the relevant local authorities must have approved our master planning of the development;
- we must have also received local authorities' approval of our building plans, which include information such as project's designs, planned GFAs and floor plans; and
- advertising and sale permits must have also been obtained from the Malaysian Ministry of Housing and Local Government before pre-sales can finally begin.

Marketing and sales

Our marketing and sales center is responsible for formulating and implementing our marketing and sales strategies. We support our marketing and sales activities through cooperation with external professional marketing and sales service providers. As of December 31, 2013, our marketing and sales team comprised approximately 14,803 employees.

Our marketing and sales center is involved in our property development starting from the early stages and provides its input at key steps. When a potential project is identified by our investment department, our marketing and sales center conducts local property market research and studies the government's land policies. Before we decide to acquire land, our marketing and sales center provides the results of the research and analysis of the relevant parcels of land. During the land acquisition process, our marketing and sales center provides suggestions on the site plan and design. During the project design and construction processes, our marketing and sales center also works closely with our project design companies to formulate, modify and execute a design plan according to consumer preferences and market feedback. Our sales team regularly provides customer feedback to Guangdong Elite Architectural Co., Ltd. and other departments for future improvements.

Customers

Local residents in Guangdong Province have historically been our core customer base. We expect to gradually broaden our customer base geographically as our projects outside Guangdong Province commence pre-sale and sale. We also sell our properties to residents in Hong Kong, Macau, neighboring provinces and overseas such as in Malaysia. We target a broad base of customers with varied income levels and backgrounds, with middle-class customers as our primary targets.

Payment arrangements

Our customers in the PRC, including those making pre-sales purchases, can pay with mortgage facilities arranged with banks. The mortgage payment terms for sales and pre-sales of properties are substantially the same. All purchasers are required to make a down payment of at least 30% of the purchase price when executing a purchase contract. A maximum 30-year mortgage loan for up to 70% of the purchase price may be available from the mortgage banks to the purchasers who are required to settle such amount within one or three months following the execution of the sales and purchase contract.

Mortgage financing is subject to extensive regulation in the PRC, including requirements with respect to minimum down payments and mortgage lending interest rates. See "Regulation—Legal supervision relating to property sector in the PRC—Property transactions—Mortgages of property" and "Risk factors—Risks relating to our business—Our sales and pre-sales will be affected if mortgage financing becomes more costly or otherwise unavailable."

If purchasers choose not to finance their purchase with mortgage loan facilities, they are typically required to pay at least 30% of the purchase price at the time of the execution of the sale and purchase contract. In the case of a pre-sale, the remaining balance is payable within one or three months following the time of the execution of the sale and purchase contract. In the case of properties sold after completion, the remaining balance generally is payable within one month following the execution of the sale and purchase contract. We also offer settlement of purchase price by installments, under which purchasers are required to pay at least 40% of the purchase price at the time of the execution of the sale and purchase contract, with the balance to be paid by installments over a period ranging from six months to five years. The purchase price for purchasers who settle by installments is generally higher than those who do not do so and is generally higher for longer installment periods, in order to compensate us for the additional credit risk that we may be exposed to.

In accordance with market practice, we provide guarantees to banks for mortgage loans offered to our customers. Generally, our guarantees are released upon the earlier of the issuance of the individual property ownership certificate (房產所有權證) to the owner of the property or the certificate of other rights of property (房地產他項權證) to the mortgage bank by the relevant housing administration department, which are generally available within three months after we deliver the relevant property to our customers, or the full settlement of the mortgaged loan by our customers. Prior to 2003, we also provided long-term guarantees for the mortgage loan of some of our customers. These long-term guarantees were provided to increase confidence of the mortgage banks in providing mortgages to our customers in the then less sophisticated PRC property market. These guarantees are discharged two years from the day the mortgaged loans become due.

In line with customary practice in the industry, we do not conduct independent credit checks on our customers but rely on the credit checks conducted by the mortgage banks. As of December 31, 2011, 2012 and 2013, our outstanding guarantees of the mortgage loans of our customers amounted to RMB15,783.0 million, RMB17,776.1 million and RMB31,443.7 million (US$5,194.1 million), respectively. Historically, we have not experienced material losses due to default of purchases on the mortgages loans. See "Risk factors—Risks relating to our business—We guarantee the mortgages provided to our purchasers and, consequently, we are liable to the mortgagee banks if our purchasers default on their mortgage payments."

In Malaysia, customers can purchase our properties, including through pre-sales purchases, with mortgage facilities arranged with banks. Unlike in the PRC, we do not provide guarantees to banks for mortgage loans offered to our customers in Malaysia. Instead, we provide letters of undertaking for purchasers agreeing to refund the payments made using mortgage loans if we fail to complete the construction and deliver the properties to the purchasers.

Property management

Through our wholly owned property management subsidiary, Guangdong Management Co., we provide post-sales property management and services to the residents of each of the PRC and Malaysian projects we developed. As of December 31, 2013, we had approximately 23,825 staff members working for our 140 property service branches. We aim to continue to provide to purchasers of our properties comprehensive post-sales property management and services, including public security and assistance with the management of public order, maintenance of public facilities, cleaning of public areas, domestic assistance, gardening and landscaping, intra-community shuttle bus operations and other customer services. We believe we have established a market reputation for the quality of these services. For example, Guangdong Management Co. has been certified by the Ministry of Construction as a class-one property management company, the highest level a PRC property management company can achieve.

Typically, our property management contracts set out the scope and the quality requirements of the services provided by our property management companies. We prepare maintenance and renovation plans for the properties and public facilities that we manage. We are not permitted by law to assign the management duties in their entirety to a third party. However, we can outsource some of the responsibilities, such as cleaning and security services, to independent third parties. The property management contracts also set out the management fee arrangements. We may not increase management fees without the prior consent of a majority of the owners of the properties.

Under PRC law, property owners have a right to engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. See "Risk factors—Risks relating to our business—Our branding and marketing strategy as well as our financial condition could be adversely affected if owners of the projects that we have developed elect to stop using us to provide property management services" in this offering memorandum.

Hotel development and operation

We develop hotels to compliment our residential properties. Most of these hotels are located in our large-scale residential community projects, which we believe have added value to our residential projects and enhanced our brand recognition. As of December 31, 2013, our hotel operations consist of owning and operating seven five-star hotels, two four-star hotels and 30 hotels which we have developed in accordance with the five-star standard of the "Star-Rating Standard for Tourist Hotels." In addition, as of December 31, 2013, we had 12 hotels under construction in accordance with the five-star standard and three hotels under construction in accordance with the four-star standard of the "Star-Rating Standard for Tourist Hotels." Under PRC laws, hotels cannot apply for star hotel certification until after one year of operations. Generally, we apply for such star hotel certification for our hotels after their first year of operations.

While we believe that the demand for luxury hotels in China will increase as the economy of the region continues to grow and that our hotels and resorts will generate recurrent income for us in the long run, we do not focus on the revenue or profit contributions from our hotel business on a stand-alone basis. Rather, we believe that our hotel business assists in enhancing our brand name recognition in the property market and contributes to our overall marketing and sales strategies for, and the overall value of, our residential projects. Most of our hotels are currently owned and operated by our own hotel companies. We have engaged several international management firms with respect to our Maritim Hotel, Wuhu, Maritim Hotel, Shenyang, Hilton Wuhan Optics Valley and Hilton Foshan. Our Maritim Hotel, Wuhu and Maritim Hotel, Shenyang commenced full operations in December 2010 and July 2011, respectively, and our Hilton Wuhan Optics Valley and Hilton Foshan commenced full operations in January and March 2014, respectively. In return for managing and operating these hotels, we agree to pay our hotel operating management partners a basic management fee based on a percentage of the respective hotel's net income, and an incentive fee with reference to the respective hotel's gross operating profit. In addition, we have signed a letter of understanding and management agreement with an international management firm with respect to some of our hotels under development or planning. We may also consider engaging other international management companies to manage our hotels.

The availability of our hotel facilities to the residents of our property projects is usually seen as an attractive feature by potential purchasers of our properties.

Our commitment to building and running hotels in certain localities has received support from local governments, which seek to improve the local investment environment and attract more tourist traffic and business establishments to their jurisdictions.

The table below sets out details of our hotel developments and operations as of December 31, 2013.

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[1]
Country Garden Holiday Resorts (順德碧桂園度假村)	Shunde Country Garden, Foshan, Guangdong Province	February 2000	201	Four-Star (in operation)
Phoenix City Hotel, Guangzhou (廣州鳳凰城酒店)	Country Garden Phoenix City, Guangzhou, Guangdong Province	November 2003	573	Five-Star (in operation)
Country Garden Holiday Islands Hotel (碧桂園假日半島酒店)	Qingyuan Holiday Islands Country Garden, Qingyuan, Guangdong Province	December 2004	225	Five-Star (in operation)
Country Garden Phoenix Hotel, Heshan (鶴山碧桂園鳳凰酒店)	Heshan Country Garden, Jiangmen, Guangdong Province	July 2005	282	Five-Star (in operation)
Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店)	Yangdong Country Garden, Yangjiang, Guangdong Province	May 2007	342	Five-Star (in operation)
Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店)	Taishan Country Garden, Jiangmen, Guangdong Province	November 2007	337	Five-Star (in operation)
Country Garden Phoenix Hot Spring Hotel, Xianning (咸寧碧桂園鳳凰溫泉酒店)	Country Garden - Hot Spring City, Xianning, Hubei Province	November 2009	328	Five-Star (in operation)
Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店)	Gaoming Country Garden, Foshan, Guangdong Province	November 2009	336	Five-Star (in operation)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店)	Jingmen Country Garden, Jingmen, Hubei Province	October 2010	138	Four-Star (in operation)
Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店)	Wuyi Country Garden, Jiangmen, Guangdong Province	December 2005	95	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店)	Changsha Country Garden, Changsha, Hunan Province	October 2007	343	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店)	Zhaoqing Country Garden, Zhaoqing, Guangdong Province	February 2009	285	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店)	Xinhui Country Garden, Jiangmen, Guangdong Province	March 2009	374	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店)	Changshou Country Garden, Changshou, Chongqing Municipality	September 2010	335	According to five-star rating standard (in operation)
Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店)	Wuhu Country Garden, Wuhu, Anhui Province	December 2010	602	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店)	Wuhan Country Garden, Wuhan, Hubei Province	January 2011	331	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店)	Country Garden Lakeside City, Hefei, Anhui Province	January 2011	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店)	Huangshan Country Garden, Huangshan, Anhui Province	March 2011	378	According to five-star rating standard (in operation)
Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店)	Shenyang Country Garden, Shenyang, Liaoning Province	May 2011	50	According to five-star rating standard (in operation)
Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店)	Country Garden - Galaxy Palace, Shenyang, Liaoning Province	July 2011	631	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店)	Tianjin Country Garden, Balitai, Tianjin Municipality	August 2011	249	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel Shaoguan (韶關碧桂園鳳凰酒店)	Shaoguan Country Garden, Shaoguan, Guangdong Province	August 2011	335	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店)	Suizhou Country Garden, Suizhou, Hubei Province	October 2011	378	According to five-star rating standard (in operation)
Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店)	Country Garden - Hill Lake City, Maanshan, Anhui Province	November 2011	454	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating(1)
Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店)	Lechang Country Garden, Shaoguan, Guangdong Province	November 2011	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店)	Country Garden - Hill Lake Palace, Changsha, Hunan Province	December 2011	129	According to five-star rating standard (in operation)
Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店)	Country Garden – Europe City, Chuzhou, Anhui Province	December 2011	333	According to five-star rating standard (in operation)
Country Garden Holiday Hot Spring Hotel, Fogang (佛岡碧桂園假日溫泉酒店)	Country Garden Spring City, Qingyuan, Guangdong Province	April 2012	11	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店)	Chizhou Country Garden, Chizhou, Anhui Province	June 2012	338	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店)	Tongliao Country Garden, Tongliao, Inner Mongolia	July 2012	321	According to five-star rating standard (in operation)
Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店)	Taizhou Country Garden, Taizhou, Jiangsu Province	July 2012	331	According to five-star rating standard (in operation)
Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店)	Country Garden - Phoenix City, Zhenjiang, Jiangsu Province	September 2012	334	According to five-star rating standard (in operation)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店)	Country Garden - Ten Miles Beach, Huizhou, Guangdong Province	October 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店)	Chaohu Country Garden, Hefei, Anhui Province	November 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Anqing (安慶碧桂園鳳凰酒店)	Anqing Country Garden, Anqing, Anhui Province	December 2012	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huiyang (惠陽碧桂園鳳凰酒店)	Huiyang Country Garden, Huizhou, Guangdong Province	December 2012	118	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Yunfu (雲浮碧桂園鳳凰酒店)	Yunfu Country Garden, Yunfu, Guangdong Province	March 2013	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xing'anmeng (興安盟碧桂園鳳凰酒店)	Xing'anmeng Country Garden, Xing'anmeng, Inner Mongolia	July 2013	134	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Haicheng (海城碧桂園鳳凰酒店)	Haicheng Country Garden, Anshan, Liaoning Province	December 2013	134	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Maoming (茂名碧桂園鳳凰酒店)[(2)]	Country Garden City Garden, Maoming, Guangdong Province	2014*	199	According to five-star rating standard (under construction)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[(1)]
Hilton Wuhan Optics Valley (武漢光谷希爾頓酒店)[(3)]	Country Garden - Eco City, Wuhan, Hubei Province	2014*	510	According to five-star rating standard (under construction)
Hilton Tianjin Binhai (天津濱海希爾頓酒店)	Independent Hotel, Tanggu, Tianjin Municipality	2014*	1,238	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Beiliu (北流碧桂園鳳凰酒店)	Beiliu Country Garden, Yulin, Guangxi Zhuang Autonomous Region	2014*	209	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Yangshan (陽山碧桂園鳳凰酒店)	Yangshan Country Garden, Qingyuan, Guangdong Province	2014*	129	According to five-star rating standard (under construction)
Hilton Foshan (佛山希爾頓酒店)	Country Garden City Garden, Foshan, Guangdong Province	2014*	600	According to five-star rating standard (under construction)
Country Garden International Resort, Zhangjiajie (張家界碧桂園鳳凰國際度假酒店)	Zhangjiajie Country Garden, Zhangjiajie, Hunan province	2014*	1,047	According to five-star rating standard (under construction)
Country Garden Holiday Hotel, Meizhou (梅州碧桂園假日酒店)	Shejiang Country Garden, Meizhou, Guangdong Province	2014*	50	According to four-star rating standard (under construction)

Name of Hotel	Location	Actual/*Estimated Opening Date	Number of Rooms	Star-rating[(1)]
Country Garden Phoenix Hotel, Kaiping (開平碧桂園鳳凰酒店)	Country Garden - Jade Bay, Jiangmen, Guangdong Province	2014*	290	According to five-star rating standard (under construction)
Country Garden Golden Beach Hotel, Hainan (海南碧桂園金沙灘酒店)	Country Garden - Golden Beach, Lin'gao, Hainan Province	2014*	84	According to five-star rating standard (under construction)
Country Garden Spring Town Holiday Hotel, Hainan (碧桂園海南小城之春假日酒店)	Country Garden Spring Town, Lin'gao, Hainan Province	2014*	113	According to four-star rating standard (under construction)
Country Garden Phoenix Hotel, Sujiatun, Shenyang (瀋陽碧桂園鳳凰酒店)	Country Garden - Phoenix City, Shenyang, Liaoning Province	2014*	134	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Longjiang (龍江碧桂園鳳凰酒店)	Country Garden Grand Palace, Foshan, Guangdong Province	2014*	193	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Xilian (韶關西聯碧桂園鳳凰酒店)	Shaoguan Country Garden - Sun Palace, Shaoguan, Guangdong Province	2014*	129	According to five-star rating standard (under construction)
Airport Hotel, Huadu (花都空港酒店)	Country Garden Airport Plaza, Guangzhou, Guangdong Province	2014*	209	According to four-star rating standard (under construction)

* Estimated opening date

Notes:
(1) Hotels are only allowed to apply for star hotel certification after one year of operation.
(2) Country Garden Phoenix Hotel, Maoming commenced partial trial operation on October 31, 2013.
(3) Hilton Wuhan Optics Valley commenced partial trial operation on December 31, 2013.

Asian Games City Project

On December 22, 2009, we and two other major property developers in the PRC, Agile and R&F through our and their respective subsidiaries, signed a land grant contract with the PRC government to acquire the Asian Games City Project. The Asian Games City Project is located in the Panyu District of Guangzhou City. The project occupies a site area of approximately 2,639,520 sq.m. and is to be developed as part of the Asian Games City for offering residential and commercial properties with a total planned GFA of approximately 4,380,000 sq.m. The Asian Games City Project is being developed by the Asian Games City JV, in which we hold a minority equity interest. Part of the Asian Games City Project has been constructed or is under construction and the Asian Games City JV is in the process of applying for necessary government approvals for the development of the remaining properties of this project. We believe that our participation, alongside other major property developers, in this landmark project will enhance our position in the PRC property market and bolster our market share and position in Guangzhou City and Guangdong Province. We believe that the successful completion of the Asian Games City Project will reinforce our status as one of the leading property developers in the PRC.

Prior to June 24, 2010, we, Agile and R&F each held a 33%, 33% and 34% equity interest, respectively, in the Asian Games City JV and the corresponding payment obligations under the land grant contract. On June 24, 2010, we, Agile, Shimao, R&F and Citic South entered into certain agreements relating to the transfer of equity interests in the Asian Games City JV (the "Asian Games Equity Transfer Transactions"). As a result of the Asian Games Equity Transfer Transactions, we and our four joint venture partners each now hold a 20% equity interest, respectively, in the Asian Games City JV. As of December 31, 2013, our equity contribution to the Asian Games City JV totaled approximately HK$150.0 million. The cost for the acquisition of the land use rights and development of the Asian Games City Project is to be shared equally among us and our four joint venture partners. The total land premium for acquiring the land use rights for this project is RMB25.5 billion, of which RMB22.3 billion had been paid and outstanding land premium totaling RMB3.2 billion remained unsettled as of December 31, 2013, which needs to be settled by November 2014. As of the date of this offering memorandum, the Asian Games City JV has not obtained the land use rights certificates for approximately 0.4 million sq.m. of the site area of the Asian Games City Project.

To finance the Asian Games City Project, the Asian Games City JV has entered into loan facilities and trust financing arrangements under which we and our four joint venture partners provided guarantees. As of April 25, 2014, our guarantees for the Asian games City JV for its borrowings amounted to RMB1,239.3 million (US$204.7 million).

Competition

The property industry in the PRC is highly competitive. Competitive factors include the size of land reserves and the geographical location, the types of properties offered, brand recognition, price, and design product qualities. Our existing and potential competitors include major domestic state-owned and private property developers in the PRC, and, to a lesser extent, property developers from Hong Kong and elsewhere in Asia. A number of our competitors have greater financial, marketing, land and other resources than we have, as well as greater economies of scale, broader name recognition, a longer track record and more established relationships in certain markets. An example of our principal competitors include China Vanke Co., Ltd. (萬科企業股份有限公司), because they have a presence in the regions in which we operate. For more information on competition, please refer to the section headed "Risk factors—Risks Relating to Our Business—Increasing competition in the PRC may adversely affect our business, financial condition and results of operations."

Intellectual property rights

Foshan Shunde Country Garden Property Development Co., Ltd. has registered the trademarks and service marks of "碧桂園" in the form of Chinese characters, as well as in the form of logos, with the PRC Trademark Office (中華人民共和國商標局) under various categories including construction, realty leasing, realty management and realty agency. Foshan Shunde Country Garden Property Development Co., Ltd has also registered the trademarks and service marks of "COUNTRY GARDEN" in the form of English characters with the PRC Trademark Office under various categories including advertisement, business management and human resource management.

Zhongshan Country Garden Real Estate Development Co., Ltd. has registered the trademarks and service marks of "秀麗湖" in the form of Chinese characters with the PRC Trademark Office under various categories including realty leasing, realty agency and advertisement.

On March 27, 2007, Foshan Shunde Country Garden Property Development Co., Ltd entered into a trademark license agreement with each of Qingyuan Country Garden Co., Jun'an Golf Club Co. and our original shareholders to grant them a non-exclusive right to use the "碧桂園" and certain other trademarks and service marks in respect of their businesses which, apart from Qingyuan Country Garden Co.'s business, are services ancillary to the housing properties constructed by us. Qingyuan Country Garden Co. has also granted Holiday Islands Hotel Co., our wholly owned subsidiary, a non-exclusive right to use the trademarks and service marks of "假日半島 Holiday Islands" (with respect to which Qingyuan Country Garden Co. has applied to register as a trademark in the PRC) in its business operation pursuant to a trademark license agreement entered into between Qingyuan Country Garden and Holiday Islands Hotel Co. on March 27, 2007.

We also own the domain names "bgy.cn," "bgy.com.cn," "countrygarden.cn" and "countrygarden.com.cn." The information contained on our websites is not part of this offering memorandum.

Insurance

We maintain public liability and assets insurance policies for our properties, the common facilities and the hotel operating areas of our properties. In addition, we carry social insurance for our employees, and our property management subsidiaries also maintain property management liability insurance coverage in connection with their business operations. We do not, however, maintain insurance coverage for non-performance of contract during construction and other risks associated with construction and installation works during the construction period. Consistent with what we believe to be customary practice in the property development industry in China, we also do not maintain insurance against personal injuries or property damage that may occur during the construction of our properties, except that we carry accidental insurance (i.e., employer's liability insurance) against personal injuries that may occur to construction workers.

To help ensure construction quality and safety, we have a set of standards and specifications for the construction workers to follow during the construction process. We engage qualified supervision companies to oversee the construction process. Under PRC law, the owner or manager of properties under construction bears civil liability for personal injuries arising out of construction work unless the owner or manager can prove that it is not at fault. Since we have taken the above steps to prevent construction accidents and personal injuries, we believe that we will generally be able to demonstrate that we were not at fault as the property owner if a personal injury claim is brought against us.

We believe the terms of our insurance policies are in line with industry practice in the PRC. However, our insurance coverage may not be sufficient for losses and damages that may arise in our business operations. See "Risk factors—Risks relating to our business—We do not have insurance to cover potential losses and claims in our operations" and "Regulation."

Employees

As of December 31, 2011, 2012 and 2013, we had approximately 35,206, 40,243 and 64,772 full-time employees, respectively. The following table provides a breakdown of our employees by responsibilities as of December 31, 2013:

Administration and Human Resources Management	2,147
Marketing and Sales	14,803
Finance Management	1,294
Property Project Management	7,341
Construction, fitting and Decoration Management	4,848
Property Management	23,825
Hotel	7,803
Others	2,661
	64,772

The remuneration package of our employees includes salary, bonus and other cash subsidies. In general, we determine employee salaries based on each employee's qualification, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our determination on salary raise, bonus and promotion. We are subject to social insurance contribution plans organized by the PRC local governments. In accordance with the relevant national and local labor and social welfare laws and regulations, we are required to pay, on behalf of our employees, a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance, maternity insurance and housing reserve fund. We believe the salaries and benefits that our employees receive are competitive in comparison with market rates.

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We believe our relationship with our employees is good. We have not experienced significant labor disputes which adversely affected or are likely to have an adverse effect on the operations of our business had occurred.

Environmental matters

We are subject to a variety of laws and regulations concerning environmental protection. See "Risk factors—Risks relating to our business—Potential liability for environmental problems could result in substantial costs." As of the date of this offering memorandum, we are not in material breach of any applicable environmental laws and regulations which has led to penalties imposed by the environmental authorities and there are no existing material legal proceedings, arbitrations or administrative penalties against us.

Legal proceedings

From time to time, we have been involved in legal proceedings or other disputes in the ordinary course of our business which are primarily disputes with our customers, contractors and employees, and we have not incurred significant legal costs and expenses in connection with these legal proceedings. We are not aware of any material legal proceedings, claims or disputes currently existing or pending against us that may have a material adverse impact on our business or our results of operations. See "Risk factors—Risks relating to our business—We may be involved in legal and other disputes arising out of our operations from time to time and may face significant liabilities as a result."

Regulation

Legal supervision relating to property sector in the PRC

A. Establishment of a property development enterprise

Pursuant to the "Law of the People's Republic of China on Administration of Urban Real Estate" (the "Urban Real Estate Law") (中華人民共和國城市房地產管理法) enacted by the Standing Committee of the National People's Congress on July 5, 1994, effective in January 1995 and as amended on August 2007 and in August 2009, a property developer is defined as "an enterprise which engages in the development and sale of property for the purposes of making profits." Under the "Regulations on Administration of Development of Urban Real Estate" (the "Development Regulations") (城市房地產開發經營管理條例) which was promulgated by the State Council and became effective on July 20, 1998, a property development enterprise must satisfy the following requirements: (1) having a registered capital of not less than RMB1 million and (2) having four or more full-time professional property/construction technicians and two or more full-time accounting officers with the relevant qualifications. The Development Regulations also stipulate that people's governments of the provinces, autonomous regions or municipalities directly under the central government may impose more stringent requirements regarding the registered capital and qualifications of professional personnel of a property development enterprise according to the local circumstances.

Pursuant to the Development Regulations, applications for registration of a property development enterprise have to be submitted to the department of administration of industry and commerce. The applicant must file a record with the property development authority in the location of the registration authority within 30 days of the receipt of its business license.

In May 2009, the State Council issued a "Notice on Adjusting the Percentage of Capital Fund for Investment Projects in Fixed Assets" (關於調整固定資產投資項目資本金比例的通知). The minimum internal capital ratio is 20% for ordinary commodity housing projects and affordable housing projects and 30% for other property projects.

B. Foreign-invested real estate enterprises

Foreign-invested real estate enterprises can be established in the form of sino-foreign equity joint venture, sino-foreign co-operative joint venture or wholly owned foreign enterprise according to the laws and administrative regulations relating to foreign-invested enterprises. Prior to the application for registration to the department of administration of industry and commerce, the enterprise must be approved by the authorities of commerce and have obtained an approval certificate for establishing a foreign-invested enterprise.

Under the Catalog of Guidance on Industries for Foreign Investment (2011 version) (the "Guidance Catalog") (外商投資產業指導目錄) (2011年修訂) which was jointly promulgated by MOFCOM and NDRC on December 24, 2011 and became effective on January 30, 2012, the real estate industry under restricted category covers the following:

- the development of a large scale of land lots to be operated by sino-foreign equity joint ventures or sino-foreign cooperative joint ventures only;

- the construction and operation of high-end hotels, premium office buildings, large theme parks and international conference centers; and

- real estate transactions in second-grade market, housing agents and brokerages.

Further, the construction and operation of villas by foreign investors is now in the prohibited category and other types of property development fall within the permitted category.

On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE jointly enacted the "Circular on Standardizing the Admittance and Administration of Foreign Capital in the Real Estate Market", or "Circular No. 171" (關於規範房地產市場外資准入和管理的意見). According to this circular, foreign investment in property markets must comply with the following requirements:

(a) Foreign institutions or individuals purchasing property in China not for their own residential use shall follow the principle of commercial existence and apply for establishment of foreign-invested enterprises under the regulations of foreign investment in property. Foreign institutions and individuals can only carry on their business, pursuant to the approved business scope, after obtaining the approvals from relevant authorities and upon completion of the relevant registrations.

(b) If the total investment of a foreign-invested real estate development enterprise exceeds or equals US$10 million, the registered capital must not be less than 50% of the total investment. If the total investment is less than US$10 million, the amount of the registered capital shall follow the existing regulations.

(c) The commerce authorities and the department of administration of industry and commerce are in charge of granting approval for establishment and effecting registration of foreign-invested real estate enterprises and issuing approval certificates for foreign-invested enterprises and business licenses which are only effective for one year. After paying for the land use rights, the enterprises should apply for the land use rights certificate by presenting the above-mentioned approval certificates and business licenses. With the land use rights certificate, the enterprises will receive an official approval certificate for a foreign-invested enterprise from the commerce authorities, and shall replace the business license with one that has the same operational term as the formal approval certificate for foreign-invested enterprise in the department of administration of industry and commerce, and then apply for tax registration with the tax authorities.

(d) Transfers of projects of or shares in foreign-invested real estate enterprises, and the acquisitions of domestic real estate enterprises by foreign investors should strictly follow the relevant laws, regulations and policies to obtain approvals. Foreign investors should submit: (i) the guarantee letters for the performance of the State-owned Land Use Rights Grant Contracts, Construction Land Planning Permit and Construction Work Planning Permit; (ii) Certificate of Land Use Rights; (iii) the certification on alteration of archival files issued by construction authorities; and (iv) the certification on the payment of tax issued by the relevant tax authorities.

(e) When acquiring domestic real estate enterprises by way of share transfer or otherwise, or purchasing shares from Chinese parties in sino-foreign equity joint ventures, foreign investors should make proper arrangements for the employees, settle the bank loans and pay the consideration in one single payment with its internal fund. Foreign investors with unsound financial track records shall not be allowed to conduct any of the aforementioned activities.

On May 23, 2007, MOFCOM and SAFE jointly issued the "Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC," (關於進一步加强、規範外商直接投資房地產業審批和監管的通知) which stipulates the following requirements for the approval and supervision of foreign investment in the property sector:

- foreign investment in the PRC property sector relating to luxury properties should be strictly controlled;
- before obtaining approval for the establishment of property entities with foreign investment, (i) both the land use rights certificates and housing ownership rights certificates should have been obtained or, (ii) contracts for obtaining land use rights or housing ownership rights should be entered into;
- entities which have been set up with foreign investment, need to obtain approval before they expand their business operations into property development, and entities which have been set up for property development operations need to obtain new approval in order to expand their property business operations;
- acquisitions of property entities and foreign investment in the property sector by way of "round-trip" investment(返程投資) should be strictly regulated. Foreign-investors should not avoid approval procedures by changing actual controlling persons;
- parties to property entities with foreign investment, should not in any way guarantee a fixed investment return;
- registration shall be immediately effected according to applicable laws with MOFCOM regarding the setup of property entities with foreign-investment, approved by local PRC governmental authorities;
- foreign exchange administration authorities and banks authorized to conduct foreign exchange business should not effectuate foreign exchange settlements regarding capital account items to those who fail to file with MOFCOM or fail to pass the annual reviews; and
- for those property entities which are wrongfully approved by local authorities for their setups, (i) MOFCOM should carry out investigations and order punishment and corrections, and (ii) foreign exchange administrative authorities should not carry out foreign exchange registrations for them.

On July 10, 2007, the General Affairs Department of SAFE issued the "Notice Regarding the Publication of the List of the First Batch of Property Development Projects with Foreign Investment That Have Properly Registered with MOFCOM" (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) ("Notice No. 130"). This regulation restricts the ability of foreign-invested property companies to raise funds offshore for the purposes of injecting such funds into the companies either through a capital increase or by way of shareholder loans. Notice No. 130 was repealed in May 2013, but its restrictions have been stipulated by several other regulations as follows:

- SAFE will no longer process foreign debt registrations or applications for purchase of foreign exchange, submitted by real estate enterprises with foreign investment that obtained authorization certificates from and registered with MOFCOM on or after June 1, 2007; and

- SAFE will no longer process foreign exchange registrations (or change of such registrations) or applications for sale and purchase of foreign exchange submitted by real estate enterprises with foreign investment that obtained approval certificates from local government commerce departments on or after June 1, 2007 but that have not registered with MOFCOM.

In June 2008, to strengthen regulation of real estate enterprises with foreign investment, MOFCOM issued the "Notice Regarding Completing the Registration of Foreign Investment in the Real Estate Sector"(關於做好外商投資房地產業備案工作的通知) ("Notice No. 23"). According to Notice No. 23, when a foreign-invested real estate enterprise is established or increases its registered capital, the provincial level MOFCOM is required to verify all records regarding such foreign-invested real estate enterprise. Notice No. 23 also requires that each foreign-invested real estate enterprise undertake only one approved property project.

On August 29, 2008, SAFE issued the "Circular on the Relevant Operating Issues Concerning Improving the Administration of Payment and Settlement of Foreign Exchange Capital of Foreign-Invested Enterprises," or "Circular No. 142" (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). Pursuant to Circular No. 142, Renminbi fund from the settlement of foreign currency capital of a foreign-invested enterprise must be used within the business scope of the enterprise, as approved by the examination and approval department of the government, and cannot be used for domestic equity investment unless it is otherwise provided for in other regulations.

Under the Guidance Catalog, real estate enterprises with foreign investment are restricted from developing whole land lots and constructing and operating high-end hotels, premium office buildings, international conference centers, and large theme parks in China. According to the "Interim Provisions on Approving Foreign-Invested Projects" (外商投資項目核准暫行管理辦法) promulgated by NDRC in October 2004, local authorities may examine and approve (i) foreign-invested projects with total investment less than US$100 million within the category of encouraged or permitted foreign investments and (ii) foreign-invested projects with total investment less than US$50 million within the category of foreign investments subject to restrictions. Approval from NDRC is required for foreign-invested projects with total investment of US$100 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$50 million or more within the category of foreign investments subject to restrictions. Further, apart from examination by NDRC, approval from the State Council is required for foreign-invested projects with total investment of US$500 million or more within the category of encouraged or permitted foreign investments and those with total investment of US$100 million or more within the category of foreign investments subject to restrictions. Additional approval from the development and reform authority at provincial level is required for projects that are subject to restrictions. In July 2008, NDRC issued the "Notice on Further Reinforcing and Regulating the Administration of Foreign-Invested Projects," (關於進一步加强和規範外商投資項目管理的通知) which requires that any capital increase and reinvestment in projects by foreign-invested enterprises should obtain approval from NDRC or its local counterpart.

On April 6, 2010, the State Council issued the "Opinions on Further Enhancing the Utilization of Foreign Investment" (關於進一步做好利用外資工作的若干意見), which provides that, except for the projects required to be approved by relevant departments of the State Council pursuant to the "Catalog of Investment Projects Subject to Government Approvals" (政府核准的投資項目目錄), a project within the encouraged or permitted industry categories under the Guidance Catalog may be approved by local government authorities, provided that the total investment (including additional invested capital) for such project is no more than US$300 million.

On May 4, 2010, NDRC issued the "Circular on Doing a Good Job in Delegating the Power to Verify Foreign-invested Projects" (關於做好外商投資項目下放核准權限工作的通知), specifying that the power to verify foreign invested projects shall be delegated and project verification procedures shall be simplified. The circular provides that, except for the projects that are required to be verified by relevant departments of the State Council in accordance with the Catalog of Investment Projects Subject to Government Approvals, the foreign invested projects which are within the encouraged or permitted industry categories under the Guideline Catalog shall be verified by NDRC at the provincial level, provided that such projects have a total investment (including additional invested capital) of no more than US$300 million. In addition, the circular specifies that, after the power to verify is delegated, project application and verification documents and verification conditions and procedures shall still be determined in accordance with the Tentative Administrative Measures for Verification of Foreign-invested Projects. According to the circular, the power to verify the projects within the restricted category under the Guideline Catalog is not delegated for the time being.

On June 10, 2010, MOFCOM released the "Circular on Issues Concerning Delegating the Examination and Approval Authority for the Foreign Investment" (商務部關於下放外商投資審批權限有關問題的通知). Under the circular, local authorities are granted the power to examine, approve and administrate the establishment and replacement of (i) foreign-invested enterprises which are within the encouraged and permitted categories under the Guidance Catalog and have a total investment of no more than US$300 million, and (ii) foreign-invested enterprises which are within the restricted category under the Guidance Catalog and have a total investment of no more than US$50 million.

In November 2010, MOFCOM promulgated the "Notice on Strengthening Administration of the Approval and Registration of Foreign Investment into Real Estate Industry" (關於加強外商投資房地產業審批備案管理的通知), which reiterated a number of these limitations on foreign-invested real estate enterprises.

C. Qualifications of a property developer

(a) Classifications and assessment of a real estate development enterprise's qualification

Under the "Provisions on Administration of Qualifications of Real Estate Developers" (the "Provisions on Administration of Qualifications") (房地產開發企業資質管理規定) promulgated by the Ministry of Construction in March 2000, a property developer is required to apply for registration of its qualifications according to the Provisions on Administration of Qualifications. An enterprise cannot engage in the development and sale of property without a qualification classification certificate for property development.

In accordance with the Provisions on Administration of Qualifications, property developers are classified into four classes. Developers with class 1 qualification are subject to preliminary examination and approval by the construction authority under the government of the relevant province, autonomous region or municipality directly under the central government and then final approval by the construction authority under the State Council. Procedures for approval of developers with class 2 or lower qualification shall be formulated by the construction authority under the government of the relevant province, autonomous region or municipality directly under the central government. A developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the qualification examination authority. After a newly established property developer reports its establishment to the property development authority, the latter shall issue a provisional qualification certificate to the eligible developer within 30 days of receipt of the report. The provisional qualification certificate shall be effective for one year from the date of its issuance. The property development authority can extend the validity period for not more than two years after considering the actual business condition of the enterprise. Property developers are required to apply for a qualification classification by the property development authority within one month before the expiry of the provisional qualification certificate.

(b) The business scope of a property developer

Under the Provisions on Administration of Qualifications, a developer of any qualification classification may only engage in the development and sale of property within its approved scope of business and may not engage in business which is limited to another classification. A class 1 property developer is not restricted as to the scale of a property project to be developed and may undertake a property development project anywhere in the country. A class 2 property developer or lower may undertake a project with a GFA of less than 250,000 sq.m. and its specific scope of business shall be as approved by the construction authority under the government of the relevant province, autonomous region or municipality.

(c) The annual inspection of a property developer's qualification

Pursuant to the Provisions on Administration of Qualifications, the qualification of a property developer is required to inspected annually. The construction authority under the State Council or its authorized institution is responsible for the annual inspection of a class 1 property developer's qualification. Procedures for annual inspection of developers of a class 2 or lower qualification shall be formulated by the construction authority under the people's government of the relevant province, autonomous region or municipality.

D. Development of a property project

(a) Land for property development

Under the "Interim Regulations of the People's Republic of China on Assignment and Transfer of the Right to Use State-Owned Land in Urban Areas" (the "Interim Regulations on Assignment and Transfer") (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) promulgated and enforced by the State Council on May 19, 1990, a system of grant and transfer of the right to use state-owned land is adopted. A land user is required to pay a premium to the state as consideration for the grant of the land use rights within a certain term, and the land user can transfer, lease, mortgage or otherwise commercially use the land use rights within the term of use. Under the Interim Regulations on Assignment and Transfer and the Urban Real Estate law, the land administration authority under the local government of the relevant city or county is required to enter into a land grant contract with the land user for the grant of the land use rights. The land user is required to pay the land premium as provided for by the land grant contract. After payment in full of the land premium, the land user is required to register with the land administration authority and obtain a land use rights certificate evidencing the acquisition of land use rights. The Development Regulations provide that land use rights for a site intended for property development shall be obtained through government grant except for land use rights which may be obtained through allocation pursuant to the PRC laws or the stipulations of the State Council.

Under the "Regulations on the Assignment of State-Owned Land Use Rights through Competitive Bidding, Auction and Listing-for-Sale" (招標拍賣掛牌出讓國有土地使用權規定) which were promulgated by the Ministry of Land and Resources on May 9, 2002 and became effective on July 1, 2002, land for commercial use, tourism, entertainment and commodity housing development is assigned by way of competitive bidding, public auction or listing-for-sale. The procedures are as follows:

(a) The land authority under the people's government of the city and county (the "assignor") shall make an announcement at least 20 days prior to the date of the proposed competitive bidding, public auction or listing-for-sale. The announcement should include basic particulars such as land parcel, the qualification requirements of the bidder and auction applicants, methods and criteria on confirming the winning tender or winning bidder, and other conditions such as the deposit for the bid.

(b) The assignor shall conduct a qualification verification of the bidding applicants and auction applicants, inform the applicants who satisfy the requirements set out in the announcement and invite them to attend the competitive bidding, public auction or listing-for-sale.

(c) After determining the winning tender or the winning bidder by either competitive bidding, public auction or listing-for-sale, the assignor and the winning tender or winning bidder are then required to enter into a confirmation. The assignor should return the bidding or tender deposits to other bidding or auction applicants.

(d) The assignor and the winning tender or winning bidder are required to enter into a contract for the grant of state-owned land use rights according to the time and venue set out in the confirmation. The deposit of the bid paid by the winning tender or winning bidder will be used to set off part of the land premium for the grant of the state-owned land use rights.

(e) The winning tender or winning bidder is required to apply for the land registration after paying off the land grant premium in accordance with the state-owned land use rights grant contract. The people's government above the city and county level should issue the "Land Use Permit for State-Owned Land."

According to the "Notice of the Ministry of Land and Resources on Strengthening the Administration of Land Supply and Promoting the Sustainable Sound Development of Real Estate Market" (關於加强土地供應管理促進房地產市場持續健康發展的通知) enacted by the Ministry of Land and Resources on September 4, 2003, land use for luxurious commodity houses shall be stringently controlled and applications for land use for building villas will not be accepted. On May 30, 2006, the Ministry of Land and Resources issued the "Urgent Notice of Further Strengthening the Administration of the Land" (the "Urgent Notice") (關於當前進一步從嚴土地管理的緊急通知) stipulating that land for property development must be assigned by way of competitive bidding, public auction or listing-for-sale, development projects for villas are not be permitted, and all supply of land for such purposes and the handling of related land use procedure will be ceased from issuance date of the notice.

Under the Urgent Notice, the land authority should rigidly execute the "Model Text of the State-owned Land Use Rights Assignment Contract" (國有土地使用權出讓合同示範文本) and "Model Text of the State-owned Land Use Rights Assignment Supplementary Agreement (for Trial Implementation)" (國有土地使用權出讓合同補充協議示範文本(試行)) jointly promulgated by the Ministry of Land and Resources and SAIC. The document of the land grant should ascertain the requirement of planning, construction and land use such as the restriction of the dwelling size, plot ratio and the time limit of starting and completion. All these should be agreed in the land use rights grant contract.

Under the "Regulations on the Assignment of State-Owned Land for Construction Use Rights through Competitive Bidding, Auction and Listing-for-Sale" (招標招賣掛牌出讓國有建設用地使用權規定) which were promulgated by the Ministry of Land and Resource on September 28, 2007, and became effective on November 1, 2007, land for industrial use (including land for warehouses but not land for mining), commercial use, tourism, entertainment and commodity housing development or more than two competing users on one piece of land is required to be assigned by way of competitive bidding, public auction or listing-for-sale. The assignee should obtain the land use rights certificate after paying off the total premium. The relevant land use rights certificates will not be issued prior to full payment of the appropriate land premium, and no land use rights certificates will be issued pro rata based on partial payment received.

In November 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office jointly promulgated the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知). The notice raises the minimum down payment to 50% of the total land premium and requires the land premium to be fully paid within one year of signing a land grant contract, subject to limited exceptions.

On March 8, 2010, the Ministry of Land and Resources promulgated the Circular on Strengthening Real Estate Land Supply and Supervision (the "Circular") (關於加強房地產用地供應和監管有關問題的通知). Under the Circular, price for a given land transfer is required to be at least 70% of the benchmark price for land in the surrounding locality and the bidding deposit for such land transfer is required to be equal to at least 20% of the applicable minimum land premium. The Circular has made further strict provisions on land grant contract administration. The land grant contract shall be entered into within 10 working days after the land grant deal is closed, the down payment of 50% of the land premium (taking into account any deposits previously paid) shall be paid within one month as of the date of land grant contract, and the remaining shall be paid in accordance with provisions of the land grant contract within one year.

In September 2010, the Ministry of Land and Resources and MOHURD jointly promulgated the Notice on Further Strengthening Control and Regulation of Land and Construction of Property Development (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 construction of urban housing must be used for affordable housing, housing for resettlement of shanty towns and small to medium-sized ordinary commercial 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 land auctions before the rectification of certain misconduct, including (1) illegal transfer of land use rights; (2) failure to commence required construction within one year from the delivery of land under land grant contracts due to such developers' own reasons; (3) noncompliance with the land development requirements specified in land grant contracts; and (4) crimes such as swindling land by forging official documents and illegal land speculation; (iii) developers are required to commence construction within one year from the date of delivery of 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 lands and undeveloped land is prohibited.

In December 2010, the Ministry of Land and Resources promulgated the Notice on Strict Implementation of Policies Regarding Regulation and Control of Real Property Land and Promotion of the Healthy Development of Land Markets (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 provides, among other things, that; (i) cities and counties that have less than 70% of their land supply designated for affordable housing, housing for redevelopment of shanty towns or small/medium residential units must not provide land for large-sized and high-end housing before the end of this year; (ii) land and resource authorities in local cities and counties will report to Ministry of Land and Resources and provincial land and resource authorities, respectively regarding land with a premium rate of more than 50%; (iii) land designated for affordable housing which is used for property development against relevant policies or involved illegal income will be confiscated and the relevant land use rights will be withdrawn. Moreover, changing the plot ratio without approval is strictly prohibited.

On January 26, 2011, the State Council circulated "Notice on Further Regulating the Real Estate Market" (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知), which provides for more stringent management of housing land supply, among other things, that participants or individuals bidding on any land unit shall show proof of funding sources.

According to the "Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2011" (關於切實做好2011年城市住房用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2011, construction for 10 million units of affordable housing units shall be implemented in 2011. It also requires that the target total supply of urban housing land shall not be lower than the annual average supply for the preceding two years.

According to the "Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2012" (關於做好2012年房地產用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2012, the target total supply of urban housing land shall not be lower than the annual average supply for the preceding five years.

According to the Circular on the Distribution of the Catalog for Restricted Land Use Projects (2012 Edition) and the Catalog for Prohibited Land Use Projects (2012 Edition) (關於印發〈限制用地項目目錄〉(2012年本)和〈禁制用地項目目錄〉(2012年本)的通知) promulgated by the Ministry of Land and Resources in May 2012, the transferred area of the residential housing projects should not exceed (i) seven hectares for small cities and towns, (ii) 14 hectares for medium-sized cities, and (iii) 20 hectares for large cities, and plot ratio must be more than 1.0.

On February 26, 2013, the General Office of the State Council issued the "Notice on Continuing to improve the Regulation and Control of 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 requires, among other things, expanding ordinary commodity housing units and increasing the supply of land. The overall housing land supply in 2013 shall not be lower than the average actual land supply for the preceding five years.

(b) Property project development

i. Commencement of a property project and the idle land

Under the Urban Real Estate Law, those which have obtained the land use rights through an assignment must develop the land in accordance with the terms of use and within the period of commencement prescribed in the land use rights assignment contract. On June 1, 2012, the Ministry of Land and Resources revised and promulgated the "Measure for the Disposal of Idle Land" (閑置土地處置辦法), which further clarified the scope and definition of idle land, as well as the corresponding punishment measures compared to the old version. Pursuant to the new Measure for the Disposal of Idle Land, under the following circumstances, a parcel of land shall be defined as "idle land":

- any State-owned land for construction use, of which the holder of the land use right fails to start the construction and development thereof within one year after the commencement date of the construction and development work as agreed upon and prescribed in the contract for fee-based use of State-owned land for construction use, or the decision on allocation of State-owned land for construction use; and

- any State-owned land for construction use, of which the construction and development have been started but the area of land that is under construction and development is less than one third of the total area of land that should have been under construction and development or the amount invested is less than 25% of the total investment, and the construction and development of which has been suspended for more than one year.

If a parcel of land is deemed as idle land by a competent department of land and resources, unless otherwise prescribed by the new Measure for the Disposal of Idle Land, the land shall be disposed of in the following ways:

- where the land has remained idle for more than one year, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Collecting Charges for Idle Land to the holder of the land use right and collect the charges for idle land at the rate of 20% of the land assignment or allocation fee; and the said charges for idle land shall not be included in the production cost by the holder of the land use right; and

- where the land has remained idle for more than two years, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Taking Back the Right to Use the State-owned Land for Construction Use to the holder of the land use right.

On January 3, 2008, the State Council reiterated the abovementioned policies in the "Notice on Enhancing the Economical and Intensive Use of Land." (關於促進節約集約用地的通知) This notice states, among other things, that (i) policies in relation to the forfeiture of land use rights without compensation for land which has remained idle for more than two years 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) the prohibition of land supply for villa projects shall continue; (iv) the Ministry of Land and Resources and other authorities are required to research and commence the drafting of implementation rules concerning the levy of LAT on idle land; (v) in relation to the supply of residential land, planning conditions such as plot ratio limits and the number and type of units 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 grant for residential development will consist of low rental housing, economy housing, limited pricing housing and units of less than 90 sq.m. in size; and (vi) financial institutions are required to exercise caution when approving financing for any property developer who, after one year from the commencement date stipulated in the land grant contract, fails to complete at least one-third of the development of their project or provide at least 25% of the total investment in the project.

ii. Planning of a property project

According to the "Urban and Rural Planning Law of the People's Republic of China (replacing the previous "City Planning Law of the People's Republic of China" (中華人民共和國城市規劃法) since January 2008) (中華人民共和國城鄉規劃法), the "Administrative Measures on Planning of Grant and Transfer of Urban State-owned Land Use Rights" (城市國有土地使用權出讓轉讓規劃管理辦法) which were promulgated by the Ministry of Construction on December 4, 1992 and became effective on January 1, 1993 and the "Notice of the Ministry of Construction on Strengthening the Planning Administration of Grant of State-owned Land Use Rights" (關於加强國有土地使用權出讓規劃管理工作的通知) which was promulgated by the Ministry of Construction and became effective on December 26, 2002, after signing an assignment contract, a property developer shall apply for an Opinion on Construction Project's Site Selection and a Permit for Construction Site Planning from the city and county planning authority with the assignment contract. After obtaining a Permit for Construction Site Planning, a property developer shall organize the necessary planning and the design work with regard to planning and design requirements, and apply for a Permit for Construction Work Planning from city planning authority with the relevant approval documents.

On January 21, 2011, the "Regulations on the Expropriation of Buildings on State-owned Land and Compensation" (國有土地上房屋徵收與補償條例) was promulgated by the State Council, a summary of the important provisions is set forth below:

- Where a building of any entity or individual on state-owned land is expropriated for public interest, the owner of the expropriated building shall be fairly compensated;

- The people's government at the city or county level shall publish in a timely manner the public opinions solicited and the amendments made according to the public opinions;

- Before making a decision on building expropriation, the people's government at the city or county level shall make a social stability risk assessment according to the relevant provisions;

- The compensation granted to an owner by the people's government at the city or county level which makes the building expropriation decision shall include:

  (1) compensation for the value of the building expropriated;

  (2) compensation for the relocation or temporary settlement resulting from the building expropriation; and

  (3) compensation for the production or business interruption losses resulting from the building expropriation;

- The compensation for the value of the building expropriated shall not be less than the market price of real estate similar to the building expropriated on the date of announcement of the building expropriation decision;

- An owner may choose either monetary compensation or exchange of titles; and
- Compensation shall be made before relocation, and demolition and relocation with violence is prohibited.

iii. Construction of a property project

After obtaining the Permit for Construction Work Planning, a property developer is required to apply for a Construction Permit from the construction authority above the county level according to the "Measures for the Administration of Construction Permits for Construction Projects" (建築工程施工許可管理辦法) enacted by the Ministry of Construction on October 15, 1999 and revised and enforced on July 4, 2001.

iv. Completion of a property project

According to the Development Regulation, the "Regulation on the Quality Management of Construction Projects" (建設工程質量管理條例) enacted and enforced by the State Council on January 30, 2000, the "Administrative Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure" (房屋建築和市政基礎設施工程竣工驗收備案管理辦法) enacted by the Ministry of Construction in April 2000 and amended on October 19, 2009 and the "Provisions on Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure" (房屋建築和市政基礎設施工程竣工驗收規定) which were promulgated by the Ministry of Housing and Urban-Rural Development in December 2013, after completion of work for a project, a property developer is required to apply for the acceptance examination to the property development authority under the people's government on or above the county level and report details of the acceptance examination, upon which the "Record of acceptance examination upon project completion" is issued. For a housing estate or other building complex project, an acceptance examination is required to be conducted upon completion of the whole project and where such a project is developed in phases, separate acceptance examination is required to be carried out for each completed phase.

E. Property transactions

(a) Transfer of property

According to the Urban Real Estate Law and the "Provisions on Administration of Transfer of Urban Real Estate" (城市房地產轉讓管理規定) enacted by the Ministry of Construction on August 7, 1995 and revised on August 15, 2001, a property owner may sell, give or otherwise legally transfer a property to another person or legal entity. When transferring a building, the ownership of the building and the land use rights attached to the site on which the building is situated are transferred simultaneously. The parties to a transfer are required to enter into a property transfer contract in writing and register the transfer with the property administration authority having jurisdiction over the location of the property within 90 days of the execution of the transfer contract.

Where the land use rights were originally obtained by assignment, the real property may only be transferred on the condition that: (a) the assignment price has been paid in full for the assignment of the land use rights as provided by the assignment contract and a land use rights certificate has been obtained; and (b) if development is to be carried out according to the assignment contract and is a project in which buildings are being developed, development representing more than 25% of the total investment has been completed.

If the land use rights were originally obtained by assignment, the term of the land use rights after transfer of the property shall be the remaining portion of the original term provided by the land use rights assignment contract after deducting the time that has been used by the former land users. In the event that the transferee intends to change the use of the land provided in the original assignment contract, consent shall first be obtained from the original assignor and the planning administration authority under the local government of the relevant city or county and an agreement to amend the land use rights assignment contract or a new land use rights assignment contract shall be signed in order to, inter alia, adjust the land use rights assignment price accordingly.

If the land use rights were originally obtained by allocation, transfer of the real property shall be subject to the approval of the government vested with the necessary approval power as required under the regulations of the State Council. If the people's government vested with the necessary approval power approves such a transfer, the transferee shall complete the formalities for transfer of the land use rights, unless the relevant statutes require no transfer formalities, and pay the transfer price according to the relevant statutes.

(b) Sale of commodity properties

Under the "Regulatory Measures on the Sale of Commodity Properties" (商品房銷售管理辦法) which were promulgated by the Ministry of Construction on April 4, 2001 and became effective on June 1, 2001, sale of commodity properties can include both pre-completion and post-completion sales.

i. Permit of Pre-Completion Sale of Commodity Properties

According to the Development Regulations and the "Measures for Administration of Pre-completion Sale of Commodity Properties" (the "Pre-completion Sale Measures") (城市商品房預售管理辦法) enacted by the Ministry of Construction on November 15, 1994 and revised on August 15, 2001 and July 20, 2004, the pre-completion sale of commodity properties is subject to a permit system, under which a property developer intending to sell a commodity building before its completion is required to make the necessary pre-completion sale registration with the property development authority of the relevant city or county to obtain a permit of pre-completion sale of commodity properties. A commodity building can only be sold before completion provided that: (a) the assignment price has been paid in full for the assignment of the concerned land use rights and a land use rights certificate has been issued; (b) a Permit for Construction Work Planning and a Permit for Construction of Work have been obtained; (c) the funds invested in the development of the commodity properties put to pre-completion sale represent 25% or more of the total investment in the project and the progress of work and the completion and delivery dates have been ascertained; and (d) the pre-completion sale has been registered and a Permit for Pre-completion Sale of Commodity Properties has been obtained.

In addition, according to the "Regulations on Administration of Pre-completion Sale of Commodity Properties of Guangdong Province" (廣東省商品房預售管理條例) enacted by the Standing Committee of Guangdong Provincial People's Congress on August 22, 1998 and revised on October 14, 2000, and the "Notice on Adjusting Conditions of Image and Progress for Commodity Building Pre-sale Project in Guangdong Province" (關於調整商品房預售項目工程形象進度條件的通知) issued by the Guangdong Provincial Construction Bureau in January 2001, the following conditions are required to be fulfilled for the pre-completion sale of commodity properties in Guangdong: (a) the property developer has obtained a real property development qualification certificate and a business license; (b) the construction quality and safety monitoring procedures have been performed; (c) the structural construction and the toping-out must have been completed in respect of properties of not more than seven stories (including seven stories), and at least two-third of the structural construction must have been completed in respect of properties of more than seven stories; (d) a special property pre-completion sale account with a commercial bank in the place where the project is located has been opened; and (e) the properties, pre-completion sale project and its land use rights are free from any third party rights.

ii. Management of pre-completion sale proceeds of commodity properties

According to the Pre-completion Sale Measures, the proceeds obtained by a property developer from the advance sale of commercial houses must be used for the construction of the relevant projects. The specific measures for the supervision on proceeds from the advance sale of commodity properties shall be formulated by the property administrative departments.

iii. Conditions of the sale of post-completion commodity properties

Under the "Regulatory Measures on the Sale of Commodity Properties," commodity properties can may be put to post-completion sale only when the following preconditions have been satisfied: (a) the real estate development enterprise offering to sell the post-completion properties has a enterprise legal person business license and a qualification certificate of a property developer; (b) the enterprise has obtained a land use rights certificate or other approval documents of land use; (c) the enterprise has the permit for construction project planning and the permit for construction; (d) the commodity properties have been completed and been inspected and accepted as qualified; (e) the relocation of the original residents has been well settled; (f) the supplementary essential facilities for supplying water, electricity, heating, gas, communication, etc. have been made ready for use, and other supplementary essential facilities and public facilities have been made ready for use, or the schedule for construction and delivery date thereof have been specified; and (g) the property management plan has been completed.

Before the post-completion sale of a commodity building, a property developer is required to submit the Real Estate Development Project Manual and other documents showing that the preconditions for post-completion sale have been fulfilled to the property development authority for making a record.

iv. Regulations on sale of commodity properties

According to the Development Regulations and the Pre-completion Sale Measures, for the pre-completion sale of a commodity property, the developer is required to sign a contract on the pre-sale of the commodity property with the purchaser. The developer shall, within 30 days upon signing the contract, apply for registration and record the contract for pre-completion sale commodity property to the relevant administrative departments governing the property and land administration department of the city or country governments. The property administrative department is required to take the initiative to apply network information technology to gradually implement the web-based registration of pre-sale contracts.

Pursuant to the "Circular of the General Office of the State Council on Forwarding the Opinion of the Ministry of Construction and Other Department on Doing a Good Job of Stabilizing House Prices" (國務院辦公廳轉發建設部等部門關於做好穩定住房價格工作意見的通知) on May 9, 2005, there are several regulations concerning commodity properties sales:

- The buyer of a commodity building is prohibited from conducting any transfer of the pre-sale of the commodity building that he has bought but is still under construction. Before completion and delivery of an advance sale commodity building to the advance buyer, and before the advance buyer obtains the individual property ownership certificate, the property administration department shall not handle any transfer of the commodity building. If there is a discrepancy in the name of the applicant for property ownership and the name of the advance buyer in the advance sales contract, the property ownership registration administration shall not record the application of real estate ownership.

- A real name system for house purchase should be applied; and an immediate archival filing network system should be carried out for the pre-sale contracts of commodity properties.

On July 6, 2006, the Ministry of Construction, NDRC, and SAIC jointly enacted a "Notice on Reorganizing and Regulating Order in the Real Estate Transactions," (關於進一步整頓規範房地產交易秩序的通知) the details of which are as follows:

- The developer is required to start to sell the commodity properties within 10 days after receiving a "Permit for Pre-completion Sale of Commodity Properties." Without this permit, the pre-completion sale of commodity properties, as well as subscription (including reservation, registration and number-selecting) and acceptance of the any kind of pre-sale payments, is forbidden.

- The property administration authority should establish an immediate network system for pre-sale contracts of commodity properties and a system for the publication of property transaction information. The basic information of the commodity building, the schedule of the sale and the ownership status should be duly, truly and fully published in the network system and on the locale of sale. The advance buyer of a commodity building is prohibited from conducting any transfer of the advance sale of the commodity building that he has bought but is still under construction.

- Without the "Permit for Pre-completion Sale of Commodity Properties," no advertisement of the pre-completion sale of commodity properties can be published.

- Real estate enterprises with a record of serious irregularity or enterprises which do not satisfy the requirements of pre-completion sale of commodity properties are not allowed to take part in sale activities.

- The property administration authority should strictly carry out the regulations for the pre-completion sale contract registration and records and apply the real name system for property purchase.

On April 13, 2010, the MOHURD issued the "Notice on Further Enhancing the Supervision of the Real Estate market and Perfecting the Pre-sale System of Commodity Houses" (關於進一步加强房地產市場監管完善商品住房預售制度有關問題的通知). Pursuant to the notice, without the pre-sale approval, the commodity houses are not permitted to be pre-sold and the real estate developer is not allowed to charge the buyer any deposit or pre-payment or payment of the similar nature. In addition, the notice urges local governments to enact regulations on the sale of completed commodity properties in light of the local conditions, and encourages property developers to engage in the practice of selling completed commodity properties.

The "Provisions on Sales of Commodity Properties at Clearly Marked Price" (商品房銷售明碼標價規定) was promulgated by the NDRC on March 16, 2011 and became effective on May 1, 2011. According to the provisions, any real estate developer or real estate agency ("real estate operators") is required to mark the selling price explicitly and clearly for both newly-build and second-hand commodity properties. The provisions require real estate operators to clearly indicate to the public the prices and relevant fees of commodity properties, as well as other factors affecting the prices of commodity properties. With respect to the real estate development projects that have received property pre-sale license or have completed the filing procedures for the sales of constructed properties, real estate operators shall announce all the commodity properties available for sales at once within the specified time limit. Furthermore, with regard to a property that has been sold, real estate operators are obliged to disclose this information and to disclose the actual transaction price. Real estate operators cannot sell commodity properties beyond the stated price or charge any other fees not explicitly marked. Moreover, real estate operators may neither mislead property purchasers with false or irregular price marking, nor engage in price fraud by using false or misleading price marking methods.

(c) Mortgages of property

Under the Urban Real Estate Law and the "The Security Law of the People's Republic of China" (中華人民共和國擔保法) which was promulgated by the Standing Committee of the National People's Congress on June 30, 1995 and became effective on October 1, 1995, and the "Measures on the Administration of Mortgage of Buildings in Urban Areas" (城市房地產抵押管理辦法) which was promulgated by the Ministry of Construction in May 1997 and revised on August 15, 2001, mortgage refers to the act of a debtor, or a third party, who, without transferring the occupancy of the properties, charge those properties as security for the creditor's rights. When the debtor fails to pay his debt, the creditor has a right to obtain compensation, in accordance with the stipulations of the aforesaid law and regulation, by converting the properties into money or seek preferential payments from the proceeds from the auction or sale of the concerned properties. The obligation secured by a mortgagor shall not exceed the value of the properties mortgaged. After being mortgaged, the balance of value of the properties that exceeded the creditor's rights can be mortgaged for a second time, but the sum of the mortgage shall not exceed the value of the balance. When a mortgage is created on the ownership of a building on state-owned land legally obtained, a mortgage shall be simultaneously created on the land use rights of the land on which the building is erected. When the land use rights of state-owned lands acquired through means of assignment is mortgaged, the buildings on the land shall also be mortgaged at the same time. The land use rights of town and village enterprises cannot be mortgaged individually. When the buildings of the town and village enterprises are mortgaged, the land use rights occupied by the buildings shall also be mortgaged at the same time. The mortgagor and the mortgagee are required to sign a mortgage contract in writing. Within 30 days after a property mortgage contract has been signed, the parties to the mortgage are required to register the mortgage with the property administration authority at the location where the property is situated. A real estate mortgage contract shall become effective on the date of registration of the mortgage. If a mortgage is created on the real estate in respect of which a property ownership certificate has been obtained legally, the registration authority shall make an entry under the "third party rights" item on the original real estate ownership certificate and then issue a Certificate of Third Party Rights to Real Estate to the mortgagee. If a mortgage is created on the commodity building put to pre-completion sale or under construction, the registration authority shall record the details on the mortgage contract. If construction of a real property is completed during the term of a mortgage, the parties involved shall re-register the mortgage of the real property after the issuance of the certificates evidencing the ownership of the property.

In September 2010, PBOC and the CBRC jointly issued the "Notice on Relevant Issues Regarding the improvement of Differential Mortgage Loan Policies" (關於完善差別化住房信貸政策有關問題的通知), which provides, among other things, that (i) the minimum down payment is raised to 30% for all first home purchases; (ii) commercial banks in China shall suspend mortgage loans to purchasers (including the borrower, spouse and minor children) for their third or further residential property or to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period; and (iii) all property companies with records of being involved in abuse of land, changing the land-use purpose or nature of use of land, postponing the construction commencement or completion date, hoarding or other non-compliance will be restricted from obtaining bank loans for new projects or extension of credit facilities. In addition, certain cities have promulgated measures to restrict the number of residential properties one family is allowed to purchase, such as Guangzhou, Shenzhen, Changzhou, Shanghai, Beijing, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian.

In November 2010, MOHURD, the Ministry of Finance, CBRC and PBOC jointly promulgated the "Notice on Relevant Issues Concerning Policies of Regulation of Individual Housing Reserve Loan" (關於規範住房公積金個人住房貸款政策有關問題的通知), which provides that, among other things: (i) where a first-time house purchaser (including the borrower, his or her spouse and minor children) uses housing reserve loans to buy an ordinary house for self-use with a unit floor area: (a) equal to or less than 90 square meters, the minimum down payment shall be at least 20%, (b) more than 90 square meters, the minimum down payment shall be at least 30%; (ii) for a second-time house purchaser using housing reserve loans, the minimum down payment shall be at least 50% with the minimum lending interest rate of 110% of the benchmark rate; (iii) the second housing reserve loan will only be available to families whose per capital housing area is below the average in locality and such loan must only be used to purchase an ordinary house for self-use to improve residence conditions; and (iv) housing reserve loans to families for their third and further residential property will be suspended.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), requiring: (i) a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property; and (ii) in municipalities directly under the central government, cities listed on state plans, provincial capitals, and cities where the housing prices are overly high or increasing at an excessively high rate, purchasers (including their spouses and minor children) that are either local residents or non-local residents that can provide documentation certifying payment of local tax or social security for longer than a specified time period, are not permitted to purchase a second (or further) residential property, and purchasers (including their spouses and minor children) that are non-local residents that are unable to provide documentation certifying payment of local tax or social security for longer than a specified time period, are not permitted to purchase any residential properties. In order to implement the Notice on Further Strengthening Regulation and Control of Real Property

Markets, certain cities, including Beijing, Shanghai, Chengdu, Qingdao and Jinan, have promulgated measures to restrict the number of residential properties one family is allowed to purchase.

The people's governments of certain cities, such as Beijing, Shanghai, Guangzhou, Tianjin, Nanjing, Chengdu, Wuxi, Qingdao, Hangzhou, Xi'an, Changzhou, Shenyang and Dalian, had respectively promulgated local measures for restriction of housing purchases to implement the Notice of the State Council on Issues Related to Further Enhancing the Regulation and Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作 有關問題的通知).

On February 26, 2013, the PRC government further adopted more strict policies to restrict properties purchase, including increasing down payment ratios and interest rates for loans to purchasers of second homes in cities where the housing price is growing excessively, and imposing individual income tax at a rate of 20% on the gains generated from the sale of a self-owned property. In the third quarter of 2013, several cities, including Guangzhou, Shanghai and Hangzhou, have increased the minimum down payment for purchasers of second homes to 70% of the purchase price.

(d) Lease of buildings

On December 1, 2010, the Ministry of Housing and Urban-Rural Development issued the "Administrative Measures for Commodity Housing Tenancy" (商品房屋租賃管理辦法), according to which, the parties to a housing tenancy are required to go through the housing tenancy registration formalities with the competent construction (real estate) departments of the municipalities directly under the PRC central government, cities and counties where the housing is located within 30 days after the housing tenancy contract is signed. The relevant construction (real estate) departments are authorized to impose a fine below RMB1,000 on individuals, and a fine between RMB1,000 and RMB10,000 on other violators who are not natural persons who fail to comply with the regulations within the specified time limit. The above measures came into effect on February 1, 2011.

F. Property financing

PBOC issued the "Circular on Further Strengthening the Management of Loans for Property Business" (關於進一步加強房地產信貸業務管理的通知) on June 5, 2003 to specify the requirements for banks to provide loans for the purposes of property development and individual home mortgage as follows:

(a) The property loan by commercial banks to real estate enterprises shall be granted only under the title of property development loan and it is strictly forbidden to extend such loans as a current capital loan for property development project or other loan item. No lending of any type shall be granted to enterprises which have not obtained the land use rights certificates, construction land permit, construction planning permit and construction work permit;

(b) Commercial banks shall not grant loans to property developers to pay off land premium; and

(c) Commercial banks may only provide mortgage loans to individual buyers when the main structural buildings have been topped out. When a borrower applies for individual home loans for his first residential unit, the down payment remains at 20%. In respect of his loan application for an additional purchase of residential unit(s), the percentage of the first installment shall be increased.

Pursuant to the "Guidance on Risk Management of Property Loans of Commercial Banks" (商業銀行房地產貸款風險管理指引) issued by China Banking Regulatory Commission on September 2, 2004, any property developer applying for property development loans is required to have at least 35% of capital funds required for the development.

According to the "Notice of the People's Bank of China on the Adjustment of Commercial Bank Housing Loan Policies and the Interest Rate of Excess Reserve Deposit," (中國人民銀行關於調整商業銀行住房信貸政策和超額儲備金存款利率的通知) enacted by PBOC on March 16, 2005, starting from March 17, 2005, the down payment for individual homes increased from 20% to 30% in cities and areas where property prices grow too quickly. The commercial banks can independently determine scope of such property price rise according to specific situations in different cities or areas.

On May 24, 2006, the State Council passed the "Opinion of the Ministry of Construction and Other Departments on Adjusting the Housing Supply Control Structure and Stabilizing the Property Prices." (關於調整住房供應結構穩定住房價格的意見) The regulations provide the following:

(a) Tightening the control of advancing loan facilities. The commercial banks are not allowed to advance their loan facilities to property developers which do not have the required 35% or more of the total capital for the construction projects. The commercial banks should be prudent in granting loan facilities and revolving credit facilities in any form to the property developers who have a large number of idle land and unsold commodity properties. Banks should not accept mortgages of commodity properties remaining unsold for three years or longer;

(b) From June 1, 2006 and onward, purchasers need to pay a minimum of 30% of the purchase price as down payment, except for apartments with a floor area of 90 sq.m. or less for residential purposes, for which the existing requirement of 20% of the purchase price as down payment remains unchanged.

According to the Circular on Standardizing the Admittance and Administration of Foreign Capital in Real Estate Market, foreign-invested real estate enterprises which have not paid up their registered capital fully, or failed to obtain a land use rights certificate, or with under 35% of the capital for the project, will not be allowed to obtain a loan in or outside China, and foreign exchange administration departments will not approve any settlement of foreign loans by such enterprises.

On May 23, 2007, MOFCOM and SAFE jointly issued the "Notice on Further Strengthening and Regulating the Approval and Supervision on Foreign Investment in Real Estate Sector in the PRC" (關於進壹步加強規範外商直接投資房地產業審批和監管的通知). On November 12, 2007, the General Affairs Department of SAFE issued the "Reply Regarding Issues Related to Foreign Debt Registration of Foreign Invested Real Estate Enterprises" (國家外匯管理局綜合司關於外商投資房地產企 業外債登記有關問題的批復). On April 28, 2013, SAFE issued the "Notice Regarding Promulgation of Administrative Measures on Foreign Debt Registration" (國家外匯管理局關於發布《外債登記管理辦法》的通知), which became effective on May 13, 2013 and contains an appendix named the Operating Guidelines for Foreign Debt Registration Administration (外債登記管理操作指引). These notices indicate that SAFE will not process any foreign debt registrations or foreign debt applications for the settlement of foreign exchange submitted by real estate enterprises with foreign investment that obtained authorization certificates from and registered with MOFCOM on or after June 1, 2007.

On September 27, 2007, PBOC and the CBRC issued the "Circular on Strengthening the Credit Management for Commercial Real Property," (關於加強商業性房地產信貸管理的通知) with a supplement issued in December 2007. The circular aims to tighten the control over property loans from commercial banks to prevent excessive credit granting. The measures adopted include:

- for a first time home buyer, increasing the minimum amount to 30% of the purchase price as down payment where the property has a unit floor area of 90 sq.m. or above and the purchaser is buying the property as for own residence;
- for a second time home buyer, increasing (i) the minimum amount of down payment to 40% of the purchase price and (ii) the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark bank lending interest rate. If a member of a family (including the buyer, his/her spouse and their children under 18) finances the purchase of a residential unit, any member of the family that buys another residential unit with loans from banks will be regarded as a second time home buyer;
- for a commercial property buyer, (i) requiring banks not to finance any purchase of pre-sold properties, (ii) increasing the minimum amount of down payment to 50% of the purchase price, (iii) increasing the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark bank lending interest rate, and (iv) limiting the terms of such bank loans to no more than 10 years, although commercial banks are allowed flexibility based on its risk assessment;
- for a buyer of commercial/residential dual-purpose properties, increasing the minimum amount of down payment to 45% of the purchase price, with the other terms to be decided by reference to commercial properties; and
- prohibiting commercial banks from providing loans to property developers which have been found by relevant government authorities to be holding excessive amounts of land and properties.

In addition, commercial banks are also prohibited from providing loans to projects that have less than 35% of capital funds (proprietary interests), or where there is failure to obtain land use rights certificates, construction land planning permits, construction works planning permits and construction permits. Commercial banks are also prohibited from accepting commercial premises that have been vacant for more than three years as collateral for loans. In principle, property development loans provided by commercial banks should only be used for projects in areas where the commercial bank is located. Commercial banks may not provide loans to property developers to finance the payment of land use rights grant fees.

According to the notice on "Issues on Enlarging the Floating Range of the Downward Movement of Interest Rates for Individual Mortgage Loans," (關於擴大商業性個人住房貸款利率下浮幅度等有關問題的通知) issued by PBOC on October 22, 2008 and effective on October 27, 2008, the PRC government lowered the minimum interest rate for individual mortgage loans to 70% of the corresponding PBOC benchmark bank lending rates. Further, the minimum down payment of residential properties was lowered to 20%.

In January 2010, the General Office of the State Council issued a "Circular on Facilitating the Stable and Healthy Development of Property Market" (關於促進房地產市場平穩健康發展的通知), adopting a series of measures to strengthen and improve the regulation of the property market, stabilize market expectations and facilitate the stable and healthy development of the property market. These include, among others, measures to increase the supply of affordable housing and ordinary commodity housing, provide guidance for the purchase of property, restrain speculation of property, and strengthen risk prevention and market supervision. Additionally, it explicitly requires a family (including a borrower, his or her spouse and children under 18), that has already purchased a residence through mortgage financing and has applied to purchase a second or additional residences through mortgage financing, to pay a minimum down payment of 40% of the purchase price.

On April 17, 2010, the State Council Issued Notice on Resolutely Curbing the Rapid Rising of the House Price in Certain Cities (堅決遏制部分城市房價過快上漲的通知) (the "April 17 Notice"), which provides that where the first home purchaser (including a borrower, his or her spouse and children under 18) purchases a residence with a unit floor area of more than 90 sq.m. for self use, the minimum down payment is required not to be less than 30%; where for the second home buyers that use mortgage financing, it is required that the minimum down payment is required to be 50% of the purchase price with minimum mortgage lending interest rate at the rate of 110% of the benchmark rate published by PBOC; where a third or further buyers that use mortgage financing, the minimum down payment and interest rate thereof is required to be substantially further raised. The April 17 Notice, further requires that in cities where property prices are overly high with excessive price hike and strained housing supply, commercial banks may in light of risk exposure suspend extending bank loans for a third or further buyers; also provision of housing loans shall be suspended to non-local residents who cannot present the local tax returns or social insurances certification of more than one year.

On May 26, 2010, the MOHURD, PBOC and the CBRC jointly issued the "Circular on Regulating the Criteria for Identifying the Second Residential Properties in Connection with Personal Commercial Housing Loans" (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), which provides, among others, that the number of residential properties owned by an individual property purchaser who is applying for mortgage loans is required to be determined by taking into account the total number of residential properties owned by the family of such purchaser (including the purchaser and his or her spouse and children under the age of 18 years). In addition, the circular depicts a number of circumstances under which different credit policies shall be applied in connection with purchases of the second or further residential property.

In September 2010, PBOC and the CBRC jointly issued the "Notice on Relevant Issues Regarding the improvement of Differential Mortgage Loan Policies" (關於完善差別化住房信貸政策有關問題的通知), which provides, among other things, that (i) the minimum down payment is increased to 30% for all first home purchases; (ii) commercial banks in China are required to suspend mortgage loans to purchasers (including the borrower, spouse and minor children) for their third or further residential property or to non-local residents who cannot provide documentation certifying payment of local tax or social security for longer than a one-year period; and (iii) all property companies with records of being involved in abuse of land, changing the land-use purpose, postponing the construction commencement or completion date, hoarding or other non-compliance will be restricted from obtaining bank loans for new projects or extension of credit facilities. In addition, certain cities have promulgated measures to restrict the number of residential properties one family is allowed to purchase, such as Guangzhou, Shenzhen, Suzhou, Nanjing, Tianjin, Wuhan, Ningbo, Fuzhou, Nanchang, Hangzhou and Dalian.

In November 2010, MOHURD and SAFE jointly promulgated the "Notice on Further Regulating Administration of Purchase of Houses by Overseas Institutions and Individuals" (關於進一步規範境外機構和個人購房管理的通知), pursuant to which, a foreign individual can only purchase one house for self-use within the PRC and an overseas institution which has established a branch or representative office in the PRC can only purchase non-residential houses for business use in the city where it is registered within the PRC.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), which: (i) imposes a minimum down payment of at least 60% of the total purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate published by PBOC for the purchase of a second residential property; and (ii) in municipalities directly under the central government, cities listed on state plans, provincial capitals, and cities where the housing prices are overly high or increasing at an excessively high rate, purchasers (including their spouses and minor children) that are local residents with two or more residential properties, non-local residents with one or more residential properties, or non-local residents that are unable to provide documentation are not permitted to certifying payment of local tax or social security for longer than a specified time period, purchase any residential properties. In order to implement the Notice on Further Strengthening Regulation and Control of Real Property Markets, certain cities, including Beijing, Shanghai, Chengdu, Qingdao and Jinan, have promulgated measures to restrict the number of residential properties one family is allowed to purchase.

On February 26, 2013, the General Office of the State Council issued the "Notice on Continuing to Improve 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), pursuant to which, in cities where the housing price are increasing at an excessively high rate, the local counterparts of the PBOC may further increase down payment ratios and interest rates for loans to purchase second properties in accordance with the price control policies and targets of the corresponding local governments. In the third quarter of 2013, several cities, including Guangzhou, Shanghai and Hangzhou, have increased the minimum down payment for purchasers of second residential properties to 70% of the purchase price.

G. Insurance of a property project

There are no mandatory provisions in the PRC laws, regulations and government rules which require a property developer to take out insurance policies for its property projects.

In light of the "Construction Law of the People's Republic of China" (中華人民共和國建築法) which was promulgated by the Standing Committee of the National People's Congress on November 1, 1997, and became effective on March 1, 1998), and which was subsequently amended on April 22, 2011 (with the amendments became effective on July 1, 2011), construction enterprises must maintain accident and casualty insurance for workers engaged in dangerous operations. In the "Opinions of the Ministry of Construction on Strengthening the Insurance of Accidental Injury in the Construction Work" (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 insurance to cover accidental injury in construction work and put forward detailed guidance. The "Guidance on the Insurance of Accidental Injury in the Construction Work of Guangdong Province" (廣東省建築意外傷害保險工作導則) enacted by the construction department of Guangdong Province on September 8, 2004 prescribes the scope, object, term, coverage, amount and premium of insurance for accidental injury. It further emphasizes that the persons who have already been insured for work-related injury insurances still need accidental injury insurance when he or she takes part in the on-site construction work. According to the common practice of the property industry in Guangdong, except for the accidental injury insurance, construction companies are usually required to submit insurance proposals in the course of tendering and bidding for construction projects.

Construction companies are required to pay for the insurance premium at their own costs and take out various types of insurance to cover their liabilities, such as property risks, third party's liability risk, performance guarantee in the course of construction and all-risks associated with the construction and installation work throughout the construction period. The requirements for insurance for all the aforementioned risks shall cease immediately after the completion and acceptance upon inspection of construction.

H. Major taxes applicable to property developers

(a) Income tax

According to the "PRC Enterprise Income Tax Law" (中華人民共和國企業所得稅法) which was promulgated by the National People's Congress on March 16, 2007 and became effective on January 1, 2008, a uniform income tax rate of 25% is applied towards foreign-invested enterprises and foreign enterprises which have set up production and operation facilities in the PRC as well as PRC enterprises.

Furthermore, the PRC Enterprise Income Tax Law and its implementation provide that an income tax rate of 10% is generally be applicable to dividends payable to non-PRC enterprise investors which are derived from sources within the PRC, unless there exists a tax treaty between the PRC and the relevant jurisdictions in which such non-PRC enterprise shareholders reside whereupon the relevant tax may be reduced or exempted.

(b) Business tax

Pursuant to the "Interim Regulations of the People's Republic of China on Business Tax" which was promulgated by the State Council on December 13, 1993 and became effective on January 1, 1994 as amended on November 10, 2008 and its "Detailed Implementation Rules on the Provisional Regulations of The People's Republic of China on Business Tax" issued by the Ministry of Finance on December 25, 1993, the tax rate on transfer of immovable properties, their superstructures and attachments is 5%.

(c) Land appreciation tax

According to the requirements of the "Provisional Regulations of The People's Republic of China on Land Appreciation Tax" (the "Land Appreciation Provisional Regulations") (中華人民共和國土地增值稅暫行條例) which was promulgated on December 13, 1993 and became effective on January 1, 1994, and the "Detailed Implementation Rules on the Provisional Regulations of The People's Republic of China on Land Appreciation Tax" (the "Land Appreciation Detailed Implementation Rules") (中華人民共和國土地增值稅暫行條例實施細則) which was promulgated and became effective on January 27, 1995, any appreciation gained from taxpayer's transfer of property is subject to LAT. LAT is set at four different rates: 30% on appreciation not exceeding 50% of the sum of deductible items; 40% on appreciation exceeding 50% but not exceeding 100% of the sum of deductible items; 50% on appreciation exceeding 100% but not exceeding 200% of the sum of deductible items; and 60% on appreciation exceeding 200% of the sum of deductible items. The deductible items include the following:

- amount paid for obtaining the land use rights;

- costs and expenses for development of land;
- costs and expenses of new buildings and ancillary facilities, or estimated prices of old buildings and constructions;
- related tax payable for transfer of property; and
- other deductible items as specified by MOF.

According to the requirements of the Land Appreciation Provisional Regulations, the Land Appreciation Detailed Implementation Rules and the Notice issued by the MOF in respect of the "Levy and Exemption of Land Appreciation Tax for Development and Transfer Contracts Signed before January 1, 1994" (關於對1994年1月1日前簽訂開發及轉讓合同的房地產徵免土地增值稅的通知) which was announced by the MOF and State Administration of Taxation on January 27, 1995, LAT is exempted under any one of the following circumstances:

- For ordinary standard residential properties (i.e. residential properties built in accordance with the local standard for general civilian residential properties and not deluxe apartments, villas, resorts etc.) where the appreciation amount does not exceed 20% of the sum of deductible items;
- Where property taken over and repossessed according to laws due to the construction requirements of the State;
- Individuals who relocate as a result of redeployment of work or improvement of living standards transfer their self-used residential property where they have been living for 5 years or more, and after obtaining tax authorities' approval;
- For property transfer contracts which were signed before January 1, 1994, whenever the properties are transferred;
- If the property assignment contracts were signed before January 1, 1994 or the project proposal has been approved and that capital was injected for development in accordance with the conditions agreed, LAT shall be exempted if the properties are transferred for the first time within five years after January 1, 1994. The date of signing the contract shall be the date of signing the sale and purchase agreement. For particular property projects approved by the Government for the development of the entire piece of land and long-term development, if the properties are transferred for the first time after the five-year tax-free period, after auditing being conducted by the local financial and tax authorities, and approved by the MOF and the State Administration of Taxation, the tax-free period would be appropriately prolonged.

After the issuance of the Land Appreciation Provisional Regulations and the Land Appreciation Detailed Implementation Rules, due to the relatively long period required for property development and transfer, many districts, while they were implementing the regulations and rules, did not mandatorily require the real estate enterprises to declare and pay LAT. Therefore, in order to assist the local tax authorities in the collection of LAT, the MOF, State Administration of Taxation, the Ministry of Construction and the Ministry of Land and Resource had separately and jointly issued several notices to restate the following: After the assignment contracts are signed, taxpayers should declare the tax to the local tax authorities where the property is located, and pay LAT in accordance in the amount calculated by the tax authority and within the specified time limit. For those who fail to acquire proof of tax payment or tax exemption from the tax authorities, the property administration authority shall not process the relevant title change procedures, and shall not issue the property title certificate.

The State Administration of Taxation also issued the "Notice issued by State Administration of Taxation in respect of the Serious Handling of Administration Work in relation to the Collection of Land Appreciation Tax" (關於認真做好土地增值稅徵收管理工作的通知) on July 10, 2002 to request local tax authorities to modify the management system of LAT collection and operation procedures, to build up a proper tax return system for LAT, and to improve the methods of pre-levying for the pre-sale of property. That notice also pointed out the preferential policy of LAT exemption for the first time transfer of properties under property development contracts signed before January 1, 1994 or a project proposal that has been approved and for which capital was injected for development has expired, and that such tax shall be levied again.

The State Administration of Taxation issued the "Notice of State Administration of Taxation in respect of the Strengthening of Administration Work in relation to the Collection of Land Appreciation Tax" (關於加強土地增值稅管理工作的通知) on August 2, 2004 and the "Notice of State Administration of Taxation in respect of the Further Strengthening of Administration Work in relation to the Collection of Land Appreciation Tax and Land Use Tax in Cities and Towns" (關於進一步加強城鎮土地使用稅和土地增值稅徵收管理工作的通知) on August 5, 2004. The aforesaid notices point out that the administration work in relation to the collection of LAT should be further strengthened. The preferential policy of LAT exemption for the first time transfer of properties under property development contracts signed before January 1, 1994 has expired and such tax shall be levied again. Where such taxes were still not levied, the situation should be corrected immediately. Also, the notice required that the system of tax declaration and tax sources registration in relation to LAT should be further improved and perfected.

On March 2, 2006, the MOF and State Administration of Taxation issued the "Notice of Certain Issues Regarding Land Appreciation Tax." (關於土地增值稅若干問題的通知) The notice clarifies the relevant issues regarding LAT as follows:

(a) Tax Collection and Exemption in the Sale of Ordinary Standard Residential Properties

The notice sets out the recognized standards for ordinary standard residential properties. Where any developers build ordinary standard residential properties or commercial properties, the value of land appreciation shall be assessed individually. No retroactive adjustment will be made in respect of ordinary standard residential properties for which application for tax exemption has been filed before the notice is issued and for which LAT exemption has been granted by the tax authority on the basis of the standards of ordinary residential properties originally set down by the people's government of the province, autonomous region or municipality directly under the Central Government.

(b) Advance Collection and Settlement of LAT

- All regions shall further improve the measures for the advance collection of LAT, and decide the advance collection rate in a scientific and reasonable manner, and adjust it at a proper time according to the level of value appreciation in the property industry and market conditions within the region and on the basis of the specific property categories, namely, ordinary standard residential properties, non-ordinary standard residential properties and commercial properties. After a project is completed, the relevant settlement shall be handled in a timely manner, with any overpayment refunded or any underpayment being made up.

• If any tax pre-payment is not paid within the advance collection period, overdue fines will apply as of the day following the expiration of the prescribed advance collection period.

• As to any property project that has been completed and gone through the acceptance, where the floor area of the property as transferred makes up 85% or more in the saleable floor area, the tax authority may require the relevant taxpayer to conduct the settlement of LAT on the transferred property according to the matching principles regarding the proportion between the income generated from the transfer of property and the deductible items. The specific method of settlement shall be prescribed by the local tax authority.

On December 28, 2006, the State Administration of Taxation issued the "Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises" (關於房地產開發企業土地增值稅清算管理有關問題的通知) which came into effect on February 1, 2007. The notice sets out further provisions concerning, among other things, the settlement of LAT by property developers by clarifying issues on responsibility for the settlement of LAT, requirements, materials to be submitted, auditing and verification, recognition of revenue of indirect sale and self-use properties, deductible items and the handling of transfer after tax is imposed and settled. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation.

Pursuant to the notice, a property developer shall settle and clear the LAT payment of its development projects that meet certain criteria with the tax authorities in accordance with the applicable LAT tax rates. The LAT is required to be settled for projects approved by the competent authorities; and for projects developed in different stages, the LAT is required to be settled in stages. LAT must be settled if (1) the property development project has been completed and fully sold; (2) the property developer transfers the whole in completed development project; or (3) the land-use rights with respect to the project is transferred. In addition, the relevant tax authorities may require the developer to settle the LAT if either of the following criteria is met: (1) for completed property development projects, the transferred GFA represents more than 85% of total salable GFA, or the proportion represented is less than 85%, but the remaining salable GFA has been leased out or used by the developer; (2) the project has not been sold out for more than three years after obtaining the sale or pre-sale permit; (3) the developer applies for cancellation of the tax registration without having settled the relevant LAT; or (4) other conditions stipulated by the tax authorities.

The notice also indicates that if a property developer satisfies any of the following circumstances, the tax authorities will levy and collect LAT as per the levying rate no lower than the pre-payment rate with reference to the bearing rate of LAT of local enterprises with a similar development scale and income level: (i) failure to maintain an account book as required by law or administrative regulation; (ii) destroying the account book without authorization or refusing to provide taxation information; (iii) the accounts are disorganized or illegible, or cost materials, income vouchers and cost vouchers are damaged and incomplete, making it difficult to determine transferred income or amount of deductible items; (iv) failure to go through LAT settlement within the prescribed period without being remedied within the period required by the relevant tax authorities; (v) the basis for tax calculation as submitted is obviously low without justifiable cause. Local provincial tax authorities can formulate their own implementation rules in accordance with the notice and local situation.

To further strengthen LAT collection, in May 2009, the State Administration of Taxation released the "Rules on the Administration of the Settlement of Land Appreciation Tax" (土地增值稅清算管理規程), which became effective on June 1, 2009. The rules reiterated the circumstances under which the LAT must be settled, the criteria that are to be met for relevant tax authorities to require the settlement of LAT and the circumstances under which the tax authorities shall levy and collect LAT as prescribed by the aforesaid notice issued on December 28, 2006. The rules further stipulate detailed procedures for the examination and verification of settlement of LAT to be carried out by relevant tax authorities.

On May 19, 2010, the SAT issued the "Circular on Issuers Concerning Settlement of Land Appreciation Tax" (關於土地增值稅清算有關問題的通知) to strengthen the settlement of LAT. The circular clarifies certain issues with respect to calculation and settlement of the land appreciation tax, such as (i) the recognition of the revenue upon the settlement of LAT, and (ii) the deduction of fees incurred in connection with the property development.

On May 25, 2010, the SAT issued the "Notice on Strengthening the Collection Land Appreciation Tax" (關於加強土地增值稅征管工作的通知), which requires the minimum LAT prepayment rate be 2% for provinces in the eastern region, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region. According to the notice, the local tax bureaus shall determine the applicable LAT prepayment rates based on the types of the properties.

(d) Deed tax

Pursuant to the "Interim Regulations of the People's Republic of China on Deed Tax" (中華人民共和國契稅暫行條例) which were promulgated by the State Council on July 7, 1997 and became effective on October 1, 1997, the transferee, whether an entity or individual, of the title to a land site or building in the PRC shall have to pay deed tax. The rate of deed tax is 3%–5%. Provincial, regional or municipal governments directly under the central government may, within the aforesaid range, determine and report their effective tax rates to the MOF and the State Administration of Taxation for the record.

In October 2008, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Adjustments to Taxation on Real Property Transactions" (關於調整房地產交易環節稅收政策的通知), pursuant to which, from November 1, 2008, the rate of deed tax has been reduced to 1% for a first-time home buyer of an ordinary residence with a unit floor area less than 90 square meters. Individuals who sell or purchase residential properties are temporarily exempted from stamp duty and who sell residential properties are temporarily exempted from land value-added tax. However the aforesaid preferential policy regarding deed tax has been replaced by the "Notice on Adjustment of Preferential Policies Regarding Deed Tax and Individual Income Tax Incurred in Transfer of Real Property" (關於調整房地產交易環節契稅個人所得稅優惠政策的通知) jointly promulgated by Ministry of Finance, the State Administration of Taxation and MOHURD on September 29, 2010. Pursuant to the 2010 notice, where an individual purchases an ordinary house which is the only house for the family (including the purchaser, the spouse and minor children), deed tax is reduced by half and where an individual purchases an ordinary house with an GFA of 90 square meters or below which is the only house for the family, deed tax is levied at a rate of 1%.

(e) 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稅暫行條例) enacted by the State Council on September 27, 1988 and revised on December 31, 2006 and December 7, 2013, respectively, the land use tax in respect of urban land is levied according to the area of the relevant land. The annual tax as of January 1, 2007 shall be between RMB0.6 and RMB30.0 per square meter of urban land, calculated according to the tax rate determined by local tax authorities.

(f) Property tax

Under the "Interim Regulations of the People's Republic of China on Property Tax" (中華人民共和國房產稅暫行條例) which were promulgated by the State Council on September 15, 1986 and became effective on October 1, 1986, property tax is 1.2% if it is calculated on the basis of the residual value of a building, and 12% if it is calculated on the basis of the rental.

On January 27, 2011, the government of Chongqing Municipality issued the "Interim Measures Concerning Pilot Property Tax Scheme on Certain Personal Residential Properties" (關於進行對部分個人住房徵收房產稅改革試點的暫行辦法) and the "Implementation Rules for Collecting Administration Regarding Property Tax on Personal Residential Properties" (重慶市個人住房房產稅徵收管理實施細則), each became effective on January 28, 2011. The Chongqing government will execute the pilot scheme to impose property tax on personal residential properties within the nine major districts of Chongqing Municipality in stages from January 28, 2011. The first batch of personal properties subject to property tax include (i) stand-alone residential properties (such as villas) owned by individuals, (ii) high-end residential properties purchased by individuals on or after January 28, 2011, the purchase prices per square meter of which are two or more times of the average price of new residential properties developed within the nine major districts of Chongqing in the last two years, and (iii) the second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals in Chongqing who are not employed in and do not own an enterprise in Chongqing. Stand-alone residential properties (such as villas) and high-end residential properties that are priced less than three times, three to four times or more than four times of the average price per square meter of new residential properties developed within the nine major districts in the last two years will be subject to property tax at 0.5%, 1% or 1.2%, respectively, of the property's purchase price. The second or further ordinary residential properties purchased on or after January 28, 2011 by non-resident individuals who are not employed in and do not own an enterprise in Chongqing will be subject to property tax at 0.5% of the property's purchase price. The following area will be deductible from the tax base: (i) 180 sq.m. for stand-alone residential properties (such as villas) purchased before January 28, 2011, and (ii) 100 sq.m. for stand-alone residential properties (such as villas) and high-end residential properties purchased on or after January 28, 2011. The deductible area will apply to only one taxable residential property for one family, but not to any non-resident individual who is not employed in and does not own an enterprise in Chongqing.

On January 27, 2011, the government of Shanghai Municipality issued the "Interim Measures on Pilot Property Tax Scheme on Certain Personal Residential Properties in Shanghai" (上海市開展對部分個人住房徵收房產稅試點的暫行辦法), which provides that, within the territory of the administrative regions of the Shanghai Municipality, property tax will be imposed on any purchase of a second (or further) residential property by local residents or any purchase of a residential property by non-local residents on or after January 28, 2011, at rates ranging from 0.4% to 0.6% based on 70% of the purchase price of the property. These measures became effective on January 28, 2011.

(g) Stamp duty

Under the "Interim Regulations of the People's Republic of China on Stamp Duty" (中華人民共和國印花稅暫行條例)enacted by the State Council on August 6, 1988 and enforced on October 1, 1988, for property rights transfer instruments, including those in respect of property ownership transfer, the rate of stamp duty is 0.05% of the amount stated therein; for permits and certificates relating to rights, including property title certificates and land use rights certificates, stamp duty is levied at RMB5 per item.

(h) Municipal maintenance tax

Under the "Interim Regulations of the People's Republic of China on Municipal Maintenance Tax" (中華人民共和國城市維護建設稅暫行條例) enacted by the State Council on February 8, 1985, any taxpayer, whether an entity or individual, of product tax, value-added tax or business tax is required to pay municipal maintenance tax. The tax rate shall be 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county or a town, and 1% for a taxpayer whose domicile is not in any urban area or county or town.

In October 2010, the State Council issued the "Notice on Unification of the Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and Individuals" (關於統一內外資企業和個人城市 維護建設稅和教育費附加制度的通知), pursuant to which, from December 1, 2010, municipal maintenance tax is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals. Pursuant to the "Notice on Relevant Issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-Invested Enterprises" (關於對外資企業徵收城市維護建設稅和教育費附加有關問題的 通知) promulgated by the Ministry of Finance and the State Administration of Taxation in November 2010, foreign-invested enterprises must pay municipal maintenance tax on any value added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises are exempted from municipal maintenance tax on any value-added tax, consumption tax and business tax in current before December 1, 2010.

(i) Education surcharge

Under the "Interim Provisions on Imposition of Education Surcharge" (徵收教育費附加的暫行規定) enacted by the State Council on April 28, 1986 and revised on June 7, 1990 and August 20, 2005, a taxpayer, whether an entity or individual, of product tax, value-added tax or business tax is required to pay an education surcharge, unless such taxpayer is instead required to pay a rural area education surcharge as provided by the "Notice of the State Council on Raising Funds for Schools in Rural Areas." (國務院關於籌措農村學校辦學經費的通知) Under the "Supplementary Notice Concerning Imposition of Education Surcharge" (國務院關於教育費附加徵收問題的補充通知) issued by the State Council on October 12, 1994, the Circular Concerning Temporary Exemption from Municipal Maintenance Tax and Education Surcharge For Enterprises with Foreign Investment and Foreign Enterprises and the Approval on Exemption of Municipal Maintenance Tax and Education Surcharge in Foreign Invested Freightage Enterprises, whether foreign-invested enterprises are subject to the education surcharge will be determined in accordance with notices issued by the State Council; and such tax is not applicable to enterprises with foreign investment for the time being, until further explicit stipulations are issued by the State Council.

Pursuant to the aforesaid Unification of Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and individuals (關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知), from December 1, 2010, an education surcharge is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals.

Pursuant to the aforesaid Notice on Relevant issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-invested Enterprises (關於對外資企業徵收城市維護建設稅和教育費附加有關問題的通知), foreign-invested enterprises must pay an education surcharge on any value-added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises are exempted from paying an education surcharge on any value-added tax, consumption tax and business tax incurred before December 1, 2010.

I. Measures on adjusting the structure of housing supply and stabilizing housing price

The General Office of the State Council enacted the "Circular on Stabilizing Housing Price" (關於切實穩定住房價格的通知) on March 26, 2005, requiring measures to be taken to restrain the housing price from increasing too fast and to promote the healthy development of the property market.

On May 9, 2005, the General Office of the State Council revised the Opinion of the Ministry of Construction and other Departments on Doing a Good Job of Stabilizing House Prices, which provides the following:

(a) Intensifying the planning and control and improving the supply structure of houses

Where the housing price is growing excessively and where the supply of ordinary commodity houses in the medium or low price range, and economical houses is insufficient, construction of residential properties should mainly involve projects of ordinary commodity houses in the medium or low price range and economical houses. The construction of low-density, upmarket houses shall be strictly controlled. With respect to construction projects of medium- or low-price ordinary commodity houses, before any grant of land, the municipal planning authority shall, according to the level of control required, set out conditions for planning and design such as height of buildings, plot ratio and green space. The property authority shall, in collaboration with other relevant authorities, set forth such controlling requirements as sale price, type and apartment sizes. Such conditions and requirements will be set out as preconditions of land assignment to ensure an effective supply of small or medium-sized houses at moderate and low prices. The local government must intensify the supervision of planning permit for property development projects. Housing projects that have not commenced within two years must be examined again, and those that turn out to be not in compliance with the planning permits will be revoked.

(b) Intensifying the control over the supply of land and rigorously enforcing the administration of land

Where the price of land for residential use and residential properties grows too rapidly, the proportion of land for residential use to the total land supply should be appropriately raised, and the land supply for the construction of ordinary commodity houses in the medium- or low-price range and economical house should be increased. Land supply for villa construction continues to be suspended, and land supply for high-end housing property construction is strictly restricted.

(c) Adjusting the policies of business tax on residential property house transfer and strictly regulating the collection and administration of tax

From June 1, 2005, the business tax on transfer of a residential property by an individual within two years of the purchase is levied on the basis of the full amount of the sale proceeds. Transfer of an ordinary residential property by an individual who sells two years or more after the purchase is exempted for business tax. For transfer of a house other than ordinary residential property by an individual two years or more after the purchase, the business tax is levied on the basis of the balance between the proceeds from selling the property and the purchase price.

(d) Rectifying and regulating for an orderly market

The buyer of a pre-completion commodity property is prohibited from conducting any transfer of the pre-sale commodity property that he has bought that is still under construction. A real name system for property purchase should be applied, and an immediate archival filing network system for advance sales contracts of commodity properties should be carried out.

On May 24, 2006, the State Council forwarded the "Opinion on Adjusting the Housing Supply Structure and Stabilizing Property Prices" (關於調整住房供應結構穩定住房價格的意見) (the "Opinion") of the Ministry of Construction and other relevant government authorities. The opinion provides the following:

(1) Adjusting the Housing Supply Structure

- Developers must focus on providing small- to medium-sized ordinary commodity properties at low- to mid-level prices to cater to the demands of local residents.

- As of June 1, 2006, newly approved and newly commenced building construction projects must have at least 70% of the total construction work area designated for small apartments with floor areas of 90 sq.m. or below (including economically affordable apartments). If municipalities directly under the central government, cities listed on state plans (計劃單列市) or provincial capital cities (省會城市) have special reasons to adjust such prescribed ratio, they must obtain special approval from the Ministry of Construction. Construction projects that have been approved but have not yet obtained a construction permit must follow the prescribed ratio.

(2) Further adjustments by tax, loan and land policies

- From June 1, 2006, business tax is levied on the full amount of the sale proceeds on conveyance of residential properties within a period of five years from the date of purchase. If an individual sells his ordinary standard apartment after five or more years from the date of purchase, business tax will normally be exempted. If an individual sells his non-ordinary apartment after five or more years from the date of purchase, business tax will be levied on the balance between the selling price and the purchase price.

- Commercial banks are not allowed to advance loan facilities to property developers which do not have the required 35% minimum of the total capital for the construction projects. Commercial banks should be prudent in granting loan facilities and/or revolving credit facilities in any form to the property developers who have a large number of idle lands and unsold commodity apartments. Banks shall not accept mortgages of commodity apartments remaining unsold for three years or more.

- According to regulations issued by CBRC, purchasers of homes equal to or smaller than 90 sq.m. are required to pay a minimum of 20% of the purchase price as down payment. If the purchased home is larger than 90 sq.m., a minimum of 30% of the purchase price as down payment is required, pursuant to a regulation from June 1, 2006. Furthermore, on September 27, 2007 PBOC and CBRC increased the minimum down payment for purchasers of second homes from 30% to 40% of the purchase price regardless of the size of the second home, if the purchaser obtained his or her first home through a mortgage. Moreover, the mortgage loan rates for subsequent mortgages are required to be not less than 1.1 times the corresponding PBOC benchmark lending rates. Monthly mortgage payments are limited to 50% of an individual borrower's monthly income.

- At least 70% of the total land supply for residential property development must be used for developing small-to-medium-sized low-cost public housing. Based on the restrictions of residential property size ratio and residential property price, land supply will be granted by way of auction to the property developer who offers the highest bid. Land supply for villa construction will continue to be suspended, and land supply for low-density and large-area housing property construction will be restricted.

- The relevant authorities will levy a higher surcharge against those property developers who have not commenced the construction work for longer than one year from the commencement date stipulated in the construction contract and will order them to set a date for commencing the construction work and a date of completion. The relevant authorities will confiscate without compensation the land from those property developers who have not commenced the construction work beyond two years from the commencement date stipulated in the construction contract without proper reasons. The relevant authorities will dispose of the idle land of those property developers who have suspended construction work for one year without an approval, who have invested less than one-fourth of the total proposed investment and who have developed less than one-third of the total proposed construction area.

(3) Reasonably Monitoring the Scope and Progress of Demolition of Urban Housing

- The management and reasonable control of the scope and progress of the demolition of urban housing should be strengthened to halt "excessive property growth triggered by passive means" (被動性住房需求的過快增長).

(4) Further Rectifying and Regulating the Order of the Property Market

- In order to ensure that the prescribed ratio regarding types and sizes is followed, the relevant authorities will need to re-examine the approval of those construction projects which have been granted planning permits but have not been commenced. The relevant authorities will ensure that no planning permit (規劃許可證), construction permit (施工許可證) or permit for pre-sale of commodity properties (商品房預售許可證) are issued to those construction projects which do not satisfy the regulatory requirements, in particular, the prescribed ratio requirement. If the property developers, without an approval, alter the architectural design, the construction items, and exceed the prescribed ratio, the relevant authorities have the power to dispose of the land and to confiscate the land in accordance with the law.

- The property administration authority and the administration of industry and commerce will investigate illegal dealings such as contract fraud cases in accordance with the law. The illegal conduct of pre-completion sale of commodity apartments without satisfying all the conditions is prohibited and an administrative penalty will be imposed on offenders in accordance with the law. For property developers which deliberately manipulate the supply of commodity housing, the relevant authorities will impose substantial administrative penalties, including revoking the business licenses of serious offenders and pursuing personal liability for individuals concerned.

(5) Gradually relieving the housing demands for low-income families

- To expedite the establishment of low-cost public housing supply systems in various cities and counties; to monitor and regulate the construction of economically affordable apartments; to aggressively develop the second-hand property market and property rental market.

(6) Improving information disclosure system and system for collecting property statistics

On July 6, 2006, the Ministry of Construction promulgated a supplemental Opinion on Carrying Out the Residential Property Size Ratio in Newly-Built Residential Buildings (Jianzhufang 2006 No. 165) (關於落實新建住房結構比例要求的若干意見) ("the Supplemental Opinion"). The Supplemental Opinion provides the following:

- As of June 1, 2006, of the newly approved and newly commenced construction projects in different cities, including town and counties, at least 70% of the total construction area must be used for building small apartments with unit floor area of 90 sq.m. or below (including economically affordable apartments). The relevant authorities in different localities must strictly follow the prescribed ratio requirement in their respective locality.

- The relevant authorities must ensure the conditions of newly built commodity apartments including the planning and the design, and must ensure that the property size ratio is adhered to. If a property developer has not followed the ratio requirement without providing proper reasons, the town planning authorities will not issue a planning permit. If the property developer has not followed the requirements of the planning permit, the relevant authority reviewing the planning documents will not issue a certification, the construction authority will not issue a construction permit, and the property authority will not issue a permit for pre-completion sale of the commodity apartments.

In the case of construction projects that were granted approval before June 1, 2006 but that were not granted a construction work permit by that date, the relevant local governments in different localities should ascertain the details of the projects and ensure that the prescribed residential property size ratio requirement is complied with.

On September 27, 2007, PBOC and CBRC further tightened mortgage lending by PRC banks, by increasing the amount of down payment a property purchase must make before seeking mortgage financing. See "—Legal supervision relating to property sector in the PRC—Property financing."

(e) Implementing restrictions on the payment terms for land use rights

On October 10, 2007, the Ministry of Land and Resources issued a regulation, which reiterated that property developers must fully pay the land premium for the entire parcel under the land grant contract before they can receive a land use rights certificate or commence development on the land, effective on November 1, 2007.

Pursuant to the notice on Enlarging the Floating Range of the Downward Movement of Interest Rates for Individual Mortgage Loans, the PRC government lowered the minimum interest rate for individual mortgage loans to 70% of the corresponding PBOC benchmark bank lending rates. Further, the minimum down payment of residential properties was lowered to 20%. On October 22, 2008, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Adjustments to Taxation on Real Property Transactions," (關於調整房地產交易環節稅收政策的通知) pursuant to which, from November 1, 2008, the rate of deed tax has been reduced to 1% for a first time home buyer of an ordinary residence with a unit floor area less than 90 sq.m., individuals who are to sell or purchase residential properties are temporarily exempted from stamp duty and individuals who are to sell residential properties are temporarily exempted from land value-added tax.

On December 20, 2008, the General Office of the State Council issued the "Several Opinions on Facilitating the Healthy Development of the Real Estate Market," (關於促進房地產市場健康發展的若干意見) which aims to, among other things, encourage the consumption of ordinary residential units and support property developers in changing market conditions. Pursuant to the opinion, in order to encourage the consumption of ordinary residential units, from January 1, 2009 to December 31, 2009, (i) business tax is imposed on the full amount of the sale price, upon the transfer of a non-ordinary residential unit by an individual within two years from the purchase date; (ii) for the transfer of a non-ordinary residential unit which has been held by the purchaser for more than two years from the purchase date and a ordinary residential unit which has been held by the purchaser for two years or less from the purchase date, the business tax is to be levied on the difference between the sale price and the purchase price; (iii) and in the case of an ordinary residential unit, business tax is fully exempted if that transfer occurs after two years from the purchase date. Furthermore, individuals with an existing ordinary residential unit that is smaller than the average size for their locality may buy a second ordinary residential unit under favorable loan terms similar to first time buyers. In addition, support for property developers to deal with the changing market is to be provided by increasing credit financing services to ''low-to medium-level price'' or ''small- to medium-sized'' ordinary commercial housing projects, particularly those under construction, and providing financial support and other related services to property developers with good credit standing for merger and acquisition activities.

On January 26, 2011, the State Council issued the "Notice on Further Strengthening Regulation and Control of Real Property Markets" (關於進一步做好房地產市場調控工作有關問題的通知), under which the transfer of all residential properties purchased and held by individuals for less than five years shall be subject to business tax based on total sale price from such transfer.

On January 27, 2011, the Ministry of Finance and the State Administration of Taxation jointly issued a new "Notice on Adjusting the Policy of Business Tax on Re-sale of Personal Residential Properties" (關於調整個人住房轉讓營業稅政策的通知), under which business tax is imposed on (i) the full amount of the transfer price upon the transfer of any residential property by an individual owner within five years from such individual owner's purchase and (ii) the difference between the transfer price and the original purchase price upon the transfer of any non-ordinary residential property by an individual owner more than five years from such individual owner's purchase. Business tax is exempted for ordinary residential properties if the transfer occurs after five years from the individual owner's purchase. This notice became effective on January 28, 2011.

On February 26, 2013, the General Office of the State Council issued the "Notice on Continuing to Improve 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 among others, provides the following requirements: (i) limitations on the purchase of commodity properties must be strictly implemented, and the scope of such limitations must cover all newly constructed commodity properties and second-hand properties located within the entire administrative area of the city in question; (ii) for those cities with excessive growth in housing prices, the local counterparts of the PBOC may further increase down payment ratios and interest rates for loans to purchase second properties in accordance with the price control policies and targets of the corresponding local governments; (iii) the gains generated from the sale of a self-owned property shall be subject to individual income tax at a rate of 20%, if the original value of such property can be verified through historical information such as tax filings and property registration.

Legal supervision relating to hotel sector in the PRC

A. Foreign invested hotel project

According to the Guidance Catalog, construction and operation of high-end hotels falls within the category of "Restricted Foreign Investment Industry." Construction and operation of common and economic hotels other than high-end hotels fall within the category of "permitted foreign investment industry." A foreign-invested enterprise investing in the hotel business can set up an enterprise in the form of sino-foreign equity joint venture, sino-foreign co-operative joint venture or wholly foreign-owned enterprise according to the Guidance Catalog and the requirements of the relevant laws and the administrative regulations on foreign-invested enterprises. A foreign-invested enterprise in the hotel business is required to apply for an approval with the relevant department of commerce, and obtain an approval certification for a foreign-invested enterprise before registering with the administration of industry and commerce.

B. Hotel management

The procedures involved in hotel construction in China including obtaining approval for land use, project planning and project construction shall also be subject to the aforementioned regulations relating to property project development. There is currently no special authority in China responsible for the daily management of hotel business. The supervision of daily management of hotel business belongs to different authorities in accordance with the respective business scopes of different hotels. The supervision mainly includes the following:

(a) Legal supervision on security and fire control

Pursuant to the "Measures for the Control of Security in the Hotel Industry" (旅館業治安管理辦法) issued by the Ministry of Public Security of the People's Republic of China, enforced on November 10, 1987 and as amended on January 8, 2011, a hotel can operate only after obtaining an approval from the local public security bureau and a business license has been granted. The hotel enterprise should make a filing with the local public security bureau and its branches in the county or city, if hotel enterprise has any change including closing, transferring or merging of business, changing place of business and name, etc. Pursuant to the "Provisions on the Administration of Fire Control Safety of State Organs, Organizations, Enterprises and Institutions" (機關、團體、企業、事業單位消防安全管理規定) which were promulgated by the Ministry of Public Security on November 14, 2001 and became effective on May 1, 2002, hotels (or motels) are units which require special supervision on fire control and safety. When a hotel is under construction, renovation or re-construction, a fire control examination procedure is required and when the construction, renovation or re-construction project is completed, a hotel can only open for business after passing a fire control inspection.

(b) Supervision on public health

According to relevant regulations and rules in relation to public health, hotels fall in the scope of public health supervision. The operating enterprise should acquire the sanitation license. The measures for granting and managing the sanitation license are formulated by public health authority of province, autonomous region, and municipality directly under the central government. The sanitation license is signed by the relevant public health administration and the public health and epidemic prevention institutions grant the license. The sanitation license should be reviewed once every two years.

(c) Supervision on food hygiene

According to the relevant regulations and rules in relation to food hygiene supervision, hotels operating catering services should obtain food hygiene licenses. Food hygiene licenses are granted by food hygiene administrative bodies above county level. The purchase, reserve and processing of food, tableware, and service should meet relevant requirements and standards of food hygiene.

(d) Supervision on entertainment

According to the "Regulation on the Administration of Entertainment Venues" (娛樂場所管理條例) enacted by the State Council on January 29, 2006 and enforced on March 1, 2006, hotels that operate singing, dancing and game places for profits are required to apply to the relevant local competent departments for culture administration for entertainment commercial operation approval. The relevant local competent departments for entertainment administration shall issue a license for entertainment business operations, which verifies the number of consumers acceptable to the entertainment venues according to the prescriptions set down by the competent department governing entertainment administrations under the State Council if it approves the relevant local application. According to the regulations concerning broadcast, movie and TV, hotels above three-star or the second rank of the national standards may apply to local broadcast and television administration of the county or above for setting ground equipment receiving satellite signal to receive entertainment programs from abroad. After finishing setting ground equipment and gaining the approval from broadcast and television administration from the relevant provincial, regional and municipal government and the approval from state security administration, the permit of receiving foreign television program from satellite is issued.

(e) Supervision on disposition of sewage and pollutants

According to Decision on Setting Administrative Licensing on Items Requiring Administrative Approval that Really Need Reserved (國務院對確需保留的行政審批項目設定行政許可的決定) enacted by the State Council on June 29, 2004, effective on July 1, 2004 and as amended on January 29, 2009, hotels that have been using or planning to use the city sewage system for water drainage are required to apply to the local city construction authority for a city water-draining permit.

(f) Supervision on special equipment security

Equipments such as elevators (lifts or escalators), boilers and pressure containers, are special equipments. According to the "Regulations on Security Supervisal of Special Equipment" (特種設備安全監察條例) which were promulgated by the State Council on March 11, 2003 and became effective on June 1, 2003, as amended on January 24, 2009, hotels are required to register with the special equipment security supervision authority of municipal government or city which has set up districts, and are required to apply for inspection regularly with the special equipment examination institution a month before the expiration of security examination according to the requirement of regular examination by technical security standard.

(g) Supervision on sale of tobacco and alcohol

According to law and regulations in relation to sale of tobacco, hotels that sell tobacco should apply to the tobacco monopoly administration for a Tobacco Monopoly Retail License. According to the "Measures for the Administration on Foreign Investment in Commercial Fields" (外商投資商業領域管理辦法) which were promulgated by Ministry of Commerce on April 16, 2004 and became effective on June 1, 2004, a foreign-invested enterprise that operates wholesale and retail is not allowed to operate in tobacco business. According to the "Measures for the Administration of Alcohol Circulation" (酒類流通管理辦法) which were promulgated by Ministry of Commerce on November 7, 2005 and became effective on January 1, 2006, an enterprise that sells alcohol is required to handle the archival filing and registration in the administrative department of commerce at the same level as the administrative department for industry and commerce where the registration is handled. The licensing system shall apply in those regions where the licensing administration of alcohol circulation has been carried out according to law.

Legal supervision relating to property management sector in the PRC

A. Foreign-invested real estate management enterprises

According to the Guidance Catalog, property management falls within the category of permitted foreign-invested industries. According to the Guidance Catalog and the relevant requirements under the laws and the administrative regulations on foreign-invested enterprises, a foreign-invested real estate management enterprise can be set up in the form of a sino-foreign equity joint venture, a sino-foreign cooperative joint venture or a wholly foreign owned enterprise. Before the administration of Industry and Commerce registers a foreign-invested enterprise as a foreign invested real estate management enterprise, the foreign invested real estate management enterprise should obtain an approval from the relevant department of commerce and receive a "foreign-invested enterprise approval certificate."

B. Qualifications of a real estate management enterprise

According to the "Regulation on Real Estate Management" (物業管理條例) enacted by the State Council on June 8, 2003 and enforced on September 1, 2003, as amended on August 26, 2007 and effective on October 1, 2007, the state implements a qualification scheme system in monitoring the real estate management enterprises. According to the "Measures for Administration of Qualifications of Real Estate Service Enterprises" (物業服務企業資質管理辦法) which were promulgated by the Ministry of Construction on March 17, 2004 and became effective on May 1, 2004, as amended on November 26, 2007, a newly established real estate service enterprise is required to, within 30 days from the date of receiving its business license, apply to the relevant local bureau in charge of the property management under the local government or to the municipalities directly under the central government for a grading assessment. The departments of qualification examination and approval will check and issue a "real estate service qualification certificate" corresponding to their grading assessment results.

According to the Measures for the Administration on Qualifications of Real Estate Service Enterprises, real estate service enterprise shall be classified as either class one, class two or class three. The competent construction department of the State Council is responsible for the issuance and administration of the qualification certificate for class one real estate service enterprises. The competent construction departments of the relevant provincial and regional government is responsible for issuing and administrating the qualification certificate for class two real estate service enterprises, and the competent realty departments of the relevant municipal government is responsible for issuing and administrating the qualification certificate for class two and three real estate service enterprises. The competent realty departments of the people's governments of the cities divided into districts shall be responsible for the issuance and administration of the qualification certificate of the class three real estate service enterprises.

The real estate service enterprises with class one qualification may undertake various property service projects. The real estate service enterprises with class two qualification may undertake the property service business of residential management projects of less than 300,000 sq.m. and non-residential management projects of less than 80,000 sq.m. The real estate service enterprises with class three qualification may undertake the property service business of residential projects of less than 200,000 sq.m. and non-residential projects under 50,000 sq.m.

C. Employment of a real estate service enterprise

According to the Regulation on Real Estate Management, owners may engage or dismiss a property management company with the consent of more than half of the owners who in the aggregate hold more than 50% of the total non-communal area of the building. If, before the formal employment of a property management company by the owners or the general meeting, the property developer shall enter into a preparation stage property services contract in writing with the real estate management enterprise.

Legal supervision relating to construction sector in the PRC

A. Foreign-invested construction enterprise

According to the Guidance Catalog, construction business falls within the category of permitted foreign investment industries. According to the "Regulations on the Administration of Foreign-invested Construction Enterprise" (外商投資建築業企業管理辦法) which were jointly promulgated by the Ministry of Construction and the Ministry of Foreign Economic Cooperation (now changed to MOFCOM) on September 27, 2002 and became effective on December 1, 2002, a foreign investor that establishes foreign-invested construction enterprises in China that carry on construction operations is required to (a) obtain the approval certification of foreign-invested enterprise; (b) register with SAIC or local administration of industry and commerce; and (c) obtain a qualification certificate of construction enterprise from construction administration authorities.

B. The qualification of a construction enterprise

According to Construction Law of the People's Republic of China and the "Provisions on the Administration of Qualifications of Enterprises in Construction Industry" (建築業企業資質管理規定) which were promulgated by the Ministry of Construction on April 18, 2001 and became effective on July 1, 2001, the enterprises in the construction industry shall be classified into different qualification classes pursuant to, amongst other things, the amount of its registered capital, net asset value, professional personnel, technical equipments and performance records of completed construction works. A construction enterprise can engage in construction activities within its approved scope after obtaining the construction qualification certificate.

According to above-mentioned Provisions on the Administration of Qualifications of Enterprises in Construction Industry, the qualifications will be divided into three categories, namely, that for undertaking the whole of a construction project, that for undertaking a specialized contract and that for undertaking a labor service by subcontract. The categories of qualifications for undertaking the whole of a construction project, undertaking a specialized contract and undertaking a labor service by subcontract are divided into several qualification types according to the nature of the project and technical features. Each qualification type is further divided into several classes according to the prescribed conditions.

The department in charge of construction under the State Council is responsible for the approval of the qualification of special class or first class enterprises for undertaking the whole of a construction project, and the qualification of the first class enterprises for undertaking the specialized contract. The administrative department in charge of construction of the relevant provincial, regional or municipal government at the place where the concerned enterprise is registered is responsible for the approval of the qualification of the second class or below enterprises for undertaking the whole of a construction project or undertaking a specialized contract or the qualification of an enterprise of labor service by subcontract.

The department in charge of construction implements the system of annual inspection on qualification for enterprises in the construction industry. The administrative department in charge of construction under the State Council is responsible for the annual inspection on the qualification of special class or the first class enterprises for undertaking the whole of a construction project, and the qualification of the first class enterprises for undertaking specialized contract. The administrative department in charge of construction of the people's government of the relevant provincial, regional or municipal government at the place where the concerned enterprise is registered, is responsible for the annual inspection on the qualification of the second class or below enterprises for undertaking the whole of a construction project or undertaking a specialized contract or the qualification of an enterprise of labor service by subcontract. According to the "Measures of the Ministry of Construction for the Implementation of the Relevant Qualification Administration Provided in the Provisions on the Administration of Foreign Funded Construction Enterprises" enacted by the Ministry of Construction and enforced on April 8, 2003, where a foreign enterprise purchases a domestic-funded construction enterprise, and the enterprise is restructured into a foreign-funded construction enterprise, the qualification of that enterprise is reviewed anew according to the standard it actually meets.

According to the Provisions on the Administration of Qualifications of Enterprises in Construction Industry, an enterprise which undertakes a project without obtaining the qualification certificate for enterprises in the construction industry shall be banned, and be imposed a fine of 2% to 4% of the contractual price of the project. If it obtains any illegal proceeds, such proceeds shall be confiscated.

C. The business scope of qualifications for a wholly foreign owned construction enterprise

According to the Regulations on the Administration of Foreign-invested Construction Enterprise, a wholly foreign owned construction enterprise is allowed to contract, within its scope of qualifications, the following projects: (a) a project that is to be constructed totally with the investment of a foreign country or the donation of a foreign country or the investment and donation of a foreign country; (b) a project funded by an international financial institution or granted through international bidding according to terms of loan; (c) a joint construction project of which foreign investment holds 50% or more, and a sino-foreign joint construction enterprise in which foreign investment holds less than 50% but which cannot be independently implemented by any Chinese construction enterprise due to technical difficulties and has been approved by the administrative department of construction of the relevant provincial, regional or municipal government; and (d) a construction project using Chinese investment but that cannot be independently implemented by any Chinese construction enterprise due to technical difficulties and for which the administrative department of construction of the relevant provincial, regional or municipal government has approved being jointly contracted by Chinese and foreign construction enterprises.

Regulation on foreign exchange registration of offshore investment by PRC residents

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 Circular No. 75 issued on October 21, 2005, and its implementation rules, ("the attachment of Circular No. 59"), issued on November 19, 2012, (i) a PRC resident, including a PRC resident natural person or a PRC company, shall register with the local branch of SAFE before it establishes or controls an overseas special purpose vehicle, or SPV, for the purpose of overseas equity financing (including convertible debt financing); (ii) when a PRC resident contributes the assets of or its equity interests in a domestic enterprise into a SPV, or engages in overseas financing after contributing assets or equity interests into a SPV, such PRC resident shall register his or her interest in the SPV and the change thereof with the local branch of SAFE; and (iii) when the SPV undergoes a material event outside the PRC, such as 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. Under Circular No. 75, failure to comply with the registration procedures set forth above may result in penalties, including restrictions on the PRC subsidiary's foreign exchange activities and its ability to distribute dividends to the SPV.

As a result, under Circular No. 75, if the PRC resident or the SPV described above engages in an overseas offering or otherwise undergoes a material event outside the PRC, such PRC resident and SPV are required to register such change with the local branch of SAFE within 30 days from the occurrence of such offering or event.

Management

The following table sets forth certain information with respect to our directors and senior management as of the date of this offering memorandum.

Name	Age	Title
Mr. Yeung Kwok Keung	59	Chairman and Executive Director
Ms. Yang Huiyan	32	Vice Chairman and Executive Director
Mr. Mo Bin	47	President and Executive Director
Mr. Zhu Rongbin	41	Associate President and Executive Director
Ms. Yang Ziying	26	Executive Director
Mr. Yang Erzhu	63	Executive Director
Mr. Su Rubo	59	Executive Director
Mr. Ou Xueming	64	Executive Director
Mr. Yang Zhicheng	40	Executive Director
Mr. Yang Yongchao	39	Executive Director
Mr. Xie Shutai	49	Executive Director
Mr. Song Jun	46	Executive Director
Mr. Liang Guokun	55	Executive Director
Mr. Su Baiyuan	48	Executive Director
Mr. Wu Jianbin	51	Executive Director
Mr. Lai Ming, Joseph	69	Independent Non-Executive Director
Mr. Shek Lai Him, Abraham	68	Independent Non-Executive Director
Mr. Tong Wui Tung, Ronald	63	Independent Non-Executive Director
Mr. Huang Hongyan	43	Independent Non-Executive Director
Ms. Huang Xiao	46	Independent Non-Executive Director
Mr. Liu Hongyu	51	Independent Non-Executive Director
Mr. Mei Wenjue	43	Independent Non-Executive Director
Mr. Yeung Kwok On	52	Independent Non-Executive Director
Mr. Huen Po Wah	65	Company Secretary
Mr. Wang Shaojun	49	Vice-President
Mr. Fan Jie	46	Vice-President
Mr. Li Xiaolin	42	Vice-President
Mr. Peng Zhibin	41	Vice-President
Mr. Wang Zhidun	44	Vice-President
Ms. Wu Bijun	40	Vice-President
Mr. Zhang Zhiyuan	41	Vice-President

Directors

Our board currently consists of 23 directors, eight of whom are independent non-executive directors. Mr. Mo Bin was appointed as the president and an executive director of our Company in July 2010. Mr. Yang Erzhu was appointed as an executive director in November 2006. Ms. Yang Ziying was appointed as an executive director of our Company in May 2011. Mr. Huang Hongyan and Ms. Huang Xiao were appointed as independent non-executive directors of our company in December 2012. Mr. Zhu Rongbin was appointed as the associate president and an executive director of our Company in May 2013. Mr. Xie Shutai, Mr. Song Jun and Mr. Liang Guokun were appointed as executive directors of our Company in May 2013. Mr. Liu Hongyu and Mr. Mei Wenjue were appointed as independent non-executive directors of our Company in May 2013. Mr. Su Baiyuan was appointed as an executive director of our Company in December 2013. Mr. Wu Jianbin and Mr. Yeung Kwok On were appointed as executive director and independent non-executive director, respectively, in April 2014. All the remaining directors were appointed in December 2006.

Executive directors

Yeung Kwok Keung (楊國強), aged 59, is the chairman, an executive director, chairman of the nomination committee and corporate governance committee and a member of the remuneration committee of our Company. Mr. Yeung is responsible for the formulation of development strategies, investment planning and overall project planning as well as ensuring the board functioned properly with good corporate practice and procedures. From 1992 to 1997, he was the general manager of Shunde Sanhe Property Development Co., Ltd. (順德市三和物業發展有限公司). From 1986 to 1997, Mr. Yeung served as the general manager and the chairman of Shunde Beijiao Construction Company Limited (順德市北滘建築工程有限公司) and also served as the general manager of the Group from 1997 to 2003. He had been the chairman of the Group from 2003 to 2005 and became the chairman of our Company after its formation in 2006. Mr. Yeung has over 36 years of experience in construction and over 22 years of experience in property development. Mr. Yeung was recognized as "China Charity Outstanding Contributions Person" and "Top Ten Contributions to China Real Estate" in 2009 and "China Real Estate Entrepreneur Charity Award" and "Person of China Real Estate" in 2010, "Individual under non-collectively own category for helping poverty in Guangdong" in 2011, as well as "2012 China Corporate Social Responsibility Award for Outstanding Entrepreneur" in 2012. Mr. Yeung is currently a member of the 12th National Committee of the Chinese People's Political Consultative Conference (全國政協委員). Mr. Yeung is the father of Ms. Yang Huiyan and Ms. Yang Ziying and the uncle of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Yang Huiyan (*楊惠妍*), aged 32, is the vice chairman, an executive director and a member of the corporate governance committee of our Company. Ms. Yang graduated from Ohio State University with a degree in marketing and logistic. She joined the Group in 2005 and served as the manager of the procurement department. She is primarily responsible for the formulation of development strategies. Ms. Yang received the "China Charity Award Special Contribution Award" in 2008. Ms. Yang is the daughter of Mr. Yeung Kwok Keung, the sister of Ms. Yang Ziying and a cousin of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Mo Bin (莫斌), aged 47, is the president, an executive director and a member of the remuneration committee and corporate governance committee of our Company. Mr. Mo graduated from Hengyang Institute of Technology (衡陽工學院) (currently known as University of South China

(南華大學)) with an undergraduate degree in industrial and civil architecture, obtained his postgraduate degree from Zhongnan University of Economics and Law (中南財經政法大學) and is a professor-grade senior engineer. Mr. Mo is primarily responsible for the management of daily operation and general administration of our Group. Prior to joining our Group, Mr. Mo was employed by an internationally competitive construction and property group in the mainland, China Construction Fifth Engineering Division Corp., Ltd. (中國建築第五工程局有限公司) , in a number of senior positions since 1989, most recently as director and general manager. Mr. Mo has over 24 years of extensive experience in property development, construction business, construction management, marketing, cost control and corporate management.

Zhu Rongbin (*朱榮斌*), aged 41, is the associate president and an executive director of our Company. Mr. Zhu graduated from the Faculty of Civil Engineering of Tsinghua University with a master degree and is a national registered supervisor engineer, a national registered cost engineer and a senior engineer. He is primarily responsible for the management of investment, commercial and product design. Mr. Zhu worked in China Overseas Holdings Limited from 1995 to 2008, most recently as director, assistant general manager and general manager (eastern China region) of China Overseas Property Group Company Limited and was responsible for property development and project management in various locations, namely Guangzhou, Hong Kong, Shenzhen, Beijing and Shanghai. From 2008 and before joining our Company in May 2013, Mr. Zhu worked in Guangzhou R&F Properties Co., Ltd. ("R&F"), most recently as vice president and general manager (southern China region) of R&F. Mr. Zhu has acted as deputy managing president of Guangdong Real Estate Association since 2008. Mr. Zhu has over 19 years of experience in property development and related business.

Yang Ziying **(*楊子瑩*)**, aged 26, is an executive director of our Company. Ms. Yang graduated from Ohio State University with a degree in psychology. Ms. Yang joined our Group in 2008 as an assistant to Chairman. She is primarily responsible for overseeing finances of our Group, including offshore and onshore financing. Prior to joining our Group, Ms. Yang worked in a renowned global investment bank. Ms. Yang is the daughter of Mr. Yeung Kwok Keung, the sister of Ms. Yang Huiyan, and a cousin of Mr. Yang Zhicheng and Mr. Yang Yongchao.

Yang Erzhu (*楊貳珠*), aged 63, is an executive director of our Company. Mr. Yang graduated from the School of Economic Management of Jinan University. He is primarily responsible for auditing the outsourcing of construction and assisting our chairman in investment planning. From 1994 to 1997, Mr. Yang served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Yang served as a deputy general manager of Shunde Beijiao Construction Company Limited. From 1999 to 2009, he served as a director and deputy general manager of Foshan Shunde Finest Decoration & Design Enterprise and has served as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Foshan Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Yang has over 36 years of experience in construction and approximately 20 years of experience in property development.

Su Rubo (*蘇汝波*), aged 59, is an executive director of our Company. Mr. Su graduated from the School of Economic Management of Jinan University. He is primarily responsible for construction management, supervision and coordination of some of our property development projects. From 1994 to 1997, Mr. Su served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Su served as deputy general manager of Shunde Beijiao Construction Company Limited and has been serving as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Foshan Shunde Country Garden

Property Development Co., Ltd. since 1997. Mr. Su has over 36 years of experience in construction and approximately 20 years of experience in property development and approximately 17 years of experience in procurement of construction materials.

Ou Xueming (*區學銘*), aged 64, is an executive director of our Company. He is primarily responsible for construction management, supervision and coordination of some of our property development projects. From 1994 to 1997, Mr. Ou served as a deputy general manager of Shunde Sanhe Property Development Co., Ltd. From 1986 to 1997, Mr. Ou served as deputy general manager of Shunde Beijiao Construction Company Limited and has been serving as a director and deputy general manager of Guangdong Giant Leap Construction Co., Ltd. and Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Ou has over 36 years of experience in construction and approximately 20 years of experience in the operation and management of property development.

Yang Zhicheng (*楊志成*), aged 40, is an executive director of our Company and our regional president. He is primarily responsible for the overall development and management of some of our property development projects. Prior to joining our Group in 1997, Mr. Yang served as a project manager of Shunde Sanhe Property Development Co., Ltd., the general manager of Foshan Shunde Jun'an Country Garden Property Development Co., Ltd. and the project general manager of our Group. Mr. Yang has approximately 20 years of experience in project development. Mr. Yang is a nephew of Mr. Yeung Kwok Keung and a cousin of Ms. Yang Huiyan, Ms. Yang Ziying and Mr. Yang Yongchao.

Yang Yongchao (*楊永潮*), aged 39, is an executive director of our Company and the head of our sales center. He is primarily responsible for our overall sales management. He has been responsible for the management of the sales center of Shunde Country Garden Property Development Co., Ltd. since 1997. Mr. Yang has approximately 17 years of experience in property sales management, market research, project planning proposal, pricing, marketing, sales and customer resource management. Mr. Yang is a nephew of Mr. Yeung Kwok Keung and a cousin of Ms. Yang Huiyan, Ms. Yang Ziying and Mr. Yang Zhicheng.

Xie Shutai (謝樹太), aged 49, is an executive director of our Company. Mr. Xie graduated from Hunan University (湖南大學) with a degree in civil engineering and is a qualified PRC civil engineer. He is primarily responsible for the overall management and supervision of some of our property development projects as well as the overall management of the hotels and property management companies of the Group. Prior to joining our Group in 1997, Mr. Xie worked in Hengyang City Construction Institute (衡陽市建築設計研究院) from 1986 to 1991 responsible for structural design work. He also worked in Shunde Sanhe Property Development Co., Ltd. from 1992 to 1997 responsible for property management. Since 1997, he has been working in Foshan Shunde Country Garden Property Development Co., Ltd. and Guangdong Country Garden Property Management Co., Ltd. responsible for the overall property and hotel management, and served as vice president of the Group since 2007. Mr. Xie has 22 years of experience in property management and 17 years of experience in hotel management.

Song Jun (宋軍), aged 46, is an executive director of our Company. Mr. Song graduated from Chongqing College of Construction and Architecture (重慶建築工程學院), currently known as Chongqing University (重慶大學), with a degree in architecture and is a qualified PRC architect. Prior to joining our Group in 1997, Mr. Song worked in Hunan Province Jishou City Construction Institute (湖南省吉首市建築規劃勘察設計院) and Guangdong Elite Architectural Co., Ltd. and was responsible for architectural design work. Since 1997, he served as a project manager and a general manager of Foshan Shunde Country Garden Property Development Co., Ltd. and

Guangzhou Country Garden Property Development Co., Ltd., and served as vice president of our Group since 2005, responsible for the management of property project development. Currently, Mr. Song is responsible for the overall operation, management and sustainable development of property projects in some regions under his supervision. Mr. Song has 17 years of experience in the management of property development.

Liang Guokun (梁國坤), aged 55, is an executive director of our Company. Mr. Liang is primarily responsible for landscape design and gardening system management and supervision. Prior to joining our Group in 1999, Mr. Liang worked in Zhong Shan Hot Spring Golf Club (中山溫泉高爾夫球會俱樂部) from 1985 to 1994. He also worked in Dongguan Yin Li Golf Club (東莞銀利外商俱樂部), Shenzhen Mission Hills Golf Club (深圳觀瀾湖高爾夫球會) and Shenzhen Longgang Green Club (深圳龍崗綠色俱樂部), currently known as Citic Green Golf Club (中信綠色高爾夫球會), in a number of senior positions, from 1994 to 1999. Mr. Liang served as a vice president of the Group since 2011. Mr. Liang has 29 years of experience in golf course design management and landscape design management.

Su Baiyuan (蘇柏垣), aged 48, is an executive director of our Company. Mr. Su graduated from Guangzhou Normal Institute (廣州師範學院) (currently known as Guangzhou University (廣州大學) with a degree in geography and obtained a postgraduate degree in human geography from Sun Yat-Sen University (中山大學). Prior to joining our Group in 2005, Mr. Su had over 10 years of experiences in land planning and development as well as operational management. Mr. Su was a vice president of our Group and he was primarily responsible for investment development and the overall management of some property development projects. Mr. Su resigned as a vice president of our Group in February 2013. Currently, Mr. Su is primarily responsible for overseas development and the management of some overseas property development projects.

Wu Jianbin (吳建斌), aged 51, is an executive director of our Company. Mr. Wu graduated from the School of Finance and Economics of Xi'an Jiaotong University (西安交通大學經濟與金融學院) (formerly known as Shaanxi Institute of Finance and Economics (陝西財經學院)) and obtained a master degree and a doctorate degree in Business Administration from the Macau University of Science and Technology (澳門科技大學), respectively. Mr. Wu is a senior accountant and is an adjunct professor at the Shanghai University of International Business and Economics (上海對外經貿大學). Mr. Wu joined China State Construction Engineering Corporation in 1984 and was seconded to China Overseas Land & Investment Ltd. in 1987. He was appointed as director and financial controller of China Overseas Holdings Limited in 2001 and appointed as executive director and financial controller of China Overseas Land & Investment Ltd. in 2002 and was re-designated as vice chairman and non-executive director in 2009. Prior to joining our Group in April 2014, Mr. Wu was an executive director and vice president of China Overseas Holdings Limited and the chairman of China Overseas Investment Developing Holdings Limited. Mr. Wu is also a member of the 11th Shaanxi Provincial Committee of Chinese People's Political Consultative (第十一屆陝西省政協委員). Mr. Wu has 30 years of experience in corporate finance, accounting, investment operations and information management. In addition, Mr. Wu has been appointed as the chief financial officer of our Company with effect from April 30, 2014.

Independent non-executive directors

Lai Ming, Joseph (***黎明***), aged 69, is an independent non-executive director, chairman of the audit committee and a member of the remuneration committee and nomination committee of our Company. Mr. Lai is a fellow member of Hong Kong Institute of Certified Public Accountants

("HKICPA"), CPA Australia and the Chartered Institute of Management Accountants ("CIMA") and the Hong Kong Institute of Directors. Mr. Lai was one of the co-founders of the Hong Kong Branch of CIMA founded in 1973 and was its president in 1974/75 and 1979/80. He was the president of HKICPA in 1986. Mr. Lai is an independent non-executive director of Shinhint Acoustic Link Holdings Limited, Jolimark Holdings Limited and Guangzhou R&F Properties Co., Limited, all of which are companies whose shares are listed on the Hong Kong Stock Exchange. Mr. Lai also holds directorships in several private companies engaging in property development in Canada. He is also an independent non-executive director of Nan Fung Group Holdings Limited.

Shek Lai Him, Abraham (*石禮謙*) G.B.S., J.P., aged 68, is an independent non-executive director, a member of the audit committee and remuneration committee of our Company. Mr. Shek graduated from the University of Sydney and holds a Bachelor of Arts degree and a Diploma in Education. He was appointed a Justice of the Peace in 1995 and was awarded the Gold Bauhinia Star by the government of HKSAR in 2013. He is a member of the Hong Kong Legislative Council representing the Real Estate and Construction Functional Constituency, a member of the Court of Hong Kong University of Science and Technology, a member of Court and Council of University of Hong Kong, and a vice chairman of the Independent Police Complaints Council. Mr. Shek is an independent non-executive director of Midas International Holdings Limited, Lifestyle International Holdings Limited, NWS Holdings Limited, ITC Corporation Limited, ITC Properties Group Limited, Hop Hing Group Holdings Limited, Hsin Chong Construction Group Limited, MTR Corporation Limited, SJM Holdings Limited, Paliburg Holdings Limited, Lai Fung Holdings Limited, Chuang's Consortium International Limited, China Resources Cement Holdings Limited, Dorsett Hospitality International Limited and Cosmopolitan International Holdings Limited, and a chairman and an independent non-executive director of Chuang's China Investments Limited, all of which are companies whose shares are listed on the Hong Kong Stock Exchange, as well as a director of The Hong Kong Mortgage Corporation Limited. Mr. Shek is also an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) and Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust), both trusts are listed on the Hong Kong Stock Exchange. Mr. Shek ceased to be an independent non-executive director of Titan Petrochemicals Group Limited, a company listed on the Hong Kong Stock Exchange with effect from February 27, 2014. Mr. Shek also holds directorships in Macau Horse Racing Company, Limited and Macau Jockey Club, both of which are incorporated in Macau, Jetstar Hong Kong Airways Limited and several property-related private companies.

Tong Wui Tung, Ronald (*唐滙棟*), aged 63, is an independent non-executive director, chairman of the remuneration committee and a member of the audit committee and nomination committee of our Company. He has been practicing as a solicitor in Hong Kong for over 30 years and is a partner of the law firm, Messrs. Cheung, Tong & Rosa Solicitors. He is also a Notary Public and a China Appointed Attesting Officer, and is admitted as a solicitor in several other jurisdictions. Mr. Tong is currently a non-executive director of Yip's Chemical Holdings Limited, a company whose shares are listed on the Hong Kong Stock Exchange.

Mr. Huang Hongyan (*黃洪燕*), aged 43, is an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of our Company. Mr. Huang graduated from the Department of Finance, the School of Economics of Jinan University and holds a Bachelor of International Finance degree, and is also qualified as a Chinese certified public accountant, a Chinese certified tax agent, a Chinese certified public valuer, a certified internal auditor and a corporate accountant. Currently, Mr. Huang serves as a general manager of Foshan Yestar Consulting Co., Ltd. and a director of Guangdong Jiayang Investment Co., Ltd. Mr. Huang is an independent non-executive director of Guangdong Vanward New Electric Co., Ltd., which is listed on the Shenzhen Stock Exchange and Guangdong Rifeng Electric Cable Co., Ltd.

Ms. Huang Xiao (黃曉), aged 46, is an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of our Company. Ms. Huang graduated from Jinan University and holds a Bachelor of Accounting degree. Ms. Huang has also graduated from University of New South Wales, Australia and holds a Master of Commerce degree with a major in international accounting. Ms. Huang is qualified as a Chinese certified public accountant and a senior accountant. Currently, Ms. Huang serves as the officer of the examination and training department of Guangdong Provincial Institute of Certified Public Accountants, a member of registration committee of Guangdong Provincial Institute of Certified Public Accountants and a bidding assessment expert of Stated-owned Assets Supervision and Administration Commission, the People's Government of Guangdong Province.

Liu Hongyu (劉洪玉), aged 51, is an independent non-executive director of our Company. Mr. Liu graduated from Tsinghua University with bachelor degree in structural engineering and a master degree in management engineering, and is a qualified real estate appraiser in the PRC. Mr. Liu was a professor in the Department of Civil Engineering of Tsinghua University from June 1996 to April 2000, and since April 2000, he has been a professor in the Department of Construction Management of Tsinghua University. Since 2010, he has been the director of Hang Lung Center for Real Estate, Tsinghua University. His research focuses on real estate economics, real estate investment and finance, housing policies and land management. From April 2006 to March 2012, Mr. Liu served as an independent director of COFCO Property (Group) Co., Ltd. Currently, Mr. Liu served as an independent director of China Merchants Property Development Co., Ltd., a company listed on the Shenzhen Stock Exchange, and an independent non-executive director of Franshion Properties (China) Limited, a company listed on the Hong Kong Stock Exchange. Mr. Liu is a vice chairman of the China Institute of Real Estate Appraisers and Agents and a director of Asian Real Estate Society. He is also an honorary professor of the University of Hong Kong and a Fellow of the Royal Institution of Chartered Surveyors of the United Kingdom. Mr. Liu has over 25 years of experience in real estate, construction and engineering.

Mei Wenjue (梅文玨), aged 43, is an independent non-executive director of our Company. Mr. Mei graduated from Sun Yat-Sen University with bachelor degree in English language and literature and a master degree in public administration, and from School of Management of Cranfield University in United Kingdom with a master of business administration. Mr. Mei served as a director of safety management system office, the secretary of safety committee, safety information manager of China Southern Airline, and the deputy representative of China Southern Airline in the safety security and quality functional executives of SkyTeam. Currently, Mr. Mei serves as the chief representative of Shenzhen Office of China Europe International Business School. Mr. Mei is an independent non-executive director of Miko International Holdings Limited, a company listed on the Hong Kong Stock Exchange.

Yeung Kwok On (楊國安), aged 52, is an independent non-executive director of our Company. Mr. Yeung obtained his doctorate degree in Strategic Human Resource Management at the University of Michigan (密歇根大學) in 1990 and a master degree in Management at the University of Hong Kong (香港大學) (School of Business) in 1986. Mr. Yeung is an adjunct professor of China Europe International Business School (中歐國際工商學院) and was Philips Chair Professor of Human Resource Management and director of Center of Organizational and People Effectiveness.

Mr. Yeung is also the founding director of CEO Learning Consortium. He also served as the chief human resources officer of Acer Group. Over the years, he was the senior advisor for a wide range of companies, including Tencent, Alibaba, Taiwan Semiconductor Manufacturing Company, MaryKay, Antai Insurance, and TCL-Thomson. In addition, he chairs the Regional Judge Committee for selecting "Best Employers in Asia" sponsored by Hewitt, Asia Wall Street Journal and Far Eastern Economic Review. Mr. Yeung is an independent non-executive director of SITC International Holdings Company Limited, a company listed on the Hong Kong Stock Exchange, and Trina Solar Limited, a company listed on the New York Stock Exchange. Mr. Yeung was previously an independent non-executive director of Kingdee International Software Group Company Limited, a company listed on the Hong Kong Stock Exchange.

Chief financial officer

Wu Jianbin (吳建斌), aged 51, an executive director of our Company, has been appointed as the chief financial officer of our Company with effect from April 30, 2014. See "—Executive Directors—Wu Jianbin" above.

Company secretary

Huen Po Wah (*禤寶華*), aged 65, is our company secretary since March 2007. Mr. Huen is an associate of The Hong Kong Institute of Chartered Secretaries and also an associate of The Institute of Chartered Secretaries and Administrators. Mr. Huen is also a director of Fair Wind Secretarial Services Limited. Mr. Huen has over 30 years of experience in company management and secretarial fields and has served in many listed companies over the years.

Senior management

Wang Shaojun (王少軍), aged 49, is a vice president of our Company. Mr. Wang graduated from Harbin Institute of Architecture and Engineering (哈爾濱建築工程學院) (currently known as Civil Engineering School of Harbin Institute of Technology (哈爾濱工業大學土木工程學院)) with a bachelor degree in industrial and civil architectures and a master degree in structural engineering and is a qualified PRC senior civil engineer. Prior to joining our Group in 2013, Mr. WANG worked in Dalian Wanda Commercial Properties Co., Ltd. as the general manager of its Guangzhou company responsible for property development; and worked in Fantasia Holdings Group Co. Ltd as the executive vice president responsible for the management and operation of property development business. Mr. Wang has 21 years of experience in management of property development.

Fan Jie (*樊杰*), aged 46, is a vice president of our Company. Mr. Fan graduated from Harbin Institute of Architecture and Engineering (哈爾濱建築工程學院) (currently known as Civil Engineering School of Harbin Institute of Technology (哈爾濱工業大學土木工程學院)) with a bachelor degree of international engineering management and is a qualified PRC senior civil engineer. Prior to joining our Group, Mr. Fan worked in China Overseas Holdings Limited for seven years and worked in various subsidiaries of China Overseas Property Co., Ltd in Shanghai, Tianjin and Zhongshan, etc as general manager responsible for property development. He also worked in Coastal Property Investment (China) Co., Ltd. as general manager of southern region responsible for property development and operation in various cities. Mr. Fan has 23 years of experience in engineering management and property development.

Li Xiaolin (*黎曉林*), aged 42, is a vice president of our Company. Mr. Li graduated from Department of Civil Engineering of Tsinghua University with a bachelor degree of architecture and structural engineering and Guanghua School of Management of Peking University with EMBA, and is a qualified PRC architecture engineer and a qualified real estate appraiser in PRC. Mr. Li is primarily responsible for the operation and management of some of our property development projects. Prior to joining our Group in 2008, Mr. Li worked in Zhuhai Zhuguang Architecture Design Engineering Company responsible for architecture design, as well as in various property developers, namely New Home (Zhuhai) Real Estate Co. Ltd., Zhongshan Paramount Development Co., Ltd. and China Vanke Co., Ltd., responsible for property development and management. Since 2008, Mr. Li is responsible for the overall operation, management and sustainable development of property projects in certain regions under his supervision. Mr. Li has 17 years of experience in the management of property development.

Peng Zhibin (彭志斌), aged 41, is a vice president of our Company. Mr. Peng graduated from Hefei University of Technology (合肥工業大學) with a bachelor degree of civil engineering in 1996 and Wuhan University (武漢大學) with a master degree of Business Administration. Mr. Peng is primarily responsible for the human resources management of our Group. Prior to joining our Group in 2010, Mr. Peng worked in China Railway Siyuan Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司), namely an engineer, a responsible person of professional design, etc. Mr. Peng worked in ZTE Corporation (中興通訊股份有限公司) as a cadre management manager of human resources management center and responsible person of human resources (Middle East region) from 2003 to 2006; worked in Watson Wyatt Worldwide (華信惠悅諮詢公司) as a consultant and a project manager from 2006 to 2008; and worked in COFCO Property (Group) Co., Ltd. (中糧地產(集團)股份有限公司) as a director of human resources (southern region) and a group vice president of human resources from 2008 to 2010. Mr. Peng has 12 years of experience in the human resources management.

Wang Zhidun (王志敦), aged 44, is a vice president of our Company. Mr. Wang graduated from Shantou University (汕頭大學) with a bachelor degree in international business laws and is a qualified PRC lawyer. Prior to joining our Group in 2003, Mr. Wang was a partner of Guangdong Bowen Law Office from 1996 to 2003. Mr. Wang left our Group in 2009 and rejoined in 2013. Currently, Mr. Wang is responsible for the investment and development of certain overseas property development projects.

Wu Bijun (伍碧君), aged 40, is a vice president of our Company since April 8, 2014. Ms. Wu graduated from the Department of Public Finance and Taxation of Zhongnan University of Finance and Economics (中南財經大學) (currently known as Zhongnan University of Economics and Law (中南財務政法大學)) with a bachelor degree of economics in 1995. She is qualified as a Chinese certified public accountant and a Chinese certified tax agent. Ms. Wu is now studying at the EMBA class of China Europe International Business School (中歐國際工商學院). Ms. Wu is the general manager of our financial resource center and is responsible for the finance and funds management. Prior to joining our Group in 2005, Ms. Wu worked at Jingzhou, Hubei Branch of China Construction Bank and was responsible for accounting management. From 1999 to 2002, Ms. Wu was the general accountant of Guangdong Foshan Zhixin Certified Public Accountants Co. Ltd and was responsible for reviewing the accountants reports. From 2002 to 2005, Ms. Wu worked at Shunde Finance Bureau and was responsible for the financial management of foreign investment enterprises. Ms. Wu joined our Group in 2005 and was mainly responsible for our financial management. Ms. Wu has nine years of experience in the management of financial resources and approximately 19 years of experience in the financial management.

Zhang Zhiyuan (張志遠), aged 41, is a vice president of our Company. Mr. Zhang graduated from Changsha Railway Institute of Zhongnan University (中南大學) majoring in industrial and civil construction. He is also a senior engineer. Prior to joining our Group in 2014, Mr. Zhang worked at China Construction Fifth Engineering Division Corp., Ltd. (中國建築第五工程局有限公司) from 1995 to March 2014, and he was the director and deputy general manager of China Construction Fifth Engineering Division Corp., Ltd. from January 2011 to March 2014. As a vice president of our Company, Mr. Zhang is responsible for the management of project quality.

Compensation of directors

Our executive directors receive remuneration in the form of salaries, discretionary bonuses, contributions to pension schemes and benefits in kind. The aggregate salary paid to our executive directors for each of the three years ended December 31, 2011, 2012 and 2013, was RMB19.9 million, RMB20.3 million and RMB22.9 million, respectively. In accordance with the rules and regulations in the PRC, our PRC based employees, including employees who are directors, participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which we and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. For the years ended December 31, 2011, 2012 and 2013, we contributed approximately RMB300,000, RMB450,000 and RMB372,000, respectively, to the plans in respect of our executive directors. The aggregate amounts of compensation (including salaries, discretionary bonuses, contributions to pension schemes and benefits in kind) which were paid to our executive directors during each of the three years ended December 31, 2011, 2012 and 2013, were RMB20.2 million, RMB20.8 million and RMB31.9 million, respectively.

Save as disclosed above, no other amounts have been paid or are payable by us to the directors in respect of each of the three years ended December 31, 2011, 2012 and 2013.

Audit committee

We have established an audit committee. The primary duty of the audit committee is to oversee the relationship with the Company's auditor, review the Company's financial information, and review the Company's financial report system and internal control procedures. The members of the audit committee are five of our independent non-executive directors, namely Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Lai Ming, Joseph is the chairman of the audit committee.

Remuneration committee

We have established a remuneration committee. The primary duty of the remuneration committee is to make recommendations to the board on the Company's policy and structure for all remuneration of directors and senior management of our Group, review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives, and make recommendations to the board on the remuneration packages of individual directors and senior management. The remuneration committee consists of seven members, of whom two are executive directors being Mr. Yeung Kwok Keung and Mr. Mo Bin, and five are independent non-executive directors being Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Tong Wui Tung, Ronald is the chairman of the remuneration committee.

Corporate governance committee

We have established a corporate governance committee. The primary duty of the corporate governance committee is to develop and review the Company's policies and practices on corporate governance and make recommendations to the board, review and monitor the training and continuous professional development of directors and senior management, review and monitor the Company's policies and practices on compliance with legal and regulatory requirements, develop, review and monitor the code of conduct and compliance manual (if any) applicable to our Group's employees and directors, and review our Company's compliance with the Corporate Governance Code of the Hong Kong Stock Exchange and disclosure in our corporate governance reports. The corporate governance committee consists of three members, of whom all three are executive directors, namely Mr. Yeung Kwok Keung, Ms. Yang Huiyan and Mr. Mo Bin. Mr. Yeung Kwok Keung is the chairman of the corporate governance committee.

Nomination committee

We have established a nomination committee. The primary duty of the nomination committee is to review the structure, size and composition of the board and make recommendations on any proposed changes to the board to complement our Company's corporate strategy, identify individuals suitably qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships, assess the independence of independent non-executive directors, and make recommendations to the board on the appointment or re-appointment of directors and succession planning for directors. The nomination committee consists of five members, an executive director, Mr. Yeung Kwok Keung and four independent non-executive directors, Mr. Lai Ming, Joseph, Mr. Tong Wui Tung, Ronald, Mr. Huang Hongyan and Ms. Huang Xiao. Mr. Yeung Kwok Keung is the chairman of the nomination committee.

Directors' and chief executives' interests

As of December 31, 2013, the interests of the directors and chief executives of the Company who held office at December 31, 2013 in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register which were required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Name of Director	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Percentage to the issued share capital as at 31.12.2013	Amount of debentures held
Ms. YANG Huiyan	Interest of controlled corporation	10,741,881,162	-	10,741,881,162[1]	58.19%	-
Mr. YANG Erzhu	Interest of controlled corporation	1,019,733,743	-	1,019,733,743[2]	5.52%	-
Mr. OU Xueming	Interest of controlled corporation	772,144,068[3]	-	-	-	-
	Beneficial owner	-	954,039[11]	773,098,107	4.18%	
Mr. SU Rubo	Interest of controlled corporation	749,437,312	-	749,437,312[4]	4.06%	-
Mr. YEUNG Kwok Keung	Interest of controlled corporation	66,060,000	-	66,060,000[5]	0.35%	US$11,300,000[6] US$11,000,000[7]
Mr. YANG Yongchao	Interest of spouse	3,712,321	-	3,712,321[8]	0.02%	-
Mr. XIE Shutai	Interest of spouse	844,937	-	844,937[9]	0.01%	-
Mr. LIANG Guokun	Interest of spouse	1,145,254	-	1,145,254[10]	0.01%	-
Mr. LAI Ming, Joseph	Beneficial owner	-	1,000,000[11]	1,000,000	0.01%	-
Mr. SHEK Lai Him, Abraham	Beneficial owner	-	1,000,000[11]	1,000,000	0.01%	-
Mr. SU Baiyuan	Beneficial owner	436,096	-	-	-	-
	Interest of spouse	419,643[12]	-	855,739	0.01%	
Mr. TONG Wui Tong, Ronald	Beneficial owner	-	1,000,000[11]	1,000,000	0.01%	-
Mr. YANG Zhicheng	Beneficial owner	-	1,493,845[11]	1,493,845	0.01%	-
Mr. ZHU Rongbin	Beneficial owner	1,350,000	-	1,350,000	0.01%	-

Notes:

1. These shares and/or underlying shares represent shares and/or underlying shares held by Concrete Win Limited, Golden Value Investments Limited and Jolly Faith Group Limited in which Ms. Yang Huiyan beneficially owns 100%, 100% and 50% of the issued share capital, respectively.
2. These shares represent shares held by Automic Group Limited in which Mr. Yang Erzhu beneficially owns the entire issued share capital.
3. These shares represent shares held by Highlander Group Limited in which Mr. Ou Xueming beneficially owns the entire issued share capital.

4. These shares represent shares held by Easy Hope Holdings Limited in which Mr. Su Rubo beneficially owns the entire issued share capital.
5. These shares represent shares held by Kenpac Investments Limited and Jolly Faith Group Limited in which Mr. Yeung Kwok Keung beneficially owns 90% and 50% of the issued share capital respectively.
6. These debentures represent the US$550 million 11.25% senior notes due 2017 held by Joy House Enterprises Limited in which Mr. Yeung Kwok Keung beneficially owns 99% of the issued share capital.
7. These debentures represent the US$900 million 11.125% senior notes due 2018 held by Joy House Enterprises Limited and Kenpac Investments Limited in which Mr. Yeung Kwok Keung beneficially owns 99% and 90% of the issued share capital respectively.
8. These shares represent shares held by Ms. Su Yuming being the spouse of Mr. Yang Yongchao.
9. These shares represent shares held by Ms. Yang Cong Rong being the spouse of Mr. Xie Shutai.
10. These shares represent shares held by Ms. Ma Min Hua being the spouse of Mr. Liang Guokun.
11. The relevant interests are unlisted physically settled options granted pursuant to the Share Options Scheme. Upon exercise of the share options in accordance with the Share Options Scheme, ordinary shares of HK$0.10 each in the share capital of the Company are issuable. The share options are personal to the respective Directors. Further details of the share options are set out in the "Corporate Governance and Other Information" of this report.
12. These shares represent shares held by Ms. Liu Qing being the spouse of Mr. Su Baiyuan.

Employee incentive scheme

We have set up an employee incentive scheme (the "Employee Incentive Scheme") under which we can to acquire shares of the Company in the secondary market and grant them to our employees based on certain criteria. The purpose of the Employee Incentive Scheme is to motivate our employees and to enhance their performance and efficiency. As of December 31, 2013, the cumulative total number of shares of the Company acquired for purposes of the Employee Incentive Scheme were 101,132,446 shares. As of the date of this offering memorandum, no shares have been granted under the Employee Incentive Scheme.

Share option scheme

We adopted a share option scheme (the "Share Option Scheme") on March 20, 2007. The purpose of the Share Option Scheme is to provide incentives to our employees including our executive directors and non-executive directors (each a "participant"). Our board of directors may, at any time within 10 years after the date of adoption of the Share Option Scheme, make an offer to any participant. The subscription price for shares granted pursuant to the Share Option Scheme is the highest of:

- the closing price of the shares of the Company on the Hong Kong Stock Exchange on the business day on which an offer is made to a participant;
- the average of the closing prices of the shares on the Hong Kong Stock Exchange for the five business days immediately preceding the date on which such offer is made; and
- the nominal value of the shares of the Company.

The total number of shares which may be issued upon exercise of all options granted under the Share Option Scheme must not, in aggregate, exceed 10% of the issued share capital of the Company at the date of approval of the Share Option Scheme. The 10% limit may be refreshed with the approval by ordinary resolution of our shareholders. The maximum number of shares which may be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Share Option Scheme must not exceed 30% of our issued share capital.

The total number of shares issued and to be issued upon exercise of all options granted under the Share Option Scheme to each participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of issued shares of the Company. If shares issued and to be issued upon exercise of all options granted under the Share Option Scheme (including options exercised, cancelled and outstanding) to a participate who is a substantial shareholder or an independent non-executive director of the Company in any 12-month period, (i) represent in aggregate more than 0.1% of the total number of shares in issue and (ii) have an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK$5,000,000, the proposed grant of option must be approved by our shareholders by poll in a general meeting.

The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years from the date of grant of the relevant option. Our board of directors has the authority to determine the minimum period for which an option must be held before it can vest.

As of the date of this offering memorandum, 9,173,457 share options have been granted and no share option was exercised, cancelled or lapsed in accordance with the terms of the Share Option Scheme. These represent (a) the 1,000,000 share options granted to each of Mr. Lai Ming, Joseph, Mr. Shek Lai Him, Abraham and Mr. Tong Wui Tong, Ronald, on November 30, 2012, exercisable from the date of grant to November 29, 2022 at the exercise price per share of HK$3.70 and (b) the 1,493,845 share options granted to Mr. Yang Zhicheng, the 954,039 share options granted to Mr. Ou Xueming and the 3,725,573 share options granted to the employees of the Company on December 13, 2013, exercisable from December 13, 2018 to December 12, 2023 at the exercise price per share of HK$4.844.

Principal shareholders

As of December 31, 2013, the interested persons, other than the directors or chief executive of the Company in the shares and the underlying shares of the Company representing 5% or more of the nominal value of shares comprised in the relevant share capital of the Company as recorded in the register kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity	Number of ordinary shares	Percentage of issued share capital
Concrete Win Limited	Beneficial Owner	10,665,232,162(1)	57.78%
Automic Group Limited	Beneficial Owner	1,019,733,743(2)	5.52%

Notes:

(1) These shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. Yang Huiyan.

(2) These shares are held by Automic Group Limited, the entire issued share capital of which is beneficially owned by Mr. Yang Erzhu.

Save as disclosed, none of the directors knows of any person (not being a director or chief executive of the Company) who will have an interest or short position in the shares or underlying shares of the Company as representing 5% or more of the nominal value of Shares comprised in the relevant share capital of the Company.

Related party transactions

The following discussion describes certain material related party transactions in 2011, 2012 and 2013 between our consolidated subsidiaries and our directors, executive officers, original shareholders and associates and, in each case, the companies with which they are affiliated.

The following table summarizes our related party transactions for the periods indicated.

	Year ended December 31,		
(RMB in thousands)	**2011**	**2012**	**2013**
Construction, fitting and decoration service income			
Controlled by ultimate controlling shareholders(1)	230,495	93,137	253,107
Purchase of design service			
Controlled by ultimate controlling shareholders	255,511	395,891	638,913
Purchase of construction service, materials and water			
Controlled by ultimate controlling shareholders and their close family members	54,728	113,120	517,403
Provide guarantee for borrowings			
Associate and a joint venture(2)	1,500,400	1,705,491	1,184,209
Key management compensation			
Salaries and other short-term employee benefits	32,034	33,161	38,039

Notes:

(1) Our "ultimate controlling shareholders" in this section and elsewhere in this offering memorandum refer to Yang Huiyan, Yang Erzhu, Su Rubo, Zhang Yaoyuan and Ou Xueming.

(2) Our "Associate" is the Asian Games City JV.

As of December 31, 2011, 2012 and 2013, we had the following significant balances with our related parties:

	As of December 31,		
Balances due from related parties—	**2011**	**2012**	**2013**
	(RMB in thousands)		
Included in amounts due from customers for contract work	381,992	447,124	700,197
Included in other receivables and prepayments			
Controlled by ultimate controlling shareholders	53,392	573,912	580,368
Controlled by ultimate controlling shareholders and their close family members	53,030	621	18,806
Associate(1)	1,139,745	1,139,745	2,039,745
Joint venture	-	254,560	304,612
	1,246,167	1,968,838	2,943,531
Total	1,628,159	2,415,962	3,643,728
Balances due to related parties—			
Included in trade payables	89,323	164,387	471,216

Note:

(1) Represents shareholder loans we made to the Asian Games City JV.

Construction, fitting and decoration services

A substantial amount of our related party transactions consist of construction, fitting and decoration services we provided to related parties. Pursuant to various contracts, we provide construction services through our subsidiaries, Giant Leap Construction Co., to Qingyuan Country Garden Co., a company controlled by our original shareholders. We sell such construction services to Qingyuan Country Garden Co. with reference to market prices and on terms no more favorable than those offered by independent third parties for comparable services. In 2011, 2012 and 2013, the aggregate services fees we received from Qingyuan Country Garden Co. amounted to RMB230.5 million, RMB93.1 million and RMB253.1 million, respectively.

Purchase of design services

Our design work is mainly undertaken by Guangdong Elite Architectural Co., Ltd., which is controlled by one of our original shareholders. The design services are provided on terms (including but not limited to pricing) no less favorable than those offered by independent third parties for comparable services. In 2011, 2012 and 2013, the total purchase prices amounted to RMB255.5 million, RMB395.9 million and RMB638.9 million, respectively. In October 2012, the scope of Guangdong Elite Architectural Co., Ltd.'s services was broadened to cover survey work.

Purchase of cement products

We purchase cement products from Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pile Co."), a company controlled by our original shareholders, for some of our property development projects. The cement products are sold to us on terms (including but not limited to pricing) no less favorable than those offered by Grand Pile Co. to independent third parties. In 2011, 2012 and 2013, purchases of cement products from Grand Pile Co. amounted to RMB 27.2 million, RMB11.3 million and RMB8.7 million, respectively.

Purchase of water

We purchase water from Foshan Shunde Jiangkou Water Plant Co., Ltd. ("Jiangkou Water Plant Co."), and Zengcheng Crystal Water Plant Co., Ltd. ("Crystal Water Plant Co."), both of which are controlled by our original shareholders and their close family members.

Jiangkou Water Plant Co. and Crystal Water Plant Co. provide us with water for use in operations in the Panyu District, the Shunde District and the Zengcheng District. The water supplied are at rates no less favorable than rates chargeable by other water plants operated by independent third parties in the Panyu District, the Shunde District and the Zengcheng District. The amount we paid to Jiangkou Water Plant Co. and Crystal Water Plant Co. were RMB4.4 million and RMB5.7 million, respectively, in 2011, RMB4.0 million and RMB6.3 million, respectively, in 2012, and RMB3.5 million and RMB6.3 million, respectively, in 2013.

Purchase of lighting supply

On October 31, 2012, we entered into a framework agreement with Guangdong Shenghui Electronics Holdings Limited ("Guangdong Shenghui"), a company controlled by our original shareholders and their close family members, pursuant to which Guangdong Shenghui will supply lighting equipments, distribution board/control cabinet and provide relevant lighting design and installation work to our subsidiaries for a term commencing from October 31, 2012 to December 31, 2014. The lighting services provided on terms (including but not limited to pricing, no less favorable than those offered by independent third parties for comparable services. In 2012 and 2013, the total purchase price amounted to RMB91.5 million and RMB271.4 million, respectively.

Other related party transactions

Other related transactions include the purchase of construction materials (other than cement products) from our original shareholders and their close family members. Generally, the terms of such transactions (including but not limited to pricing or rates, as applicable) are no less favorable than those offered by independent third parties for comparable products and services.

For further information about our related party transactions, see note 41 to the consolidated financial information as of and for the year ended December 31, 2013 included elsewhere in this offering memorandum.

Description of other material indebtedness

To fund our existing property projects and to finance our working capital requirements, we have borrowed money from various banks. As of December 31, 2013, our total borrowings (including the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes) totaled RMB56,248.8 million (US$9,291.6 million). We set forth below a summary of the material terms and conditions of these loans and other indebtedness.

PRC Project loan agreements

Certain of our PRC subsidiaries have entered into loan agreements with various PRC banks, primarily Bank of China, Agricultural Bank of China, China Construction Bank, Industrial and Commercial Bank of China, the Bank of East Asia, Hang Seng Bank, Bank of Communications, Industrial Bank, China Everbright Bank, China Citic Bank, Ping An Bank, Bank of Nanjing, Postal Savings Bank of China and Guangdong Development Bank. These loans typically are project loans to finance the construction of our projects (the "project loans") and have terms ranging from one year to 10 years, which generally correspond to the construction periods of the particular projects.

Interest

The principal amounts outstanding under the project loans generally bear interest at floating or fixed rates calculated by reference to the relevant bank's benchmark interest rate per annum which in turn is generally linked to PBOC-published rates. Floating interest rates generally are subject to review by the banks annually or quarterly. Interest payments generally are payable either monthly or quarterly and must be made on each payment date as provided in the particular loan agreement.

Covenants

Under these project loans, many of our subsidiary borrowers have agreed, among other things, not to take the following actions without first obtaining the lenders' prior consent:

- create encumbrances on any part of their properties or assets or deal with their assets in a way that may adversely affect their ability to repay their loans;
- grant guarantees to any third parties that may adversely affect their ability to repay their loans;
- make any major changes to their corporate structures or business operation model, such as entering into joint ventures, mergers and acquisitions and reorganizations or change the company's status, such as liquidation and dissolution;
- transfer part or all of the liabilities under the loans to a third party; and
- prepay the loan.

Dividend restriction

Pursuant to the project loans with Industrial and Commercial Bank of China, the Bank of East Asia, Bank of China, China Citic Bank and Guangdong Development Bank, some of our PRC subsidiaries also agreed not to distribute any dividends:

- if the borrower's after-tax net profit is nil or negative;

- if the after-tax net profit is insufficient to cover losses in previous financial years;
- if the before-tax profit is not used to satisfy the relevant debt due during the same financial year; or
- before the principal amount of and accrued interest on the relevant project loan have been timely or fully paid.

Guarantee and security

Most of our PRC subsidiaries and associates have entered into guarantee agreements, mortgage contracts or pledge contracts, or a combination of them, with the PRC banks in connection with most of the project loans pursuant to which these subsidiaries and associates have guaranteed all liabilities of the subsidiary borrowers or have provided security, such as land use rights and equity of the project companies, under these project loans.

Customer guarantees

In line with industry practice, we provide guarantees to mortgagee banks in respect of mortgage loans taken out by purchasers of our properties. Such guarantee obligations typically terminate upon the delivery of the relevant property ownership certificates on the underlying property to the bank. As of December 31, 2013, the aggregate outstanding amount guaranteed was RMB31,443.7 million.

2014 Notes

On September 10, 2009, we entered into an indenture (the "2014 Indenture") pursuant to which we issued an aggregate principal amount of US$300,000,000 11.750% Senior Notes due 2014 (the "Initial Notes"). On September 23, 2009, we issued an additional aggregate principal amount of US$75,000,000 11.750% Senior Notes due 2014 under the 2014 Indenture, which were fungible with, and which we consolidated with, the Initial Notes (together with the Initial Notes, the "2014 Notes"). As of December 31, 2013, we had a total amount of US$375,000,000 principal amount of 2014 Notes outstanding.

Guarantee

The obligations pursuant to the 2014 Notes are guaranteed by our existing subsidiaries (the "2014 Subsidiary Guarantors") other than those organized under the laws of the PRC and certain other subsidiaries in the 2014 Indenture.

Each of the 2014 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2014 Notes.

Collateral

The 2014 Notes and the Subsidiary guarantees provided by the 2014 Subsidiary Guarantors are secured by the Shared Collateral (as defined below). See "—2021 Notes—Collateral."

Interest

The 2014 Notes bear an interest rate of 11.750% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2014 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

On March 10, 2010, we completed a consent solicitation to amend certain terms of the 2014 Notes to allow us to make investments (including the provision of guarantees) in the Asian Games City Project in proportion to our equity interest in the Asian Games City JV and to give us flexibility to incur certain indebtedness to take advantage of additional strategic opportunities and further develop our business plans. On March 12, 2010, we entered into a first supplemental indenture with the trustee for the 2014 Notes to give effect to these amendments. The Notes, when issued, will have substantially the same terms as the 2014 Notes as amended by the first supplemental indenture dated March 12, 2010.

Events of default

The 2014 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2014 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2014 Indenture or the holders of at least 25% of the outstanding 2014 Notes may declare the principal of the 2014 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2014 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2014 Notes is September 10, 2014.

At any time we may redeem the 2014 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2014 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to September 10, 2012, we may redeem up to 35% of the aggregate principal amount of the 2014 Notes at a redemption price equal to 111.750% of the principal amount of the 2014 Notes, plus any accrued and unpaid interest with the proceeds from sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2014 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2014 Subsidiary Guarantor under the 2014 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2014 Notes at a redemption price equal to 100% of the principal amount of the 2014 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2017 Notes

On April 22, 2010, we entered into an indenture ("the 2017 Indenture") pursuant to which we issued an aggregate principal amount of US$550,000,000 11.250% Senior Notes due 2017 (the "2017 Notes"). As of December 31, 2013, we had a total amount of US$550,000,000 principal amount of the 2017 Notes outstanding.

Guarantee

The obligations pursuant to the 2017 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes (the "2017 Subsidiary Guarantors").

Each of the 2017 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2017 Notes.

Collateral

The 2017 Notes and the subsidiary guarantees provided by the 2017 Subsidiary Guarantors are secured by the Shared Collateral. See "—2021 Notes—Collateral."

Interest

The 2017 Notes bear an interest rate of 11.250% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2017 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2017 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2017 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2017 Indenture or the holders of at least 25% of the outstanding 2017 Notes may declare the principal of the 2017 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2017 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2017 Notes is April 22, 2017.

At any time and from time to time on or after April 22, 2014, we may redeem the 2017 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on April 22 of each of the years indicated below:

Period	Redemption Price
2014	105.6250%
2015	102.8125%
2016 and thereafter	100.0000%

At any time prior to April 22, 2014, we may redeem the 2017 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2017 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to April 22, 2013, we may redeem up to 35% of the aggregate principal amount of the 2017 Notes at a redemption price equal to 111.250% of the principal amount of the 2017 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2017 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2017 Subsidiary Guarantor under the 2017 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2017 Notes at a redemption price equal to 100% of the principal amount of the 2017 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2015 Notes

On August 11, 2010, we entered into an indenture (the "2015 Indenture") pursuant to which we issued an aggregate principal amount of US$400,000,000 10.500% Senior Notes due 2015 (the "2015 Notes"). As of December 31, 2013, we had a total amount of US$400,000,000 principal amount of the 2015 Notes outstanding.

Guarantee

The obligations pursuant to the 2015 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2017 Notes, the 2018 Notes, the 2023 Notes and the 2021 Notes (the "2015 Subsidiary Guarantors").

Each of the 2015 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2015 Notes.

Collateral

The 2015 Notes and the subsidiary guarantees provided by the 2015 Subsidiary Guarantors are secured by the Shared Collateral. See "—2021 Notes—Collateral."

Interest

The 2015 Notes bear an interest rate of 10.500% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2015 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;

- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2015 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2015 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2015 Indenture or the holders of at least 25% of the outstanding 2015 Notes may declare the principal of the 2015 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2015 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2015 Notes is August 11, 2015.

At any time prior to August 11, 2015, we may redeem the 2015 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus a premium and any accrued and unpaid interest, if any, to the redemption date.

At any time prior to August 11, 2013, we may redeem up to 35% of the aggregate principal amount of the 2015 Notes at a redemption price equal to 110.500% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest with the proceeds from sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2015 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2015 Subsidiary Guarantor under the 2015 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2015 Notes at a redemption price equal to 100% of the principal amount of the 2015 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2018 Notes

On February 23, 2011, we entered into an indenture (the "2018 Indenture") pursuant to which we issued an aggregate principal amount of US$900,000,000 11.125% Senior Notes due 2018 (the "2018 Notes"). As of December 31, 2013, we had a total amount of US$900,000,000 principal amount of the 2018 Notes outstanding.

Guarantee

The obligations pursuant to the 2018 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2023 Notes and the 2021 Notes (the "2018 Subsidiary Guarantors").

Each of the 2018 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2018 Notes.

Collateral

The 2018 Notes and the subsidiary guarantees provided by the 2018 Subsidiary Guarantors are secured by the Shared Collateral. See "—2021 Notes—Collateral."

Interest

The 2018 Notes bear an interest rate of 11.125% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2018 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2018 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2018 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2018 Indenture or the holders of at least 25% of the outstanding 2018 Notes may declare the principal of the 2018 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2018 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2018 Notes is February 23, 2018.

At any time and from time to time on or after February 23, 2015, we may redeem the 2018 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on February 23 of each of the years indicated below:

Period	Redemption Price
2015	105.5625%
2016	102.7813%
2017 and thereafter	100.0000%

At any time prior to February 23, 2015, we may redeem the 2018 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2018 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to February 23, 2014, we may redeem up to 35% of the aggregate principal amount of the 2018 Notes at a redemption price equal to 111.125% of the principal amount of the 2018 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2018 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2018 Subsidiary Guarantor under the 2018 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2018 Notes at a redemption price equal to 100% of the principal amount of the 2018 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2023 Notes

On January 10, 2013, we entered into an indenture (the "2023 Indenture") pursuant to which we issued an aggregate principal amount of US$750,000,000 7.50% Senior Notes due 2023 (the "2023 Notes"). As of December 31, 2013, we had a total amount of US$750,000,000 principal amount of the 2023 Notes outstanding.

Guarantee

The obligations pursuant to the 2023 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes and the 2021 Notes (the "2023 Subsidiary Guarantors").

Each of the 2023 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2023 Notes.

Collateral

The 2023 Notes and the subsidiary guarantees provided by the 2023 Subsidiary Guarantors are secured by the Shared Collateral. See"—2021 Notes—Collateral."

Interest

The 2023 Notes bear an interest rate of 7.50% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2023 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2023 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2023 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2023 Indenture or the holders of at least 25% of the outstanding 2023 Notes may declare the principal of the 2023 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2023 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2023 Notes is January 10, 2023.

At any time and from time to time on or after January 10, 2018, we may redeem the 2023 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on January 10 of each of the years indicated below:

Period	Redemption Price
2018	103.75%
2019	102.50%
2020	101.25%
2021 and thereafter	100.00%

At any time prior to January 10, 2018, we may redeem the 2023 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2023 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to January 10, 2016, we may redeem up to 35% of the aggregate principal amount of the 2023 Notes at a redemption price equal to 107.50% of the principal amount of the 2023 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2023 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2023 Subsidiary Guarantor under the 2023 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2023 Notes at a redemption price equal to 100% of the principal amount of the 2023 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

2021 Notes

On October 4, 2013, we entered into an indenture (the "2021 Indenture") pursuant to which we issued an aggregate principal amount of US$750,000,000 7.25% Senior Notes due 2021 (the "2021 Notes"). As of December 31, 2013, we had a total amount of US$750,000,000 principal amount of the 2021 Notes outstanding.

Guarantee

The obligations pursuant to the 2021 Notes are guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes and the 2023 Notes (the "2021 Subsidiary Guarantors"). Each of the 2021 Subsidiary Guarantors, jointly and severally, guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the 2021 Notes.

Collateral

The capital stock of certain 2021 Subsidiary Guarantors (the "Shared Collateral") is currently pledged to secure on a *pari passu* basis our obligations under (i) the 2014 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the 2014 Indenture, (ii) the 2017 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2017 Notes, (iii) the 2015 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2015 Notes, (iv) the 2018 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2018 Notes, (v) the 2023 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2023 Notes and (vi) the 2021 Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors under the indenture governing the 2021 Notes, subject to the Intercreditor Agreement. The Intercreditor Agreement governs the relationships among the holders of the 2014 Notes, the holders of the 2017 Notes, the holders of the 2015 Notes, the holders of the 2018 Notes, the holders of the 2023 Notes and the holders of the 2021 Notes in respect of the security interests created by the Shared Collateral that is shared on a *pari passu* basis among them. Additionally, the Intercreditor Agreement provides for the collateral agent to exercise remedies in respect thereof upon the occurrence of an event of default under the secured obligations and to act as specified in the Intercreditor Agreement. We expect the Trustee for the Notes to become a secured party under the Intercreditor Agreement by executing a supplement to the Intercreditor Agreement. The Shared Collateral may be released or reduced in the event of certain asset sales and certain other circumstances. In addition, we and each subsidiary guarantor pledgor may in the future incur additional permitted *pari passu* secured indebtedness which would be secured by the Shared Collateral on a *pari passu* basis with the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes, the Notes and the subsidiary guarantees provided by the subsidiary guarantor pledgors relating to these securities, subject to the Intercreditor Agreement.

Interest

The 2021 Notes bear an interest rate of 7.25% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the 2021 Indenture contains certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The 2021 Indenture contains certain customary events of default, including default in the payment of principal or of any premium on the 2021 Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the 2021 Indenture or the holders of at least 25% of the outstanding 2021 Notes may declare the principal of the 2021 Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding 2021 Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the 2021 Notes is April 4, 2021.

At any time and from time to time on or after October 4, 2017, we may redeem the 2021 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on October 4 of each of the years indicated below:

Period	Redemption Price
2017	103.625%
2018	101.8125%
2019 and thereafter	100.00%

At any time prior to October 4, 2017, we may redeem the 2021 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2021 Notes, plus a premium and any accrued and unpaid interest to the redemption date.

At any time prior to October 4, 2016, we may redeem up to 35% of the aggregate principal amount of the 2021 Notes at a redemption price equal to 107.25% of the principal amount of the 2021 Notes, plus any accrued and unpaid interest with the proceeds form sales of certain kinds of the Company's capital stock, *provided that* at least 65% of the aggregate principal amount of the 2021 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days of the related sale of the Company's capital stock and subject to certain conditions.

Additionally, if we or a 2021 Subsidiary Guarantor under the 2021 Indenture would become obligated to pay certain additional amounts as a result of certain changes in specified tax law, we may redeem the 2021 Notes at a redemption price equal to 100% of the principal amount of the 2021 Notes, plus any accrued and unpaid interest, subject to certain exceptions.

Private Notes

On May 15, 2014, we entered into a subscription agreement to issue an aggregate principal amount of US$250,000,000 7.50% Senior Notes due 2019. The issuance of the Private Notes is subject to the fulfillment of certain conditions precedent under the subscription agreement and is expected to complete on or about June 5, 2014 with the signing of an indenture (the "Private Notes Indenture").

Guarantee

The obligations pursuant to the Private Notes will be guaranteed by the same subsidiaries acting as subsidiary guarantors for the 2014 Notes, the 2015 Notes, the 2017 Notes, the 2018 Notes, the 2023 Notes and 2021 Notes (the "Private Notes Subsidiary Guarantors"). Each of the Private Notes Subsidiary Guarantors will jointly and severally guarantee the due and punctual payment of the principal, any premium, and interest on, and all other amounts payable under the Private Notes.

Collateral

The Private Notes and the subsidiary guarantees provided by the Private Notes Subsidiary Guarantors will be secured by the Shared Collateral. See"—2021 Notes—Collateral" above.

Interest

The Private Notes will bear an interest rate of 7.50% per annum. Interest is payable semi-annually in arrears.

Covenants

Subject to certain conditions and exceptions, the Private Notes Indenture will contain certain covenants, restricting us and each of the related restricted subsidiaries from, among other things:

- incurring or guaranteeing additional indebtedness and issuing disqualified or preferred stock;
- declaring dividends on its capital stock or purchasing or redeeming capital stock;
- making investments or other specified restricted payments;
- issuing or selling capital stock of the related restricted subsidiaries;
- guaranteeing indebtedness of the related restricted subsidiaries;
- selling assets;
- creating liens;
- entering into sale and leaseback transactions;
- entering into agreements that restrict the related restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- entering into transactions with shareholders or affiliates; and
- effecting a consolidation or merger.

Events of default

The Private Notes Indenture will contain certain customary events of default, including default in the payment of principal or of any premium on the Private Notes when such payments become due, default in payment of interest which continues for 30 days, and other events of default substantially similar to the Events of Default under the Indenture. If an event of default occurs and is continuing for a period of 30 consecutive days, the trustee under the Private Notes or the holders of at least 25% of the outstanding Private Notes may declare the principal of the Private Notes plus a premium and any accrued and unpaid interest to be immediately due and payable.

Change of control

Upon the occurrence of certain events of change of control and a rating decline, we will make an offer to repurchase all outstanding Private Notes at a purchase price equal to 101% of their principal amount plus any accrued and unpaid interest, if any, to the repurchase date.

Maturity and redemption

The maturity date of the Private Notes will be June 5, 2019.

Offshore facility agreements

We have entered into facility agreements with offshore banks and financial institutions, including, without limitation, Bank of China Limited Macau Branch, The Bank of East Asia, Limited, BOCI Leveraged & Structured Finance Limited, The Hongkong and Shanghai Banking Corporation Limited, Wing Lung Bank Limited, Hang Seng Bank Limited, JPMorgan Chase Bank, N.A., Hong Kong Branch and Tai Fung Bank Limited. We have also entered into local project loans with Malaysian banks, including Bank of China (Malaysia) Berhad, CIMB Bank Berhad, HSBC Bank Malaysia Berhad, Industrial and Commercial Bank of China (Malaysia) Berhad, Public Bank Berhad and Malayan Banking Berhad, in relation to our Malaysian projects. As of December 31, 2013, the aggregate outstanding amount under these offshore loans totaled approximately RMB4,060.9 million (US$670.8 million).

In addition, subsequent to December 31, 2013, we entered into a multi-currency facility agreement with Wing Lung Bank Limited in March 2014 and the loan facility has been partially drawn down in the aggregate principal amounts of approximately US$38.7 million and HK$70.0 million. We also entered into a facility agreement with Hang Seng Bank in April 2014 and the loan facility has been fully drawn down in the aggregate principal amount of approximately HK$400.0 million.

Our offshore facilities have terms ranging from one to 10 years.

Guarantee and security

One of our facilities under the facility agreement with Hang Seng Bank Limited is guaranteed by Angel View International Limited for up to US$40.0 million. Our loans with Tai Fung Bank Limited and The HongKong and Shanghai Banking Corporation Limited are guaranteed by the 2018 Subsidiary Guarantors. Our loan with Wing Lung Bank Limited is secured by a standby letter of credit from China Merchants Bank Co. Ltd. Our Malaysian loans are guaranteed by our Malaysian subsidiaries and are secured by standby letters of credit and/or their land interests in the relevant projects and associated rights. We also guarantee portions of the loans with Public Bank Berhad, Bank of China (Malaysia) Berhad and Industrial and Commercial Bank of China (Malaysia) Berhad. The other offshore loans are not guaranteed.

Interest

The principal amounts outstanding under these loans generally bear interest at floating rates calculated with reference to the London Interbank Offered Rate or Hong Kong Interbank Offered Rate and for several of our Malaysian loans, the base lending rates of the Malaysian banks.

Covenants

Other than our revolving loan and foreign exchange line with The Hongkong and Shanghai Banking Corporation Limited, our other loans contains customary covenants and restrictions, including, amongst others, negative pledge on assets (with certain exemptions), financial covenants including consolidated tangible net worth, consolidated net borrowings and interest coverage ratios.

Events of default

These offshore facilities contain certain customary events of default, including non-payment of principal or interest, cross default, insolvency and breaches of its terms. If an event of default occurs, all amounts outstanding including all interest accrued thereon may become immediately due and payable.

Perpetual Capital Instrument

In April 2014, the Company and two of our wholly owned subsidiaries, Foshan Shunde Country Garden Property Development Co., Ltd. and Zengcheng Country Garden Property Development Co., Ltd., entered into a perpetual loan agreement with Wanjia Co-Win Asset Management Co., Ltd., pursuant to which Foshan Shunde Country Garden Property Development Co., Ltd. was granted an aggregate principal amount of RMB400.0 million perpetual facility (the "Perpetual Capital Instrument"). The Perpetual Capital Instrument is considered as "equity" for our accounting purposes.

Guarantee

The Perpetual Capital Instrument has varying credit support structures and is guaranteed by the Company and Zengcheng Country Garden Property Development Co., Ltd. Each of the guarantors guarantees the due and punctual payment of the principal, the distributions on, and all other amounts payable under the perpetual loan agreement.

Distributions

The Perpetual Capital Instrument provides for annual distributions and bears a base distribution rate of 10.2%, 10.4%, 13.0% and 16.0% from first to fourth year, respectively, and 19% for the fifth year and beyond. We may elect to defer our distributions if we do not pay dividends on the capital stock of the Company and Foshan Shunde Country Garden Property Development Co., Ltd. for that year, subject to a premium on the deferred distribution (up to a ceiling of distribution rate of 19.0%). Such deferral will not constitute an event of default.

Covenants

Subject to certain conditions and exceptions, the perpetual loan agreement contains certain covenants, restricting the Company and Foshan Shunde Country Garden Property Development Co., Ltd. from, among other things:

- filing for bankruptcy, dissolution, insolvency or business certificate deregistration;
- restructuring or reorganizing;
- changing the Company's controlling shareholders;
- selling all or part of the shares of Foshan Shunde Country Garden Property Development Co., Ltd. to parties other than the Company and its subsidiaries;
- creating liens; and
- changing the shareholding structure of Foshan Shunde Country Garden Property Development Co., Ltd. other than transferring its shares to the Company and its subsidiaries.

Events of default

The Perpetual Capital Instrument contains certain customary events of default, including failure to make payments for principal of, and distributions on, the Perpetual Capital Instrument when due and payable. If Foshan Shunde Country Garden Property Development Co., Ltd. fails to make distributions when due and payable, the Perpetual Capital Instrument holders may require

Foshan Shunde Country Garden Property Development Co., Ltd. to start insolvency procedures within 30 days of the original distribution date.

Maturity and redemption

The Perpetual Capital Instrument does not have a maturity date or any mandatory redemption options. If Foshan Shunde Country Garden Property Development Co., Ltd. commences an insolvency proceeding, it must redeem the instrument and repay the principal and all unpaid distributions.

Trust financing

From time to time, our PRC subsidiaries enter into financing arrangements with local trust institutions. These local trust institutions provide trust loans for purposes of our project development in return for interest payments, and have terms ranging from 12 to 36 months. We have also entered into arrangements whereby our PRC subsidiaries' rights to receive dividends or the proceeds from property sales or accounts receivables were sold and repurchased after a period of time. Some of our trust loans and financing arrangements are guaranteed by our Company or secured by the relevant PRC subsidiaries' shares (through share pledge or ownership of shares) or land use rights in favor of the trust finance provider, or a combination of these. The trust loans and financing arrangements contain customary events of default, including non-payment of principal or interest and breaches of the terms of the arrangements. If an event of default has occurred, the trust finance provider may, without prior notice, exercise its rights to realize the security held under the share pledge agreement and land mortgage agreement, and demand payments from us as guarantor.

Description of the Notes

For purposes of this "Description of the Notes," the term "Company" refers only to Country Garden Holdings Company Limited, and any successor obligor on the Notes, and not to any of its subsidiaries. Each subsidiary of the Company which guarantees the Notes is referred to as a "Subsidiary Guarantor," and each such guarantee is referred to as a "Subsidiary Guarantee."

The Notes are to be issued under an indenture (the "Indenture"), to be dated as of the Original Issue Date, among the Company, the Subsidiary Guarantors, as guarantors, and The Bank of New York Mellon as trustee (the "Trustee").

The following is a summary of certain material provisions of the Indenture, the Notes, the Subsidiary Guarantees and the Intercreditor Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes, the Subsidiary Guarantees and the Intercreditor Agreement. It does not restate those agreements in their entirety. Whenever particular sections or defined terms of the Indenture not otherwise defined herein are referred to, such sections or defined terms are incorporated herein by reference. Copies of the Indenture will be available on or after the Original Issue Date at the corporate trust office of the Trustee at The Bank of New York Mellon, 101 Barclay Street, New York, NY 10286, United States of America.

Brief description of the Notes

The Notes are:

- general obligations of the Company;
- senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes;
- at least *pari passu* in right of payment with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law);
- guaranteed by the Subsidiary Guarantors on a senior basis, subject to the limitations described below under the caption "—The Subsidiary Guarantees" and in "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral;"
- effectively subordinated to the other secured obligations of the Company and the Subsidiary Guarantors, to the extent of the value of the assets (other than the Collateral) serving as security therefor; and
- effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries.

In addition, on the Original Issue Date, subject to the limitations described in "Risk factors—Risks relating to the Subsidiary Guarantees and the Collateral," the Notes will be secured by a pledge of the Collateral as described below under the caption "—Security" and will:

- be entitled to a first priority lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement); and
- rank effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the Collateral pledged by the Company securing the Notes (subject to any priority rights of such unsecured obligations pursuant to applicable law).

The Notes will mature on May 27, 2019 unless earlier redeemed pursuant to the terms thereof and the Indenture. The Indenture allows additional Notes to be issued from time to time (the "Additional Notes"), subject to certain limitations described under "—Further Issues." Unless the context requires otherwise, references to the "Notes" for all purposes of the Indenture and this "Description of the Notes" include any Additional Notes that are actually issued. The Notes will bear interest at the rate per annum set forth on the cover page of this offering memorandum from the Original Issue Date or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually in arrears on May 27 and November 27 of each year (each an "Interest Payment Date"), commencing November 27, 2014.

Interest on the Notes, when in the form of Global Notes, will be paid to holders of Notes ("Holders") of record at the close of business on May 26 or November 26 and, when in the form of Certificated Notes, on May 12 or November 12, immediately preceding an Interest Payment Date (each, a "Record Date"), notwithstanding any transfer, exchange or cancellation thereof after a Record Date and prior to the immediately following Interest Payment Date. In any case in which the date of the payment of principal of, premium on, or interest on the Notes is not a Business Day in the relevant place of payment, then payment of principal, premium or interest need not be made on such date but may be made on the next succeeding Business Day. Any payment made on such Business Day shall have the same force and effect as if made on the date on which such payment is due, and no interest on the Notes shall accrue for the period after such date. Interest on the Notes will be calculated on the basis of a 360-day year composed of twelve 30-day months.

The Notes will be issued only in fully registered form, without coupons, in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. No service charge will be made for any registration of transfer or exchange of Notes, but the Company may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

All payments on the Notes will be made in U.S. dollars by the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York (which initially will be the corporate trust administration office of the Trustee, currently located at 101 Barclay Street, New York, NY 10286, United States of America), and the Notes may be presented for registration of transfer or exchange at such office or agency; *provided that*, at the option of the Company, payment of interest may be made by check mailed at the expense of the Company to the address of the Holders as such address appears in the Note register. Interest payable on the Notes held through DTC will be available to DTC participants (as defined herein) on the Business Day following payment thereof.

The Subsidiary Guarantees

The initial Subsidiary Guarantors that will execute the Indenture on the Original Issue Date will be Smart World Development Holdings Ltd, Angel View International Limited, Boavista Investments Limited, Estonia Development Ltd, Falcon Investments Development Ltd, Impreza Group Limited, Infiniti Holdings Development Limited, United Gain Group Ltd, Wise Fame Group Ltd and Country Garden (Hong Kong) Development Company Limited. These Subsidiary Guarantors consist of all of the Company's Restricted Subsidiaries other than the Non-Guarantor Subsidiaries (defined below). All of the Subsidiary Guarantors are holding companies that do not have significant operations. None of Power Great Enterprises Limited and the Unrestricted Subsidiaries and the Restricted Subsidiaries organized under the laws of the PRC (collectively, the "PRC Non-Guarantor Subsidiaries") will be a Subsidiary Guarantor on the Original Issue Date.

As used herein, "Non-Guarantor Restricted Subsidiaries" refers to the Restricted Subsidiaries that are not a Subsidiary Guarantor, including as of the Original Issue Date, the PRC Non-Guarantor Subsidiaries and Power Great Enterprises Limited. The Non-Guarantor Restricted Subsidiaries together with the Unrestricted Subsidiaries are referred to herein as the "Non-Guarantor Subsidiaries."

None of the existing Non-Guarantor Subsidiaries will at any time in the future provide a Subsidiary Guarantee unless designated as a Subsidiary Guarantor in accordance with the Indenture. Moreover, no future Restricted Subsidiaries organized under the laws of the PRC or any Exempted Subsidiaries (as defined below) will provide a Subsidiary Guarantee at any time in the future. Although the Indenture contains limitations on the amount of additional Indebtedness that Restricted Subsidiaries organized under the laws of the PRC may incur, the amount of such additional Indebtedness could be substantial. In the event of a bankruptcy, liquidation or reorganization of any Non-Guarantor Subsidiary, the Non-Guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company.

As of December 31, 2013,

- the Company and its consolidated subsidiaries had total consolidated indebtedness of approximately RMB56,248.8 million (US$9,291.6 million), including short-term indebtedness of RMB12,434.2 million (US$2,054.0 million);
- the Company and the Subsidiary Guarantors had secured indebtedness of RMB23,304.4 million (US$3,849.6 million); and
- the Non-Guarantor Subsidiaries had total liabilities of approximately RMB134,187.3 million (US$22,166.2 million).

In addition, as of December 31, 2013, the Non-Guarantor Subsidiaries had capital commitments of approximately RMB49,056.6 million (US$8,103.6 million) and contingent liabilities of approximately RMB31,443.7 million (US$5,194.1 million).

The Subsidiary Guarantee of each Subsidiary Guarantor:

- is a general obligation of such Subsidiary Guarantor;
- is effectively subordinated to secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor;
- is senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such Subsidiary Guarantee; and
- ranks at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

The Company will cause each of its future Restricted Subsidiaries (other than Persons organized under the laws of the PRC and Exempted Subsidiaries) as soon as practicable after it becomes a Restricted Subsidiary or, in the case of an Exempted Subsidiary, as soon as practicable after it ceases to be an Exempted Subsidiary, to execute and deliver to the Trustee a supplemental indenture to the Indenture, pursuant to which such Restricted Subsidiary will guarantee the payment of the Notes. Each Restricted Subsidiary that guarantees the Notes after the Original

Issue Date is referred to as a "Future Subsidiary Guarantor" and upon execution of the applicable supplemental indenture to the Indenture will be a "Subsidiary Guarantor." Notwithstanding the foregoing sentence, the Company may elect to have any future Restricted Subsidiary organized outside the PRC not provide a Subsidiary Guarantee at the time such entity becomes a Restricted Subsidiary or ceases to be an Exempted Subsidiary (Restricted Subsidiaries other than those organized under the laws of the PRC that become Restricted Subsidiaries after the Original Issue Date and that do not provide Subsidiary Guarantees in accordance with the Indenture, the "New Non-Guarantor Restricted Subsidiaries"), *provided* that, after taking into account the consolidated assets of such Restricted Subsidiary, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not Subsidiary Guarantors do not account for more than 20% of Total Assets.

So long as the Notes remain outstanding, the Company will, no later than 60 days after the date any semi-annual consolidated financial statements of the Company (which the Company must use its reasonable best efforts to compile on a timely basis) become available (which may be internal consolidated financial statements), calculate and determine whether the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors (other than Exempted Subsidiaries) exceed 20% of Total Assets. If, at such time of determination, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors (other than Exempted Subsidiaries) exceed 20% of Total Assets, the Company must promptly (i) remove the designation of one or more Non-Guarantor Restricted Subsidiaries and cause such Non-Guarantor Restricted Subsidiaries to execute and deliver to the Trustee a supplemental indenture to the Indenture pursuant to which such Restricted Subsidiaries will guarantee the payment of the Notes or (ii) designate one or more Non-Guarantor Restricted Subsidiaries as Unrestricted Subsidiaries or (iii) cause one or more Non-Guarantor Restricted Subsidiaries to pay dividends or make distributions on or with respect to their respective Capital Stock pro rata to their respective shareholders or on a basis more favorable to the Company, in the case of each of (i), (ii) and (iii) above, in accordance with the terms of the Indenture and such that the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors (other than Exempted Subsidiaries) no longer exceed 20% of Total Assets. Such removal of designation as a Non-Guarantor Restricted Subsidiary, designation as an Unrestricted Subsidiary or payment of dividends or distributions must be made promptly and in any event no later than 60 days after the date any semi-annual consolidated financial statements of the Company (which the Company must use its reasonable best efforts to compile on a timely basis) become available (which may be internal consolidated financial statements) which show that the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors (other than Exempted Subsidiaries) exceed 20% of Total Assets.

In the case of a Subsidiary Guarantor with respect to which the Company or any of its Restricted Subsidiaries is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% of the Capital Stock of such Subsidiary Guarantor, the Company may concurrently with or after the consummation of such sale or issuance of Capital Stock, (a) instruct the Trustee to release the Subsidiary Guarantees provided by such Subsidiary Guarantor and each of its Restricted Subsidiaries organized outside the PRC, and upon such release such Subsidiary Guarantor and its Restricted Subsidiaries organized outside the PRC will become "New Non-Guarantor Restricted Subsidiaries" (such that each New Non-Guarantor Restricted Subsidiary will no longer Guarantee the Notes) and (b) instruct the Collateral Agent to (i) discharge the pledge of the Capital Stock granted by each such New Non-Guarantor Restricted Subsidiary and (ii) discharge the pledge of Capital Stock made by the Company or any Subsidiary

Guarantor over the shares it owns in such New Non-Guarantor Restricted Subsidiary, (in each case, without any requirement to seek the consent or approval of the Holders of the Notes), *provided* that after the release of such Subsidiary Guarantees, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC (other than Exempted Subsidiaries) that are not a Subsidiary Guarantor (including the New Non-Guarantor Restricted Subsidiaries) do not account for more than 20% of Total Assets. A Subsidiary Guarantee of a Subsidiary Guarantor may only be released pursuant to this paragraph if as of the date of such proposed release, no document exists that is binding on the Company or any of the Restricted Subsidiaries that would have the effect of (a) prohibiting the Company or any of the Restricted Subsidiaries from releasing such Subsidiary Guarantee or (b) requiring the Company or such Subsidiary Guarantor to deliver or keep in place a guarantee of other Indebtedness of the Company by such Subsidiary Guarantor.

In addition, subject to the limitations described in "Risk Factors—Risks relating to the Subsidiary Guarantees and the Collateral," the Subsidiary Guarantees of each Subsidiary Guarantor Pledgor:

- will be entitled to a first ranking security interest in the Collateral (subject to any Permitted Liens and the Intercreditor Agreement) pledged by such Subsidiary Guarantor Pledgor, as described below under the caption "—Security;" and

- will rank effectively senior in right of payment to the unsecured obligations of such Subsidiary Guarantor Pledgor with respect to the value of the Collateral securing such Subsidiary Guarantee (subject to any priority rights of such unsecured obligations pursuant to applicable law).

Under the Indenture and any supplemental indenture to the Indenture, as applicable, each of the Subsidiary Guarantors will jointly and severally guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes. The Subsidiary Guarantors will (1) agree that their obligations under the Subsidiary Guarantees will be enforceable irrespective of any invalidity, irregularity or unenforceability of the Notes or the Indenture and (2) waive their right to require the Trustee to pursue or exhaust its legal or equitable remedies against the Company prior to exercising its rights under the Subsidiary Guarantees. Moreover, if at any time any amount paid under a Note or the Indenture is rescinded or must otherwise be restored, the rights of the Holders under the Subsidiary Guarantees will be reinstated with respect to such payments as though such payment had not been made. All payments under the Subsidiary Guarantees are required to be made in U.S. dollars.

Under the Indenture, and any supplemental indenture to the Indenture, as applicable, each Subsidiary Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. If a Subsidiary Guarantee were to be rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the applicable Subsidiary Guarantor, and, depending on the amount of such indebtedness, a Subsidiary Guarantor's liability on its Subsidiary Guarantee could be reduced to zero.

The obligations of each Subsidiary Guarantor under its respective Subsidiary Guarantee and the enforceability of the Collateral granted in respect of the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors may be limited, or possibly invalid, under applicable laws. See "Risk factors

—Risks relating to the Subsidiary Guarantees and the Collateral—The Subsidiary Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Subsidiary Guarantees."

Release of the Subsidiary Guarantees

A Subsidiary Guarantee given by a Subsidiary Guarantor may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon a defeasance as described under "—Defeasance—Defeasance and discharge;"
- upon the designation by the Company of a Subsidiary Guarantor as an Unrestricted Subsidiary in compliance with the terms of the Indenture;
- upon the sale, disposition or merger of a Subsidiary Guarantor in compliance with the terms of the Indenture (including the covenants under the captions "—Certain covenants—Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries," "—Certain covenants— Limitation on Asset Sales" and "—Consolidation, merger and sale of assets") resulting in such Subsidiary Guarantor no longer being a Restricted Subsidiary, so long as (1) such Subsidiary Guarantor is simultaneously released from its obligations in respect of any of the Company's other Indebtedness or any Indebtedness of any other Restricted Subsidiary and (2) the proceeds from such sale or disposition are used for the purposes permitted or required by the Indenture; or
- in the case of a Subsidiary Guarantor that becomes a New Non-Guarantor Restricted Subsidiary, in compliance with the terms of the Indenture.

As of the date of the Indenture, all of the Company's Subsidiaries, except Bright Start Group Limited, Top Favour Holdings Limited, Golden Favour Investments Limited, Pure Smart Enterprises Limited, Country Garden Properties (Malaysia) Sdn Bhd, Vibrant Corridor Sdn Bhd, Mayland Venue Sdn Bhd, Country Garden Real Estate Sdn Bhd, Country Garden Danga Bay Sdn Bhd, Country Garden (s) Pte. Ltd, Great Favour Holdings Limited, Country Garden Australia Pty Ltd, Country Garden Landscape S/B, BGY North Ryde Pty Ltd, Damai Binajaya Sdn Bhd, Country Garden Water Front Sdn Bhd, Country Garden Pacific View Sdn Bhd, Suntide Holdings Limited, Silver Dawn Holdings Limited, Sky Global International Development Limited, World Target International Development Limited, Gold Treasure International Development Limited, Yield Limited and Dongguan River Bank Garden Property Development Co., Ltd, will be "Restricted Subsidiaries." However, under the circumstances described below under the caption "—Certain covenants—Designation of Restricted and Unrestricted Subsidiaries," the Company will be permitted to designate certain of its Subsidiaries as "Unrestricted Subsidiaries." The Company's Unrestricted Subsidiaries will generally not be subject to the restrictive covenants in the Indenture. The Company's Unrestricted Subsidiaries will not Guarantee the Notes.

No release of a Subsidiary Guarantor from its Subsidiary Guarantee shall be effective against the Trustee or the Holders until the Company has delivered to the Trustee an Officers' Certificate stating that all requirements under the Indenture relating to such release have been complied with and that such release is authorized and permitted by the Indenture.

Security

The Company has pledged, or caused the initial Subsidiary Guarantor Pledgors to pledge, as the case may be, the Capital Stock of all of the initial Subsidiary Guarantors (the "Collateral") on a first priority basis to The Bank of New York Mellon as collateral agent (for the benefit of the 2014 Trustee, the 2015 Trustee, the 2017 Trustee, the 2018 Trustee, the 2021 Trustee, the 2023 Trustee and each holder of *pari passu* secured indebtedness permitted under the 2014 Indenture, the 2015 Indenture, the 2017 Indenture, the 2018 Indenture, the 2021 Indenture and the 2023 Indenture) in order to secure the obligations of the Company and the Subsidiary Guarantor Pledgors under the 2014 Indenture, the 2015 Indenture, the 2017 Indenture, the 2018 Indenture, the 2021 Indenture and the 2023 Indenture.

On the Original Issue Date, the Collateral will secure on a *pari passu* basis the obligations of the Company under (i) the 2014 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2014 Indenture, (ii) the 2015 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2015 Indenture, (iii) the 2017 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2017 Indenture, (iv) the 2018 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2018 Indenture, (v) the 2021 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2021 Indenture, (vi) the 2023 Notes and the subsidiary guarantees provided by the Subsidiary Guarantor Pledgors under the 2023 Indenture and (vii) the Notes and the Subsidiary Guarantees provided by the Subsidiary Guarantor Pledgors under the Indenture. See "—Intercreditor Agreement."

The initial Subsidiary Guarantor Pledgors are Smart World Development Holdings Ltd, Infiniti Holdings Development Limited, Wise Fame Group Ltd., Falcon Investments Development Ltd., and Impreza Group Limited.

None of the Capital Stock of the Non-Guarantor Subsidiaries will be pledged on the Original Issue Date or at any time in the future. In addition, none of the Capital Stock of any future Restricted Subsidiary that may be organized under the laws of the PRC will be pledged at any time in the future.

The Company has also agreed, for the benefit of the holders of the Notes, to pledge, or cause each Subsidiary Guarantor to pledge, the Capital Stock owned directly by the Company or such Subsidiary Guarantor of any Person that becomes a Restricted Subsidiary (other than Persons organized under the laws of the PRC and other Non-Guarantor Subsidiaries) after the Original Issue Date, within 30 days after such Person has become a Restricted Subsidiary or (in the case of an Exempted Subsidiary) has ceased to be an Exempted Subsidiary, to secure (subject to Permitted Liens and the Intercreditor Agreement) the obligations of the Company under the Notes and the Indenture, and of such Subsidiary Guarantor under its Subsidiary Guarantee, in the manner described above.

Each Subsidiary Guarantor that pledges capital stock of a Restricted Subsidiary after the Original Issue Date is referred to as a "Future Subsidiary Guarantor Pledgor" and, upon giving such pledge, will be a "Subsidiary Guarantor Pledgor."

No appraisals of the Collateral have been prepared in connection with this offering of the Notes. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Intercreditor Agreement and the Security Documents following an Event of Default, would be sufficient to satisfy amounts due on the Notes, the Subsidiary Guarantees of the Subsidiary Guarantor Pledgors or other Secured Obligations. By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all.

So long as no Payment Default has occurred and is continuing, and subject to the terms of the Security Documents and the Indenture, the Company and the Subsidiary Guarantor Pledgors, as the case may be, will be entitled to exercise any and all voting rights and to receive, retain and use any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares or stock resulting from stock splits or reclassifications, rights issues, warrants, options and other distributions (whether similar or dissimilar to the foregoing) in respect of Capital Stock constituting Collateral.

Permitted Pari Passu Secured Indebtedness

On or after the Original Issue Date and subject to the Indenture, the Company and each Subsidiary Guarantor Pledgor may create Liens on the Collateral *pari passu* with the Lien for the benefit of the Holders to secure Indebtedness of the Company (including Additional Notes) or any Subsidiary Guarantor and any Pari Passu Subsidiary Guarantee of a Subsidiary Guarantor Pledgor with respect to such Indebtedness (such Indebtedness of the Company or any Subsidiary Guarantor and any such Pari Passu Subsidiary Guarantee, "Permitted Pari Passu Secured Indebtedness"); *provided that* (1) the Company or such Subsidiary Guarantor was permitted to Incur such Indebtedness under the covenant under the caption "—Limitation on Indebtedness and Preferred Stock," (2) the holders of such Indebtedness (other than Additional Notes) (or their representative, trustee or agent) become party to the Intercreditor Agreement referred to below; (3) the agreement in respect of such Indebtedness contains provisions with respect to releases of Collateral and such Pari Passu Subsidiary Guarantee that are substantially similar to and no more restrictive on the Company and such Subsidiary Guarantor Pledgor than the provisions of the Indenture and the Security Documents; and (4) the Company and such Subsidiary Guarantor Pledgor deliver to the Trustee an Opinion of Counsel and Officers' Certificate with respect to compliance with the conditions stated immediately above and other corporate and collateral matters in connection with the Security Documents, in form and substance as set forth in the Security Documents. The Trustee will be permitted and authorized, without the consent of any Holder, to enter into any amendments to the Security Documents, the Indenture or the Intercreditor Agreement and take any other action necessary to permit the creation and registration of Liens on the Collateral to secure Permitted Pari Passu Secured Indebtedness in accordance with this paragraph (including, without limitation, the appointment of any collateral agent under the Intercreditor Agreement referred to below to hold the Collateral on behalf of the Holders and the holders of Permitted Pari Passu Secured Indebtedness).

Except for certain Permitted Liens and the Permitted Pari Passu Secured Indebtedness, the Company and its Restricted Subsidiaries will not be permitted to issue or Incur any other Indebtedness secured by all or any portion of the Collateral without the consent of each Holder of the Notes then outstanding.

Intercreditor Agreement

The Company, the 2014 Trustee on behalf of the holders of the 2014 Notes, and The Bank of New York Mellon solely in its capacity as collateral agent and intercreditor agent (in each case referred to herein as the "Intercreditor/Collateral Agent"), among others, entered into an intercreditor agreement dated September 10, 2009 (as supplemented on September 23, 2009). The 2017 Trustee on behalf of the holders of the 2017 Notes entered into a supplement to the intercreditor agreement on April 22, 2010. The 2015 Trustee on behalf of the holders of the 2015 Notes entered into a second supplement to the intercreditor agreement on August 11, 2010. The 2018 Trustee on behalf of the holders of the 2018 Notes entered into a third supplement to the intercreditor agreement on February 23, 2011. The 2023 Trustee on behalf of the holders of the 2023 Notes entered into a fourth supplement to the intercreditor agreement on January 10, 2013. The 2021 Trustee on behalf of the holders of the 2021 Notes entered into a fifth supplement to the intercreditor agreement on October 4, 2013 (the intercreditor agreement, as supplemented on September 23, 2009, April 22, 2010, August 11, 2010, February 23, 2011, January 10, 2013 and October 4, 2013, the "Existing Intercreditor Agreement"). On or prior to the Original Issue Date, the Trustee on behalf of the holders of the Notes will have entered into a supplement to the Existing Intercreditor Agreement with the parties to the Existing Intercreditor Agreement to supplement and amend the Existing Intercreditor Agreement (the Existing Intercreditor Agreement as supplemented and amended from time to time pursuant to the terms thereof is herein referred to as the "Intercreditor Agreement").

Under the Intercreditor Agreement, the 2014 Trustee on behalf of the holders of the 2014 Notes, the 2015 Trustee on behalf of the holders of the 2015 Notes, the 2017 Trustee on behalf of the holders of the 2017 Notes, the 2018 Trustee on behalf of the holders of the 2018 Notes, the 2021 Trustee on behalf of the holders of the 2021 Notes, the 2023 Trustee on behalf of the holders of the 2023 Notes and the Trustee on behalf of the holders of the Notes (collectively with each holder (or its trustee or representative) of *pari passu* secured indebtedness permitted under the 2014 Indenture, the 2015 Indenture, the 2017 Indenture, the 2018 Indenture, the 2021 Indenture and the 2023 Indenture who becomes a party to the Intercreditor Agreement pursuant to the terms thereof, the "Secured Parties") will have appointed The Bank of New York Mellon to act as the Intercreditor/Collateral Agent with respect to the Collateral securing the obligations under the 2014 Indenture, the 2015 Indenture, the 2017 Indenture, the 2018 Indenture, the 2021 Indenture, the 2023 Indenture and the Indenture (collectively, the "Secured Obligations"), to exercise remedies in respect thereof upon the occurrence of an event of default under the Secured Obligations and to act as specified in the Intercreditor Agreement.

The Intercreditor Agreement will provide, among other things, that (1) the parties thereto shall share equal priority and pro rata entitlement in and to the Collateral, (2) the conditions under which the parties thereto will consent to the release of such Collateral, and (3) the conditions under which the parties thereto will enforce their rights with respect to such Collateral and the Indebtedness secured thereby.

Enforcement of security

The Intercreditor/Collateral Agent has agreed to act as secured party on behalf of the Secured Parties to follow the instructions provided to it under the Intercreditor Agreement and to carry out certain other duties.

The Intercreditor Agreement will provide, among other things, that each of the Secured Parties may direct the Intercreditor/Collateral Agent to initiate enforcement against the Collateral secured for the benefit of such Secured Party after notice to the other Secured Parties. In the event that the Secured Parties have not agreed to initiate enforcement, then, twenty business days after the non-enforcing parties shall have been notified of the intent to initiate enforcement against any of the Collateral, the enforcing party may direct the Intercreditor/Collateral Agent to commence enforcement proceedings in accordance with the terms of the Secured Obligations; provided that all direction with respect to the further timing and manner of such exercise following such commencement shall be given by the Secured Parties.

The Intercreditor Agreement will provide that all payments received and all amounts held by the Intercreditor/Collateral Agent in respect of the Collateral will be applied as follows:

first, to the ratable payment of the expenses of such sale or other realization, including but not limited to compensation to the Intercreditor/Collateral Agent, the 2014 Trustee, the registrar and the principal paying, conversion and transfer agent in respect of the 2014 Notes and reasonable fees and expenses of their respective legal counsel, and all expenses, liabilities and advances incurred or made by such parties in connection therewith, and any other unreimbursed expenses for which such parties are to be reimbursed pursuant to the secured party documents, and to the ratable payment of any other unreimbursed expenses for which a Secured Party is to be reimbursed pursuant to the secured party documents;

second, to the ratable payment of accrued but unpaid interest on the Secured Obligations;

third, to the ratable payment of unpaid principal of the Secured Obligations;

fourth, to any make-whole premium or any other premium payable pursuant to the secured party documents;

fifth, to the ratable payment of all other Secured Obligations, until all Secured Obligations shall have been paid in full; and

finally, any surplus remaining after such payments to the Company or the Subsidiary Guarantor Pledgors or their successors or assigns, or to whomever may be lawfully entitled thereto.

Release of security

At any time and from time to time, the Intercreditor/Collateral Agent shall release the Collateral with the prior written consent of the Secured Parties and in accordance with the provisions of the 2014 Indenture.

Subject to the provisions of the Intercreditor Agreement, the security created in respect of the Collateral granted under the Security Documents may be released in certain circumstances, including:

- upon repayment in full of the Notes;
- upon defeasance and discharge of the Notes as provided below under the caption "—Defeasance—Defeasance and discharge;"
- upon dispositions of such Collateral in compliance with the covenants under the captions "—Limitation on sales and issuances of Capital Stock in Restricted Subsidiaries" or "—Limitation on Asset Sales" or in accordance with the provision under the caption "—Consolidation, merger and sale of assets;"

- with respect to security granted by a Subsidiary Guarantor Pledgor, upon the release of the Subsidiary Guarantee of such Subsidiary Guarantor Pledgor in accordance with the terms of the Indenture;

- with respect to security granted by any Subsidiary Guarantor and security over the Capital Stock of any Subsidiary Guarantor, upon such Subsidiary Guarantor becoming a New Non-Guarantor Restricted Subsidiary;

- with respect to any security over any Capital Stock of any Subsidiary Guarantor, upon the release of the Subsidiary Guarantee of such Subsidiary Guarantor; and

- with respect to any pledge over any Capital Stock of any Subsidiary Guarantor, upon the designation by the Company of such Subsidiary Guarantor as an Unrestricted Subsidiary, and in accordance with the terms of the Indenture.

Further issues

Subject to the covenants described below, the Company may, from time to time, without notice to or the consent of the Holders, create and issue Additional Notes having the same terms and conditions as the Notes (including the benefit of the Subsidiary Guarantees) in all respects (or in all respects except for the issue date, issue price and the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions) (a "Further Issue") so that such Additional Notes may be consolidated and form a single class with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes; *provided that* the issuance of any such Additional Notes shall then be permitted under "Limitation on Indebtedness and Preferred Stock" covenant described below and the other provisions of the Indenture and *provided* further that Additional Notes must be (i) issued in a "qualified reopening" as defined for U.S. federal income tax purposes or (ii) must not be issued with more than a *de minimis* amount of original issue discount.

Optional redemption

At any time and from time to time on or after May 27, 2017 the Company may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on May 27 of each of the years indicated below.

Period	Redemption Price
2017	103.9375%
2018	101.96875%

At any time prior to May 27, 2017, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption. Neither the Trustee nor any of the Agents will be responsible for verifying or calculating the Applicable Premium.

At any time and from time to time prior to May 27, 2017 the Company may redeem up to 35% of the aggregate principal amount of the Notes with the Net Cash Proceeds of one or more sales of Common Stock of the Company in an Equity Offering at a redemption price of 107.875% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; *provided that* at least 65% of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption. If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption as follows:

(1) if the Notes are listed on any recognized securities exchange or are held through a clearing system, in compliance with the requirements of the principal recognized securities exchange on which the Notes are listed (if any) or the requirements of the clearing system; or

(2) if the Notes are not listed on any recognized securities exchange, on a *pro rata* basis, by lot or by such method as the Trustee deems fair and appropriate.

A Note of US$200,000 in principal amount or less shall not be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

Repurchase of Notes upon a Change of Control Triggering Event

Not later than 30 days following a Change of Control Triggering Event, the Company will make an Offer to Purchase all outstanding Notes (a "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

The Company has agreed in the Indenture that it will in a timely manner repay all Indebtedness or obtain consents as necessary under, or terminate, agreements or instruments that would otherwise prohibit a Change of Control Offer required to be made pursuant to the Indenture. Notwithstanding this agreement of the Company, it is important to note that if the Company is unable to repay (or cause to be repaid) all of the Indebtedness, if any, that would prohibit the repurchase of the Notes or is unable to obtain the requisite consents of the holders of such Indebtedness, or terminate any agreements or instruments that would otherwise prohibit a Change of Control Offer, it would continue to be prohibited from purchasing the Notes. In that case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture.

Certain of the events constituting a Change of Control Triggering Event under the Notes will also constitute an event of default under certain debt instruments of the Company and its Subsidiaries. Future debt of the Company may also (1) prohibit the Company from purchasing Notes in the event of a Change of Control Triggering Event; (2) provide that a Change of Control Triggering Event is a default; or (3) require repurchase of such debt upon a Change of Control

Triggering Event. Moreover, the exercise by the Holders of their right to require the Company to purchase the Notes could cause a default under other Indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of the purchase on the Company. The Company's ability to pay cash to the Holders following the occurrence of a Change of Control Triggering Event may be limited by the Company's and the Subsidiary Guarantors' then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "Risk factors—Risks relating to the Notes—We may not be able to repurchase the 2014 Notes, the 2017 Notes, the 2015 Notes, the 2018 Notes, the 2023 Notes, the 2021 Notes or the Notes upon a change of control triggering event."

The definition of Change of Control includes a phrase relating to the sale of "all or substantially all" the assets of the Company. Although there is a limited body of case law interpreting the phrase "substantially all," no precise definition of the phrase has been established. Accordingly, the ability of a Holder of Notes to require the Company to repurchase such Holder's Notes as a result of a sale of less than all the assets of the Company to another person or group is uncertain and will be dependent upon particular facts and circumstances.

Notwithstanding the above, the Company will not be required to make a Change of Control Offer following a Change of Control Triggering Event if a third party makes the Change of Control Offer in the same manner at the same time and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the Holders to require that the Company purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Trustee shall not be required to take any steps to ascertain whether a Change of Control Triggering Event has occurred or may occur, and shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Company. The Trustee shall not be required to take any steps to ascertain whether the condition for the exercise of the rights herein has occurred. The Trustee shall not be responsible for determining or verifying whether a Note is to be accepted for redemption and will not be responsible to the Holders for any loss arising from any failure by it to do so. The Trustee shall not be under any duty to determine, calculate or verify the redemption amount payable hereunder and will not be responsible to the Holders for any loss arising from any failure by it to do so.

No mandatory redemption or sinking fund

There will be no mandatory redemption or sinking fund payments for the Notes.

Additional amounts

All payments of principal of, and premium (if any) and interest on the Notes or under the Subsidiary Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company, a Surviving Person (as defined under the caption "—Consolidation, Merger and Sale of Assets") or an applicable

Subsidiary Guarantor is organized or resident for tax purposes or which is imposing such withholding or deduction because of a connection between the Company, the Surviving Person or the Subsidiary Guarantor and such jurisdiction (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a "Relevant Jurisdiction"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company, a Surviving Person or the applicable Subsidiary Guarantor, as the case may be, will pay such additional amounts ("Additional Amounts") as will result in receipt by the Holder of each Note or the Subsidiary Guarantees, as the case may be, of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

(1) for or on account of:

(a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(i) the existence of any present or former connection between the Holder or beneficial owner of such Note, and the Relevant Jurisdiction other than merely holding such Note or the receipt of payments thereunder or under a Subsidiary Guarantee, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(ii) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period;

(iii) the failure of the Holder or beneficial owner to comply with a timely request of the Company, a Surviving Person or any Subsidiary Guarantor addressed to the Holder or beneficial owner, as the case may be, to provide information concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder;

(iv) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction, unless such Note could not have been presented for payment elsewhere;

(b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;

(c) any withholding or deduction that is imposed or levied on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26–27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directives;

(d) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA; or

(e) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b), (c) and (d); or

(2) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

Whenever there is mentioned in any context the payment of principal of, and any premium or interest on, any Note or under any Subsidiary Guarantee, such mention shall be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Redemption for taxation reasons

The Notes may be redeemed, at the option of the Company or a Surviving Person with respect to the Company, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders and upon reasonable written notice in advance of such notice to Holders to the Trustee and the Paying and Transfer Agent (which notice shall be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Company or the Surviving Person, as the case may be, for redemption (the "Tax Redemption Date") if, as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

(2) any change in the existing official position or the stating of an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment becomes effective (i) with respect to the Company or any initial Subsidiary Guarantor, on or after the Original Issue Date, or (ii) with respect to any Future Subsidiary Guarantor or Surviving Person, on or after the date such Future Subsidiary Guarantor or Surviving Person becomes a Future Subsidiary Guarantor or Surviving Person, with respect to any payment due or to become due under the Notes or the Indenture, the Company, a Surviving Person or a Subsidiary Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the taking of reasonable measures by the Company, a Surviving Person or a Subsidiary Guarantor, as the case may be; *provided that* no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company, a Surviving Person or a Subsidiary Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company, a Surviving Person or a Subsidiary Guarantor, as the case may be, will deliver to the Trustee at least 30 days but not more than 60 days before a redemption date:

(1) an Officers' Certificate stating that such change or amendment referred to in the prior paragraph has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Company, a Surviving Person or a Subsidiary Guarantor, as the case may be, taking reasonable measures available to it; and

(2) an Opinion of Counsel or an opinion of a tax consultant, in either case of recognized standing with respect to tax matters of the Relevant Jurisdiction, stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee shall accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it shall be conclusive and binding on the Holders.

Any Notes that are redeemed will be cancelled.

Certain covenants

Set forth below are summaries of certain covenants contained in the Indenture.

Limitation on Indebtedness and Preferred Stock

(1) The Company will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness (including Acquired Indebtedness), *provided that* the Company and any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) and any Restricted Subsidiary (other than a Subsidiary Guarantor) may Incur Permitted Subsidiary Indebtedness if, after giving effect to the Incurrence of such Indebtedness and the receipt and application of the proceeds therefrom, (x) no Default has occurred and is continuing and (y) the Fixed Charge Coverage Ratio would be not less than 3.0 to 1.0. Notwithstanding the foregoing, the Company will not permit any Restricted Subsidiary (other than a Subsidiary Guarantor) to Incur any Disqualified Stock or Preferred Stock (other than Disqualified Stock or Preferred Stock of Restricted Subsidiaries held by the Company or a Subsidiary Guarantor, so long as it is so held).

(2) Notwithstanding the foregoing, the Company and, to the extent provided below, any Restricted Subsidiary may Incur each and all of the following ("Permitted Indebtedness"):

(a) Indebtedness under the Notes (excluding any Additional Notes and any Permitted Pari Passu Secured Indebtedness of the Company) and each Subsidiary Guarantee;

(b) any Pari Passu Subsidiary Guarantees by any Subsidiary Guarantor;

(c) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Original Issue Date excluding Indebtedness permitted under clause (d); *provided that* such Indebtedness of Restricted Subsidiaries (other than Subsidiary Guarantors) shall be included in the calculation of Permitted Subsidiary Indebtedness (other than any such Indebtedness described in clauses (a) and (b) above and clauses (d), (f), (g) and (m) below);

(d) Indebtedness of the Company or Indebtedness or Preferred Stock of any Restricted Subsidiary owed to or held by the Company or any Restricted Subsidiary; *provided that* (i) any event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any Restricted Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (d) and (ii) if the Company or any Subsidiary Guarantor is the obligor and none of the Company and the Subsidiary Guarantors is an obligee on such Indebtedness, such Indebtedness must be unsecured and be expressly subordinated in right of payment to the Notes, in the case of the Company, or the Subsidiary Guarantee of such Subsidiary Guarantor, in the case of a Subsidiary Guarantor;

(e) Indebtedness ("Permitted Refinancing Indebtedness") of the Company or any Restricted Subsidiary issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, defease, discharge or extend (collectively, "refinance" and "refinances" and "refinanced" shall have correlative meanings), then outstanding Indebtedness (or Indebtedness that is no longer outstanding but that is refinanced substantially concurrently with the Incurrence of such Permitted Refinancing Indebtedness) Incurred under the immediately preceding paragraph (1) or clauses (a), (b), (c), (h), (o), (q), (r), (s), (t), (u), (v), or (x) of this paragraph (2) and any refinancings thereof in an amount not to exceed the amount so refinanced (plus premiums, accrued interest, fees and expenses); *provided that* (i) Indebtedness the proceeds of which are used to refinance the Notes or Indebtedness that is *pari passu* with, or subordinated in right of payment to, the Notes or a Subsidiary Guarantee shall only be permitted under this clause (e) if (A) in case the Notes are refinanced in part or the Indebtedness to be refinanced is *pari passu* with the Notes or a Subsidiary Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is outstanding, is expressly made *pari passu* with, or subordinate in right of payment to, the remaining Notes or such Subsidiary Guarantee, or (B) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes or a Subsidiary Guarantee, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes or such Subsidiary Guarantee at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes or such Subsidiary Guarantee, (ii) such new Indebtedness, determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the Stated Maturity of the Indebtedness to be refinanced, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced and (iii) in no event may Indebtedness of the Company or any Subsidiary Guarantor be refinanced pursuant to this clause by means of any Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor;

(f) Indebtedness Incurred by the Company or any Restricted Subsidiary pursuant to Hedging Obligations entered into in the ordinary course of business and designed solely to protect the Company or any of its Restricted Subsidiaries from fluctuations in interest rates, currencies or the price of commodities and not for speculation;

(g) Pre-Registration Mortgage Guarantees by the Company or any Restricted Subsidiary;

(h) Indebtedness Incurred by the Company or any Restricted Subsidiary for the purpose of financing (x) all or any part of the purchase price of assets, real or personal property (including the lease purchase price of land use rights) or equipment to be used in the ordinary course of business by the Company or a Restricted Subsidiary in the Permitted Business, including any such purchase through the acquisition of Capital Stock of any Person that owns such real or personal property or equipment which will, upon acquisition, become a Restricted Subsidiary, or (y) all or any part of the purchase price or the cost of development, construction or improvement of real or personal property (including the lease purchase price of land use rights) or equipment to be used in the ordinary course of business by the Company or a Restricted Subsidiary in the Permitted Business; *provided that* in the case of clauses (x) and (y), (A) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost, (B) such Indebtedness shall be Incurred no later than 180 days after the acquisition of such property or completion of such development, construction or improvement and (C) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (h) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (h) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (p), (q), (r), (s), (t), (u), (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(i) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance or surety bonds (in each case other than for an obligation for borrowed money);

(j) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit, trade guarantees or similar instruments issued in the ordinary course of business to the extent that such letters of credit, trade guarantees or similar instruments are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 30 days following receipt by the Company or such Restricted Subsidiary of a demand for reimbursement;

(k) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from Guarantees or letters of credit, surety bonds or performance bonds securing any obligation of the Company or any Restricted Subsidiary pursuant to such agreements, in any case, Incurred in connection with the disposition of any business, assets or Restricted Subsidiary, other than Guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition; provided that the maximum aggregate liability in respect of all such Indebtedness in the nature of such Guarantee shall at no time exceed the gross proceeds actually received from the sale of such business, assets or Restricted Subsidiary;

(l) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business provided, however, that such Indebtedness is extinguished within five Business Days of Incurrence;

(m) Guarantees by the Company or any Restricted Subsidiary of Indebtedness of the Company or any Restricted Subsidiary that was permitted to be Incurred by another provision of this covenant, subject to the covenant under the caption "—Limitation on Issuances of Guarantees by Restricted Subsidiaries";

(n) Indebtedness of the Company or any Restricted Subsidiary with a maturity of one year or less used by the Company or any Restricted Subsidiary for working capital; *provided that* the aggregate principal amount of Indebtedness permitted by this clause (n) at any time outstanding does not exceed US$50.0 million (or the Dollar Equivalent thereof);

(o) Indebtedness of the Company or any Restricted Subsidiary in an aggregate principal amount outstanding at any time (together with refinancings thereof) not to exceed US$15.0 million (or the Dollar Equivalent thereof);

(p) Indebtedness of the Company or any Restricted Subsidiary arising from Guarantees of Indebtedness of the Joint Venture or any of its Subsidiaries in an aggregate outstanding amount not to exceed RMB1.70 billion, *provided that* on the date of Incurrence of the relevant Indebtedness by the Joint Venture or its Subsidiaries and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (p) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (p) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h) above or clause (q), (r), (s), (t), (u), (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(q) Indebtedness Incurred or Preferred Stock issued by the Company or any Restricted Subsidiary arising from any Investment made by a Financial Company Investor in a Restricted Subsidiary; *provided* that on the date of the Incurrence of such Indebtedness or issuance of Preferred Stock and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (q) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (q) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h) or (p) above or clause (r), (s), (t), (u), (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(r) Bank Deposit Secured Indebtedness Incurred by the Company or any of its Restricted Subsidiaries, *provided* that on the date of Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (r) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (r) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h), (p) or (q) above or clause (s), (t), (u), (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(s) Indebtedness of the Company or any Restricted Subsidiary constituting an obligation to pay the deferred purchase price of Capital Stock of a Person pursuant to a Minority Interest Staged Acquisition Agreement, to the extent that such deferred purchase price is paid within 12 months after the date the Company or such Restricted Subsidiary enters into such Minority Interest Staged Acquisition Agreement; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (s) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (s) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h), (p), (q) or (r) above or clause (t), (u), (v) or (w) below (together with refinancings thereof, but excluding any

Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(t) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting a Guarantee of Indebtedness of any Person (other than a Restricted Subsidiary or an individual or natural person) primarily engaged in a Permitted Business by the Company or such Restricted Subsidiary; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (t) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (t) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h), (p), (q), (r) or (s) above or clause (u), (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(u) Acquired Indebtedness of any Restricted Subsidiary Incurred and outstanding on the date on which such Person becomes a Restricted Subsidiary (other than Indebtedness Incurred (i) to provide all or any portion of the funds utilized to consummate the transaction or series of transactions pursuant to which a Person becomes a Restricted Subsidiary or (ii) otherwise in contemplation of a Person becoming a Restricted Subsidiary or any such acquisition); *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (u) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (u) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h), (p), (q), (r), (s) or (t) above or clause (v) or (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(v) Indebtedness Incurred by the Company or any Restricted Subsidiary which is secured by Investment Properties or fixed assets, and Guarantees thereof by the Company or any such Restricted Subsidiary; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (v) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (v) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness Incurred pursuant to clause (h), (p), (q), (r), (s), (t) or (u) above or clause (w) below (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under any of such clauses to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets;

(w) Unrestricted Subsidiary Pre-Registration Mortgage Guarantees by the Company or any Restricted Subsidiary; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the sum of (1) the aggregate outstanding principal amount of all Indebtedness Incurred under this clause (w) (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred under this clause (w) to the extent the amount of such Contractor Guarantee or Guarantee is otherwise reflected in such aggregate principal amount) plus (2) the aggregate principal amount outstanding of all Indebtedness permitted by clauses (h), (p), (q), (r), (s), (t), (u) and (v) above (together with refinancings thereof, but excluding any Contractor Guarantee or Guarantee Incurred such clauses to the extent the amount of such Contractor Guarantee or Guaranteeis otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 30% of Total Assets; and

(x) Indebtedness of the Company or any Restricted Subsidiary constituting an obligation to pay the deferred purchase price of Capital Stock of a Person pursuant to a Staged Acquisition Agreement, to the extent that such deferred purchase price is paid within 12 months after the date the Company or such Restricted Subsidiary enters into such Staged Acquisition Agreement, *provided* that such Person is either a Restricted Subsidiary or would become a Restricted Subsidiary upon completion of the transactions under such Staged Acquisition Agreement.

(3) For purposes of determining compliance with this "Limitation on Indebtedness and Preferred Stock" covenant, in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, including under the proviso in the first paragraph of part (1), the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness, *provided that* any Indebtedness Incurred under clause (p) of part (2) of this "Limitation on Indebtedness and Preferred Stock" covenant shall not so be reclassified.

Limitation on Restricted Payments

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly (the payments or any other actions described in clauses (1) through (4) below being collectively referred to as "Restricted Payments"):

(1) declare or pay any dividend or make any distribution on or with respect to the Company's or any of its Restricted Subsidiaries' Capital Stock (other than dividends or distributions payable or paid in shares of the Company's or any of its Restricted

Subsidiaries' Capital Stock (other than Disqualified Stock or Preferred Stock) or in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than the Company or any Wholly Owned Restricted Subsidiary;

(2) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock of the Company or any Restricted Subsidiary (including options, warrants or other rights to acquire such shares of Capital Stock) or any direct or indirect parent of the Company held by any Persons other than the Company or any Wholly Owned Restricted Subsidiary;

(3) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Indebtedness that is subordinated in right of payment to the Notes or any of the Subsidiary Guarantees (excluding any intercompany Indebtedness between or among the Company and any Subsidiary Guarantor); or

(4) make any Investment, other than a Permitted Investment;

if, at the time of, and after giving effect to, the proposed Restricted Payment:

(a) a Default has occurred and is continuing or would occur as a result of such Restricted Payment;

(b) the Company could not Incur at least US$1.00 of Indebtedness under the proviso in the first paragraph of part (1) of the covenant under the caption "—Limitation on Indebtedness and Preferred Stock;" or

(c) such Restricted Payment, together with the aggregate amount of all Restricted Payments made by the Company and its Restricted Subsidiaries after the date of issue of the 2014 Notes (being September 10, 2009), including, for the avoidance of doubt, any payment described in clauses (1) through (4) above made after September 10, 2009 and prior to the Original Issue Date that would have constituted a "Restricted Payment" under the Indenture had it been in effect at the time of such payment shall exceed the sum of:

(i) 50% of the aggregate amount of the Consolidated Net Income of the Company (or, if the Consolidated Net Income is a loss, minus 100% of the amount of such loss) accrued on a cumulative basis during the period (taken as one accounting period) beginning on the first day of the fiscal quarter during which the 2014 Notes were issued (being July 1, 2009) and ending on the last day of the Company's most recently ended fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may include internal consolidated financial statements); plus

(ii) 100% of the aggregate Net Cash Proceeds received by the Company after the date of issue of the 2014 Notes as a capital contribution to its common equity or from the issuance and sale of its Capital Stock (other than Disqualified Stock) to a Person who is not a Subsidiary of the Company, including any such Net Cash Proceeds received upon (A) the conversion of any Indebtedness (other than Subordinated Indebtedness) of the Company into

Capital Stock (other than Disqualified Stock) of the Company, or (B) the exercise by a Person who is not a Subsidiary of the Company of any options, warrants or other rights to acquire Capital Stock of the Company (other than Disqualified Stock) in each case after deducting the amount of any such Net Cash Proceeds used to redeem, repurchase, defease or otherwise acquire or retire for value any Subordinated Indebtedness or Capital Stock of the Company; plus

(iii) the amount by which Indebtedness of the Company or any of its Restricted Subsidiaries is reduced on the Company's consolidated balance sheet upon the conversion or exchange (other than by a Subsidiary of the Company) subsequent to the date of issue of the 2014 Notes of any Indebtedness of the Company or any of its Restricted Subsidiaries convertible or exchangeable into Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash, or the Fair Market Value of any other property, distributed by the Company upon such conversion or exchange); plus

(iv) an amount equal to the sum of:

(A) (1) the net reduction in Investments (that were made after September 10, 2009 and that would have been treated as a Restricted Payment herein had the Indenture been in effect at such time) in any Person resulting from (x) dividends, repayments of loans or advances or other transfers of Property, in each case to the Company or any Restricted Subsidiary from such Person, (y) the unconditional release of a Guarantee (to the extent such Guarantee, when given, would have constituted a Restricted Payment herein had the Indenture been in effect at such time) provided by the Company or a Restricted Subsidiary or (z) any Person becoming a Restricted Subsidiary (whereupon all Investments made by the Company or any Restricted Subsidiary in such Person since September 10, 2009 shall be deemed to have been made pursuant to clause (1) of the definition of "Permitted Investment") but only to the extent such Investments by the Company or any Restricted Subsidiary in such Person would not have been Permitted Investments herein at the time such Investments were made had the Indenture been in effect at such time; or (2) to the extent that an Investment made after September 10, 2009 (that would have been treated as a Restricted Payment herein had the Indenture been in effect at such time) is sold or otherwise liquidated or repaid for cash, the lesser of (x) the cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, plus

(B) the portion (proportionate to the Company's equity interest in such Unrestricted Subsidiary) of the Fair Market Value of the net assets of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary under the Indenture;

provided, however, that the foregoing sum shall not exceed, in the case of any Person, the amount of Investments previously made (and that would have been treated as Restricted Payments under the Indenture had the Indenture been in effect at such time) by the Company or any Restricted Subsidiary in such Person, and provided further, that no amount will be included under this clause (iv) to the extent it is already included in Consolidated Net Income as described in clause (i) of this paragraph; plus

(v) US$25.0 million (or the Dollar Equivalent thereof).

The foregoing provision shall not be violated by reason of:

(1) the payment of any dividend or redemption of any Capital Stock within 60 days after the related date of declaration or call for redemption if, at said date of declaration or call for redemption, such payment or redemption would comply with the preceding paragraph;

(2) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any of the Subsidiary Guarantors with the Net Cash Proceeds of, or in exchange for, a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

(3) the redemption, repurchase or other acquisition of Capital Stock of the Company or any Restricted Subsidiary (or options, warrants or other rights to acquire such Capital Stock) in exchange for, or out of the Net Cash Proceeds of a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company or any Subsidiary Guarantor (or options, warrants or other rights to acquire such Capital Stock); *provided that* the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;

(4) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any of the Subsidiary Guarantors in exchange for, or out of the Net Cash Proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company or any of the Subsidiary Guarantors (or options, warrants or other rights to acquire such Capital Stock); *provided that* the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;

(5) any dividends or distributions declared, paid or made by a Restricted Subsidiary payable, on a pro rata basis or on a basis more favorable to the Company, to all holders of any class of Capital Stock of such Restricted Subsidiary, at least 50.0% of which is held, directly or indirectly through Restricted Subsidiaries, by the Company;

(6) the repurchase of Capital Stock of the Company by the Company or Power Great Enterprises Limited in connection with the Company's employee incentive or stock option plans up to an aggregate amount of US$37.5 million;

(7) dividends paid to, or the purchase of Capital Stock of any Restricted Subsidiary held by any Financial Company Investor in respect of any Indebtedness or Preferred Stock outstanding on the Original Issue Date or permitted to be Incurred under paragraph

(2)(q) of the "Limitation on Indebtedness and Preferred Stock" covenant; *provided* that any interest expenses or dividend distributions made under such Indebtedness or Preferred Stock are treated as a Consolidated Fixed Charge;

(8) the purchase of Capital Stock of a Person, and payments made pursuant to a Staged Acquisition Agreement or a Minority Staged Acquisition Agreement;

(9) the purchase by the Company or a Restricted Subsidiary of Capital Stock of any Restricted Subsidiary that is not Wholly Owned, directly or indirectly, by the Company from an Independent Third Party pursuant to an agreement entered into between or among the Company or any Restricted Subsidiary and such Independent Third Party solely for the purpose of acquiring real property or land use rights, provided that (x) such purchase occurs within 12 months after such Restricted Subsidiary acquires the real property or land use rights it was formed to acquire and (y) the Company delivers to the Trustee a Board Resolution set forth in an Officers' Certificate confirming that, in the opinion of the Board of Directors, the purchase price of such Capital Stock is less than or equal to the Fair Market Value of such Capital Stock; and

(10) any Guarantee by the Company or any Restricted Subsidiary permitted to be Incurred under the covenant described under paragraph (2)(t) of the "Limitation on Indebtedness and Preferred Stock" covenant;

provided that, in the case of clause (2), (3), (4) or (6) of the preceding paragraph, no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

Each Restricted Payment permitted pursuant to clause (1) of the preceding paragraph made after the date of issue of the 2014 Notes (being September 10, 2009) shall be included in calculating whether the conditions of clause (c) of the first paragraph of this "Limitation on Restricted Payments" covenant have been met with respect to any subsequent Restricted Payments.

The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such assets or securities must be based upon an opinion or appraisal issued by an appraisal or investment banking firm of recognized international standing if the Fair Market Value exceeds US$10 million (or the Dollar Equivalent thereof).

Not later than the date of making any Restricted Payment in excess of US$10 million (or the Dollar Equivalent thereof) (other than any Restricted Payments set forth in clauses (5) through (10) above), the Company will deliver to the Trustee an Officers' Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this "—Limitation on Restricted Payments" covenant were computed, together with a copy of any fairness opinion or appraisal required by the Indenture.

For purposes of determining compliance with this "—Limitation on Restricted Payments" covenant, in the event that an item of Investment meets the criteria of both the first paragraph of this "—Limitation on Restricted Payments" covenant and paragraph (19) of the definition of "Permitted Investment" at any time, the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Investment in either or both of them.

Limitation on dividend and other payment restrictions affecting Restricted Subsidiaries

(1) Except as provided below, the Company will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(a) pay dividends or make any other distributions on any Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary;

(b) pay any Indebtedness or other obligation owed to the Company or any other Restricted Subsidiary;

(c) make loans or advances to the Company or any other Restricted Subsidiary; or

(d) sell, lease or transfer any of its property or assets to the Company or any other Restricted Subsidiary.

(2) The provisions of clause (1) do not apply to any encumbrances or restrictions:

(a) existing in agreements as in effect on the Original Issue Date, or in the Notes, the Subsidiary Guarantees, the Indenture, the Security Documents, or under any Permitted Pari Passu Secured Indebtedness of the Company or any Subsidiary Guarantor Pledgor or Pari Passu Subsidiary Guarantee of any Subsidiary Guarantor, and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;

(b) existing under or by reason of applicable law, rule, regulation or order;

(c) existing with respect to any Person or the property or assets of such Person acquired by the Company or any Restricted Subsidiary, at the time of such acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired, and any extensions, refinancings, renewals or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;

(d) that otherwise would be prohibited by the provision described in clause (1)(d) of this covenant if they arise, or are agreed to, in the ordinary course of business and, that (i) restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease or license, (ii) exist by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property or assets of the Company or any Restricted Subsidiary not otherwise prohibited by the Indenture, or (iii) do not relate to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of property or assets of the Company or any Restricted Subsidiary in any manner material to the Company or any Restricted Subsidiary;

(e) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property and assets of, such Restricted Subsidiary that is permitted by the "—Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries," "—Limitation on Indebtedness and Preferred Stock" and "—Limitation on Asset Sales" covenants;

(f) with respect to any Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the Incurrence of Indebtedness or issuance of Preferred Stock of the type described under clause (2)(h), (2)(n), (2)(q), (2)(r), (2)(s), (2)(t), (2)(u), (2)(v) or 2(x) or permitted under clause (2)(o) of the "Limitation on Indebtedness and Preferred Stock" covenant if, the encumbrances or restrictions are (i) customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially and adversely affect the ability of the Company to make required payment on the Notes and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced, provided further that, the Board of Directors is empowered to determine whether the conditions set forth in clauses (i) and (ii) are met, which determination shall be conclusive if evidenced by a Board Resolution;

(g) existing in customary provisions in joint venture agreements and other similar agreements permitted under the Indenture, to the extent such encumbrance or restriction relates to the activities or assets of a Restricted Subsidiary that is a party to such joint venture and if (i) the encumbrances or restrictions are customary for a joint venture or similar agreement of that type and (ii) the encumbrances or restrictions would not, at the time agreed to, be expected to materially and adversely affect (x) the ability of the Company to make the required payments on the Notes, or (y) any Subsidiary Guarantor to make required payments under its Subsidiary Guarantee, provided further that, the Board of Directors is empowered to determine whether the conditions set forth in clauses (i) and (ii) are met, which determination shall be conclusive if evidenced by a Board Resolution; or

(h) existing with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of the Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced.

Limitation on sales and issuances of Capital Stock in Restricted Subsidiaries

The Company will not sell, and will not permit any Restricted Subsidiary, directly or indirectly, to issue or sell any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock) except:

(1) to the Company or a Wholly Owned Restricted Subsidiary, or in the case of a Restricted Subsidiary that is not Wholly Owned, pro rata to its shareholders or incorporators;

(2) to the extent such Capital Stock represents director's qualifying shares or is required by applicable law to be held by a Person other than the Company or a Wholly Owned Restricted Subsidiary;

(3) the issuance or sale of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such issuance or sale, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under the "Limitation on Restricted Payments" covenant if made on the date of such issuance or sale and *provided that* the Company complies with the "—Limitation on Asset Sales" covenant; *provided further* that, paragraph (19)(f) of the definition of ''Permitted Investments'' shall not apply if such Investment would otherwise have been permitted under paragraph (19) of such definition; and

(4) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Restricted Subsidiary after any such issuance or sale); *provided that* the Company or such Restricted Subsidiary applies the Net Cash Proceeds of such issuance or sale in accordance with the "—Limitation on Asset Sales" covenant.

Limitation on issuances of Guarantees by Restricted Subsidiaries

The Company will not permit any Restricted Subsidiary which is not a Subsidiary Guarantor, directly or indirectly, to Guarantee any Indebtedness ("Guaranteed Indebtedness") of the Company or any Subsidiary Guarantor, unless (1) (a) such Restricted Subsidiary, simultaneously executes and delivers a supplemental indenture to the Indenture providing for an unsubordinated Subsidiary Guarantee of payment of the Notes by such Restricted Subsidiary and (b) such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of, any rights of reimbursement, indemnity or subrogation or any other rights against the Company or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Subsidiary Guarantee until the Notes have been paid in full or (2) such Guarantee is permitted by clauses (2)(c), (d) or (2)(r) (in the case of clause (2)(r), with respect to the Guarantee provided by the Company or any Restricted Subsidiary through the pledge of one or more bank accounts or deposits to secure (or the use of any Guarantee or letter of credit or similar instruments to Guarantee) any Bank Deposit Secured Indebtedness), under the caption "— Limitation on Indebtedness and Preferred Stock."

If the Guaranteed Indebtedness (1) ranks *pari passu* in right of payment with the Notes or any Subsidiary Guarantee, then the Guarantee of such Guaranteed Indebtedness shall rank *pari passu* in right of payment with, or subordinated to, the Subsidiary Guarantee or (2) is subordinated in right of payment to the Notes or any Subsidiary Guarantee, then the Guarantee of such

Guaranteed Indebtedness shall be subordinated in right of payment to the Subsidiary Guarantee at least to the extent that the Guaranteed Indebtedness is subordinated to the Notes or the Subsidiary Guarantee.

Limitation on transactions with shareholders and Affiliates

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction or arrangement (including, without limitation, the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with (x) any holder (or any Affiliate of such holder) of 10% or more of any class of Capital Stock of the Company or (y) any Affiliate of the Company (each an "Affiliate Transaction"), unless:

(1) the Affiliate Transaction is on fair and reasonable terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or the relevant Restricted Subsidiary with a Person that is not an Affiliate of the Company or such Restricted Subsidiary; and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$5.0 million (or the Dollar Equivalent thereof), a Board Resolution set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$10.0 million (or the Dollar Equivalent thereof), in addition to the Board Resolution required in clause 2(a) above, an opinion as to the fairness to the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of recognized international standing.

The foregoing limitation does not limit, and shall not apply to:

(1) the payment of reasonable and customary regular fees and other compensation for their service as board members to directors of the Company or any Restricted Subsidiary who are not employees of the Company or any Restricted Subsidiary;

(2) transactions between or among the Company and any of its Wholly Owned Restricted Subsidiaries or between or among Wholly Owned Restricted Subsidiaries;

(3) any Restricted Payment of the type described in clauses (1), (2) or (3) of the first paragraph of the covenant described above under the caption "—Limitation on Restricted Payments" if permitted by that covenant;

(4) any sale of Capital Stock (other than Disqualified Stock) of the Company; and

(5) the payment of compensation to officers and directors of the Company or any Restricted Subsidiary pursuant to an employee stock or share option scheme, so long as

such scheme is in compliance with the listing rules of the Hong Kong Stock Exchange, which as of the Original Issue Date require a majority shareholder approval of any such scheme.

In addition, the requirements of clause (2) of the first paragraph of this covenant shall not apply to (i) Investments (including Permitted Investments that are permitted under paragraph (19) of the definition of ''Permitted Investments'' but otherwise excluding any other Permitted Investments) not prohibited by the "Limitation on Restricted Payments" covenant, (ii) transactions pursuant to agreements in effect on the Original Issue Date and described in this offering memorandum, or any amendment or modification or replacement thereof, so long as such amendment, modification or replacement is not more disadvantageous to the Company and its Restricted Subsidiaries than the original agreement in effect on the Original Issue Date and (iii) any transaction between or among any of the Company, any Wholly Owned Restricted Subsidiary and any Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary or by reason of being a Subsidiary of the Company; *provided that* in the case of clause (iii), (a) such transaction is entered into in the ordinary course of business and (b) (A) in the case of a transaction with a Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary, none of the minority shareholders or minority partners of or in such Restricted Subsidiary is a Person described in clause (x) or (y) of the first paragraph of this covenant (other than by reason of such minority shareholder or minority partner being an officer or director of such Restricted Subsidiary or by reason of such minority shareholder or minority partner being a Subsidiary of the Company; or (B) in the case of a transaction with a Jointly Controlled Entity, an Associate or an Unrestricted Subsidiary, none of the shareholders or partners (other than the Company or a Restricted Subsidiary) of such Jointly Controlled Entity, Associate or Unrestricted Subsidiary is a Person described in clause (x) or (y) of the first paragraph of this covenant (other than by reason of such shareholder or partner being a director or officer of such Jointly Controlled Entity, Associate or Unrestricted Subsidiary or by reason of such shareholder or partner being a Subsidiary of the Company).

Limitation on Liens

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, incur, assume or permit to exist any Lien on the Collateral (other than Permitted Liens).

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, incur, assume or permit to exist any Lien of any nature whatsoever on any of its assets or properties of any kind (other than the Collateral), whether owned at the Original Issue Date or thereafter acquired, except Permitted Liens, unless the Notes are equally and ratably secured by such Lien.

Limitation on Sale and Leaseback Transactions

The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction; *provided that* the Company or any Restricted Subsidiary may enter into a Sale and Leaseback Transaction if:

(1) the Company or any Restricted Subsidiary could have (a) incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such Sale and Leaseback Transaction under the covenant described above under "—Limitation on Indebtedness and Preferred Stock" and (b) incurred a Lien to secure such Indebtedness pursuant to the

covenant described above under the caption "—Limitation on Liens," in which case, the corresponding Indebtedness and Lien will be deemed incurred pursuant to those provisions;

(2) the gross cash proceeds of that Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and

(3) the transfer of assets in that Sale and Leaseback Transaction is permitted by, and the Company or any Restricted Subsidiary applies the proceeds of such transaction in compliance with, the covenant described below under the caption "—Limitation on Asset Sales."

Limitation on Asset Sales

The Company will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale, unless:

(1) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;

(2) the consideration received by the Company or such Restricted Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of; and

(3) at least 75% of the consideration received consists of cash, Temporary Cash Investments or Replacement Assets; *provided that* in the case of an Asset Sale in which the Company or such Restricted Subsidiary receives Replacement Assets involving aggregate consideration in excess of US$30.0 million (or the Dollar Equivalent thereof), the Company shall deliver to the Trustee an opinion as to the fairness to the Company or such Restricted Subsidiary of such Asset Sale from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that releases the Company or such Restricted Subsidiary from further liability; and

(b) any securities, notes or other obligations received by the Company or any Restricted Subsidiary from such transferee that are promptly, but in any event within 30 days of closing, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion;

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Company (or any Restricted Subsidiary) may apply such Net Cash Proceeds to:

(1) permanently repay Senior Indebtedness of the Company or a Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor (and, if such Senior Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto) in each case owing to a Person other than the Company or a Restricted Subsidiary; or

(2) acquire Replacement Assets;

Pending application of such Net Cash Proceeds as set forth in clause (1) or (2) above, the Company invest such Net Cash Proceeds in cash or Temporary Cash Investments.

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in clauses (1) and (2) in the immediately preceding paragraph will constitute "Excess Proceeds." Excess proceeds of less than US$25.0 million (or the Dollar Equivalent thereof) will be carried forward and accumulated. When accumulated Excess Proceeds exceeds US$25.0 million (or the Dollar Equivalent thereof), within 10 days thereof, the Company must make an Offer to Purchase Notes having a principal amount equal to:

(1) accumulated Excess Proceeds, multiplied by

(2) a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all ***pari passu*** Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale,

rounded down to the nearest US$1,000.

The offer price in any Offer to Purchase will be equal to 100% of the principal amount plus accrued and unpaid interest to the date of purchase, and will be payable in cash.

If any Excess Proceeds remain after consummation of an Offer to Purchase, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes (and any other *pari passu* Indebtedness) tendered in such Offer to Purchase exceeds the amount of Excess Proceeds, the Trustee will select the Notes (and such other *pari passu* Indebtedness) to be purchased on a pro rata basis. Upon completion of each Offer to Purchase, the amount of Excess Proceeds will be reset at zero.

Limitation on the Company's business activities

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, engage in any business other than a Permitted Business; *provided*, however, that the Company or any Restricted Subsidiary may own Capital Stock of an Unrestricted Subsidiary or joint venture or other entity that is engaged in a business other than Permitted Businesses as long as any Investment therein was not prohibited when made by the covenant under the caption "—Limitation on Restricted Payments."

Limitation on the business activities of Power Great Enterprises Limited

The Company will not permit Power Great Enterprises Limited to (i), directly or indirectly, engage in any business other than purchasing, selling or holding Capital Stock of the Company in connection with any employee share ownership, stock option plan or incentive plan of the Company or (ii) Incur any Indebtedness except for Indebtedness other than for which the Company or a Subsidiary Guarantor is the obligee.

Use of proceeds

The Company will not, and will not permit any Restricted Subsidiary to, use the net proceeds from the sale of the Notes, in any amount, for any purpose other than (1) in the approximate amounts and for the purposes specified under the caption "Use of proceeds" in this offering memorandum and (2) pending the application of all of such net proceeds in such manner, to invest the portion of such net proceeds not yet so applied in Temporary Cash Investments.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary; *provided that* (1) no Default shall have occurred and be continuing at the time of or after giving effect to such designation; (2) neither the Company nor any Restricted Subsidiary provides credit support (other than any Guarantee in compliance with clause (6) below) for the Indebtedness of such Restricted Subsidiary; (3) such Restricted Subsidiary has no outstanding Indebtedness that could trigger a cross-default to the Indebtedness of the Company; (4) such Restricted Subsidiary does not own any Disqualified Stock of the Company or Disqualified or Preferred Stock of another Restricted Subsidiary or hold any Indebtedness of, or any Lien on any property of, the Company or any Restricted Subsidiary, if such Disqualified or Preferred Stock or Indebtedness could not be Incurred under the covenant described under the caption "—Limitation on Indebtedness and Preferred Stock" or such Lien would violate the covenant described under the caption "—Limitation on Liens;" (5) such Restricted Subsidiary does not own any Voting Stock of another Restricted Subsidiary, and all of its Subsidiaries are Unrestricted Subsidiaries or are being concurrently designated to be Unrestricted Subsidiaries in accordance with this paragraph; and (6) the Investment deemed to have been made thereby in such newly-designated Unrestricted Subsidiary and each other newly- designated Unrestricted Subsidiary being concurrently redesignated would be permitted to be made by the covenant described under "—Limitation on Restricted Payments."

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided that* (1) no Default shall have occurred and be continuing at the time of or after giving effect to such designation; (2) any Indebtedness of such Unrestricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under the caption "—Limitation on Indebtedness and Preferred Stock;" (3) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be incurred by the covenant described under the caption "—Limitation on Liens;" (4) such Unrestricted Subsidiary is not a Subsidiary of another Unrestricted Subsidiary (that is not concurrently being designated as a Restricted Subsidiary); (5) if such Restricted Subsidiary is not organized under the laws of the PRC, such Restricted Subsidiary shall upon such designation execute and deliver to the Trustee a supplemental indenture to the Indenture by which such Restricted Subsidiary shall become a Subsidiary Guarantor if required under "—The Subsidiary Guarantees"; and (6) if such Restricted Subsidiary is not organized under the laws of the PRC, all Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary shall be pledged if required under "—Security."

Government approvals and licenses; compliance with law

The Company will, and will cause each Restricted Subsidiary to, (1) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses; (2) preserve and maintain good and valid title to its properties and assets (including land-use rights) free and clear of any Liens other than Permitted Liens; and (3) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on

(a) the business, results of operations or prospects of the Company and its Restricted Subsidiaries, taken as a whole, or (b) the ability of the Company or any Subsidiary Guarantor to perform its obligations under the Notes, the relevant Subsidiary Guarantee or the Indenture.

Anti-Layering

The Company will not Incur, and will not permit any Subsidiary Guarantor to Incur, any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be, unless such Indebtedness is also contractually subordinated in right of payment to the Notes or the applicable Subsidiary Guarantee, on substantially identical terms. This does not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or Guarantees securing or in favor of some but not all of such Indebtedness.

Suspension of certain covenants

If, on any date following the date of the Indenture, the Notes have a rating of Investment Grade from both of the Rating Agencies and no Default has occurred and is continuing (a "Suspension Event"), then, beginning on that day and continuing until such time, if any, at which the Notes cease to have a rating of Investment Grade from either of the Rating Agencies, the provisions of the Indenture summarized under the following captions will be suspended:

(1) "—Certain covenants—Limitation on Indebtedness and Preferred Stock;"

(2) "—Certain covenants—Limitation on Restricted Payments;"

(3) "—Certain covenants—Limitation on dividend and other payment restrictions affecting Restricted Subsidiaries;"

(4) "—Certain covenants—Limitation on sales and issuances of Capital Stock in Restricted Subsidiaries;"

(5) "—Certain covenants—Limitation on issuances of Guarantees by Restricted Subsidiaries;"

(6) "—Certain covenants—Limitation on the Company's business activities;"

(7) "—Certain covenants—Limitation on Sale and Leaseback Transactions;" and

(8) "—Certain covenants—Limitation on Asset Sales."

During any period that the foregoing covenants have been suspended, the Board of Directors may not designate any of the Restricted Subsidiaries as Unrestricted Subsidiaries pursuant to the covenant summarized under the caption "—Certain covenants—Designation of Restricted and Unrestricted Subsidiaries" or the definition of "Unrestricted Subsidiary."

Such covenants will be reinstituted and apply according to their terms as of and from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Company or any Restricted Subsidiary properly taken in compliance with the provisions of the Indenture during the continuance of the Suspension Event, and following reinstatement the calculations under the covenant summarized under "—Certain covenants—Limitation on Restricted Payments" will be made as if such covenant had been in effect since the date of the Indenture except that no Default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended.

There can be no assurance that the Notes will ever achieve a rating of Investment Grade or that any such rating will be maintained.

Provision of financial statements and reports

(1) So long as any of the Notes remain outstanding, the Company will file with the Trustee and furnish to the Holders upon request, as soon as they are available but in any event not more than 10 calendar days after they are filed with the Hong Kong Stock Exchange or any other recognized exchange on which the Company's common shares are at any time listed for trading, true and correct copies of any financial or other report in the English language filed with such exchange; *provided that* if at any time the Common Stock of the Company ceases to be listed for trading on a recognized stock exchange, the Company will file with the Trustee (in the English language) and furnish to the Holders:

(a) as soon as they are available, but in any event within 90 calendar days after the end of the fiscal year of the Company, copies of its financial statements (on a consolidated basis) in respect of such financial year (including a statement of income, balance sheet and cash flow statement) audited by a member firm of an internationally-recognized firm of independent accountants;

(b) as soon as they are available, but in any event within 45 calendar days after the end of the second financial quarter of the Company, copies of its financial statements (on a consolidated basis) in respect of such half-year period (including a statement of income, balance sheet and cash flow statement) reviewed by a member firm of an internationally-recognized firm of independent accountants; and

(c) as soon as they are available, but in any event within 45 calendar days after the end of each of the first and third financial quarter of the Company, copies of its unaudited financial statements (on a consolidated basis), including a statement of income, balance sheet and cash flow statement, prepared on a basis consistent with the audited financial statements of the Company together with a certificate signed by the person then authorized to sign financial statements on behalf of the Company to the effect that such financial statements are true in all material respects and present fairly the financial position of the Company as at the end of, and the results of its operations for, the relevant quarterly period.

(2) In addition, so long as any of the Notes remain outstanding, the Company will provide to the Trustee (a) within 120 days after the close of each fiscal year, an Officers' Certificate stating the Fixed Charge Coverage Ratio with respect to the two most recent fiscal semi-annual periods and showing in reasonable detail the calculation of the Fixed Charge Coverage Ratio, including the arithmetic computations of each component of the Fixed Charge Coverage Ratio, with a certificate from the Company's external auditors verifying the accuracy and correctness of the calculation and arithmetic computation, *provided* that, the Company shall not be required to provide such auditor certification if its external auditors refuse to provide such certification as a result of a policy of such external auditors not to provide such certification; and (b) as soon as possible and in any event within 30 days after the Company becomes aware or should reasonably become aware of the occurrence of a Default, an Officers' Certificate setting forth the details of the Default, and the action which the Company proposes to take with respect thereto.

Further, the Company and each Subsidiary Guarantor have agreed that, for as long as any Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, during any period in which the Company or such Subsidiary Guarantor is neither subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Company or such Subsidiary Guarantor, as the case may be, shall supply to (i) any Holder or beneficial owner of a Note or (ii) a prospective purchaser of a Note or a beneficial interest therein designated by such Holder or beneficial owner, the information specified in, and meeting the requirements of Rule 144A(d)(4) under the Securities Act upon the request of any Holder or beneficial owner of a Note.

Events of Default

The following events will be defined as "Events of Default" in the Indenture:

(1) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;

(2) default in the payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days;

(3) default in the performance or breach of the provisions of the covenants described under "—Consolidation, Merger and Sale of Assets," the failure by the Company to make or consummate an Offer to Purchase in the manner described under the captions "—Repurchase of Notes upon a Change of Control Triggering Event" or "—Limitation on Asset Sales" or the failure by the Company to create, or cause its Restricted Subsidiaries to create, a first priority lien on the Collateral (subject to any Permitted Liens and the Intercreditor Agreement) in accordance with the covenant described under the caption "—Security;"

(4) the Company or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the Notes (other than a default specified in clause (1), (2) or (3) above) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee or the Holders of 25% or more in aggregate principal amount of the Notes;

(5) there occurs with respect to any Indebtedness of the Company or any Restricted Subsidiary having an outstanding principal amount of US$20.0 million (or the Dollar Equivalent thereof) or more in the aggregate for all such Indebtedness of all such Persons, whether such Indebtedness now exists or shall hereafter be created, (a) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and/or (b) the failure to make a principal payment when due;

(6) one or more final judgments or orders for the payment of money are rendered against the Company or any of its Restricted Subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed US$20.0 million (or the Dollar Equivalent thereof) (in excess of amounts which the Company's insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(7) an involuntary case or other proceeding is commenced against the Company or any Significant Restricted Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Restricted Subsidiary or for any substantial part of the property and assets of the Company or any Significant Restricted Subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any Significant Restricted Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;

(8) the Company or any Significant Restricted Subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Restricted Subsidiary or for all or substantially all of the property and assets of the Company or any Significant Restricted Subsidiary or (c) effects any general assignment for the benefit of creditors (other than, in each case under (b), any of the foregoing that arises from any solvent liquidation or restructuring of a Significant Restricted Subsidiary in the ordinary course of business that shall result in the net assets of such Significant Restricted Subsidiary being transferred to or otherwise vested in the Company or any Restricted Subsidiary on a pro rata basis or on a basis more favorable to the Company);

(9) any Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;

(10) any default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the Security Documents or the Indenture, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; or

(11) the Company or any Subsidiary Guarantor Pledgor denies or disaffirms its obligations under any Security Document or, other than in accordance with the Indenture and the Security Documents, any Security Document ceases to be or is not in full force and effect or the Intercreditor/Collateral Agent or the Trustee, as the case may be, ceases to have a first priority security interest in the Collateral (subject to any Permitted Liens and the Intercreditor Agreement).

If an Event of Default (other than an Event of Default specified in clause (7) or (8) above) occurs and is continuing under the Indenture, the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the Holders), may, and the Trustee at the request of such Holders shall, subject to being indemnified and/or secured to its satisfaction, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an Event of Default specified in clause (7) or (8) above occurs with respect to the Company or any Significant Restricted Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Company and to the Trustee may waive all past defaults and rescind and annul a declaration of acceleration and its consequences:

(1) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived, and

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

If an Event of Default occurs and is continuing, the Trustee may but will not be obligated to pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Notes or to enforce the performance of any provision of the Notes or the Indenture. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. In addition, if an Event of Default occurs and is continuing, subject to the Intercreditor Agreement, the Trustee may, and shall upon request of Holders of at least 25% in aggregate principal amount of outstanding Notes, direct the Intercreditor/Collateral Agent to, subject to being indemnified and/or secured to its satisfaction, foreclose on the Collateral in accordance with the terms of the Security Documents and take such further action on behalf of the Holders of the Notes with respect to the Collateral as the Intercreditor/Collateral Agent or the Trustee, as the case may be, deems appropriate. See "Description of the Notes—Security."

The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, subject to the Trustee being indemnified and/or secured to its satisfaction. However, the Trustee may refuse to follow any direction that conflicts with law or the Indenture, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders.

No Holder may institute any proceeding, judicial or otherwise, with respect to the Indenture or the Notes, or for the appointment of a receiver or trustee, or for any other remedy under the Indenture or the Notes, unless:

(1) the Holder has previously given the Trustee written notice of a continuing Event of Default;

(2) the Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer the Trustee indemnity and/or security satisfactory to the Trustee against any costs, liability or expense to be incurred in compliance with such request;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity and/or security; and

(5) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a direction that is inconsistent with the request.

However, such limitations do not apply to the right of any Holder of a Note to receive payment of the principal of, premium, if any, or interest on, such Note, or to bring suit for the enforcement of any such payment, on or after the due date expressed in the Notes, which right shall not be impaired or affected without the consent of the Holder.

Officers of the Company must certify to the Trustee in writing, on or before a date not more than 120 days after the end of each fiscal year, that a review has been conducted of the activities of the Company and its Restricted Subsidiaries and the Company's and the Subsidiary Guarantors' performance under the Indenture and that the Company has fulfilled all obligations thereunder, or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof. The Company will also be obligated to notify the Trustee of any default or defaults in the performance of any covenants or agreements under the Indenture. See "—Certain Covenants—Provision of financial statements and reports."

The Trustee and the Paying and Transfer Agent need not do anything to ascertain whether any Event of Default or Default has occurred or is continuing and will not be responsible to Holders or any other person for any loss arising from any failure by it to do so, and, the Trustee or the Paying and Transfer Agent may assume that no such event has occurred and that the Company is performing all its obligations under the Indenture and the Notes unless the Trustee has received written notice of the occurrence of such event or facts establishing that the Company is not performing all of its obligations under the Indenture and the Notes.

Consolidation, merger and sale of assets

The Company will not consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions), unless:

(1) the Company shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger, or with or into which the Company consolidated or merged, or that acquired or leased such property and assets (the "Surviving Person") shall be a corporation organized and validly existing under the laws of the Cayman Islands, Hong Kong, Bermuda or the British Virgin Islands and shall expressly assume, by a supplemental indenture to the Indenture, executed and delivered to the Trustee, all the obligations of the Company under the Indenture, the Notes and the Security Documents, as the case may be, including the obligation to pay Additional Amounts with respect to any jurisdiction in which it is organized or resident for tax purposes, and the Indenture, the Notes and the Security Documents, as the case may be, shall remain in full force and effect;

(2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction on a pro forma basis, the Company or the Surviving Person, as the case may be, shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;

(4) immediately after giving effect to such transaction on a pro forma basis the Company or the Surviving Person, as the case may be, could Incur at least US$1.00 of Indebtedness under the first paragraph of the covenant under the caption "—Limitation on Indebtedness and Preferred Stock;"

(5) the Company delivers to the Trustee (x) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (3) and (4)) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with;

(6) each Subsidiary Guarantor, unless such Subsidiary Guarantor is the Person with which the Company has entered into a transaction described under the caption "—Consolidation, merger and sale of assets," shall execute and deliver a supplemental indenture to the Indenture confirming that its Subsidiary Guarantee shall apply to the obligations of the Company or the Surviving Person in accordance with the Notes and the Indenture; and

(7) no Rating Decline shall have occurred.

No Subsidiary Guarantor will consolidate with or merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions) to another Person (other than the Company or another Subsidiary Guarantor), unless:

(1) such Subsidiary Guarantor shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger, or with or into which the Subsidiary Guarantor consolidated or merged, or that acquired or leased such property and assets shall be the Company, another Subsidiary Guarantor or shall become a Subsidiary Guarantor concurrently with the transaction;

(2) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction on a pro forma basis, the Company shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;

(4) immediately after giving effect to such transaction on a pro forma basis, the Company could Incur at least US$1.00 of Indebtedness under the first paragraph of the covenant under the caption "—Limitation on Indebtedness and Preferred Stock;"

(5) the Company delivers to the Trustee (x) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (3) and (4)) and (y) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with; and

(6) no Rating Decline shall have occurred;

provided that this paragraph shall not apply to any sale or other disposition that complies with the "—Limitation on Asset Sales" covenant or any Subsidiary Guarantor whose Subsidiary Guarantee is unconditionally released in accordance with the provisions described under "—The Subsidiary Guarantees—Release of the Subsidiary Guarantees."

Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

The foregoing requirements shall not apply to a consolidation or merger of any Subsidiary Guarantor with and into the Company or any other Subsidiary Guarantor, so long as the Company or such Subsidiary Guarantor survives such consolidation or merger.

The foregoing provisions would not necessarily afford Holders protection in the event of highly-leveraged or other transactions involving the Company that may adversely affect Holders.

No payments for consents

The Company will not, and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to such consent, waiver or amendment.

Notwithstanding the foregoing, subject to applicable law, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes in connection with an exchange offer, the Company may exclude or modify the offer or payment to: (i) holders or beneficial owners of the Notes that are believed by the Company to be U.S. persons as defined in Regulation S of the Securities Act and not institutional "accredited investors" as defined in subparagraphs (a)(1), (2), (3) or (7) of Rule 501 under the Securities Act, and (ii) holders or beneficial owners of the Notes in any other jurisdiction, in either case where the inclusion of such holders or beneficial owners would, without such modification if applicable, require the Company to comply with the registration requirements or other similar requirements under any securities laws of such jurisdiction, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion and the Trustee shall not have any responsibility or liability for such determination by the Company.

Defeasance

Defeasance and discharge

The Indenture will provide that the Company will be deemed to have paid and will be discharged from any and all obligations in respect of the Notes on the 183rd day after the deposit referred to below, and the provisions of the Indenture and the Security Documents will no longer be in effect with respect to the Notes (except for, among other matters, certain obligations to register the transfer or exchange of the Notes, to replace stolen, lost or mutilated Notes, to maintain paying agencies and to hold monies for payment in trust) if, among other things:

(1) the Company (a) has deposited with the Trustee, in trust, money and/or U.S. Government Obligations that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of the Indenture and the Notes and (b) delivers to the Trustee an Opinion of Counsel or a certificate of an internationally-recognized firm of independent accountants to the effect that the amount deposited by the Company is sufficient to provide payment for the principal of, premium, if any, and accrued interest on, the Notes on the Stated Maturity of such payment in accordance with the terms of the Indenture;

(2) the Company has delivered to the Trustee (a) either (i) an Opinion of Counsel of recognized international standing with respect to U.S. federal income tax matters which is based on a change in applicable U.S. federal income tax law occurring after the Original Issue Date to the effect that beneficial owners will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Company's exercise of its option under this "Defeasance and discharge" provision and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred or (ii) a ruling directed to the Trustee received from the U.S. Internal Revenue Service to the same effect as the aforementioned Opinion of Counsel and (b) an Opinion of Counsel of recognized international standing to the effect that the creation of the defeasance trust does not violate the U.S. Investment Company Act of 1940, as amended, and after the passage of 123 days following the deposit, the trust fund will not be subject to the effect of Section 547 of the United States Bankruptcy Code or Section 15 of the New York Debtor and Creditor Law; and

(3) immediately after giving effect to such deposit on a pro forma basis, no Event of Default, or event that after the giving of notice or lapse of time or both would become an Event of Default, shall have occurred and be continuing on the date of such deposit or during the period ending on the 183rd day after the date of such deposit, and such defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound.

In the case of either discharge or defeasance, the Subsidiary Guarantees with respect thereto will terminate.

Defeasance of certain covenants

The Indenture further will provide that the provisions of the Indenture with respect to the Notes will no longer be in effect with respect to clauses (3), (4), (5)(x) and (7) under the first paragraph and clauses (3), (4), (5)(x) and (6) under the second paragraph under "—Consolidation, merger and sale of assets" and all the covenants described herein under "—Certain covenants," other than as described under "—Certain covenants-Government Approvals and Licenses; Compliance with Law" and "—Certain covenants—Anti-Layering," clause (3) under "Events of Default" with respect to such clauses (3), (4), (5)(x) and (7) under the first paragraph and such clauses (3), (4), (5)(x) and (6) under the second paragraph under "Consolidation, Merger and Sale of Assets" and with respect to the other events set forth in such clause, clause (4) under "Events of Default" with respect to such other covenants and clauses (5) and (6) under "Events of Default" shall be deemed not to be Events of Default upon, among other things, the deposit with the Trustee, in trust, of money, U.S. Government Obligations or a combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of the Indenture and the Notes, the satisfaction of the provisions described in clause (2)(b) of the preceding paragraph and the delivery by the Company to the Trustee of an Opinion of Counsel of recognized standing with respect to U.S. federal income tax matters to the effect that beneficial owners will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance of certain covenants and Events of Default and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred.

Defeasance and certain other Events of Default

In the event the Company exercises its option to omit compliance with certain covenants and provisions of the Indenture with respect to the Notes as described in the immediately preceding paragraph and the Notes are declared due and payable because of the occurrence of an Event of Default that remains applicable, the amount of money and/or U.S. Government Obligations on deposit with the Trustee will be sufficient to pay amounts due on the Notes at the time of their Stated Maturity but may not be sufficient to pay amounts due on the Notes at the time of the acceleration resulting from such Event of Default. However, the Company will remain liable for such payments.

Amendments and waiver

Amendments without consent of holders

The Indenture, the Notes, the Subsidiary Guarantees, the Intercreditor Agreement or any Security Document may be amended, without the consent of any Holder, to:

(1) cure any ambiguity, defect, omission or inconsistency in the Indenture, the Notes, the Intercreditor Agreement or any Security Document;

(2) comply with the provisions described under "—Consolidation, merger and sale of assets;"

(3) evidence and provide for the acceptance of appointment by a successor Trustee;

(4) add any Subsidiary Guarantor or any Subsidiary Guarantee or release any Subsidiary Guarantor from any Subsidiary Guarantee as provided or permitted by the terms of the Indenture;

(5) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;

(6) add any Subsidiary Guarantor Pledgor or release any Subsidiary Guarantor Pledgor or any Collateral as provided or permitted by the terms of the Indenture;

(7) add additional Collateral to secure the Notes or any Subsidiary Guarantee;

(8) in any other case where a supplemental indenture to the Indenture is required or permitted to be entered into pursuant to the provisions of the Indenture without the consent of any Holder;

(9) effect any changes to the Indenture in a manner necessary to comply with the procedures of the relevant clearing system;

(10) permit Permitted Pari Passu Secured Indebtedness (including, without limitation, permitting the Trustee and the Intercreditor/Collateral Agent to enter into any amendments to the Security Documents, the Intercreditor Agreement or the Indenture and take any other action necessary to permit the creation and registration of Liens on the Collateral to secure Permitted Pari Passu Secured Indebtedness, in accordance with the Indenture);

(11) to conform the text of the Indenture, the Notes or the Subsidiary Guarantees to any provision of this "Description of the Notes;" or

(12) make any other change that does not materially and adversely affect the rights of any Holder.

Amendments with consent of Holders

Amendments of the Indenture, the Notes, the Subsidiary Guarantees, the Intercreditor Agreement or any Security Document may be made by the Company, the Subsidiary Guarantors, the Trustee and the Intercreditor/Collateral Agent with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes, and the holders of a majority in principal amount of the outstanding Notes may waive future compliance by the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors with any provision of the Indenture, the Notes, the Subsidiary Guarantees, any Security Document or Intercreditor Agreement; *provided, however, that* no such modification, amendment or waiver may, without the consent of each Holder affected thereby:

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Note;

(2) reduce the principal amount of, or premium, if any, or interest on, any Note;

(3) change the currency or time of payment of principal of, or premium, if any, or interest on, any Note;

(4) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the redemption date) of any Note;

(5) reduce the above-stated percentage of outstanding Notes the consent of whose Holders is necessary to modify or amend the Indenture;

(6) waive a default in the payment of principal of, premium, if any, or interest on the Notes;

(7) release any Subsidiary Guarantor from its Subsidiary Guarantee, except as provided in the Indenture;

(8) release any Collateral, except as provided in the Indenture, the Intercreditor Agreement and the Security Documents;

(9) reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults;

(10) amend, change or modify any Subsidiary Guarantee in a manner that adversely affects the Holders, except in accordance with the other provisions of the Indenture;

(11) amend, change or modify any provision of any Security Document, the Intercreditor Agreement or any provision of the Indenture relating to the Collateral, in a manner that adversely affects the Holders, except in accordance with the other provisions of the Indenture;

(12) reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale or, change the time or manner by which a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale;

(13) consent to the assignment or transfer by the Company or any Subsidiary Guarantor of any of their rights or obligations under the Indenture or the Subsidiary Guarantees, except as permitted pursuant to the provisions described under "Consolidations, Merger and Sale of Assets, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise, unless such amendment, waiver or modification shall be in effect prior to the occurrence of a Change of Control Triggering Event or the event giving rise to the repurchase of the Notes under "—Limitation on Asset Sales;"

(14) change the redemption date or the redemption price of the Notes from that stated under the captions "—Optional redemption" or "—Redemption for taxation reasons;"

(15) amend, change or modify the obligation of the Company or any Subsidiary Guarantor to pay Additional Amounts; or

(16) amend, change or modify any provision of the Indenture or the related definition affecting the ranking of the Notes or any Subsidiary Guarantee in a manner which adversely affects the Holders.

Unclaimed money

Claims against the Company for the payment of principal of, premium, if any, or interest, on the Notes will become void unless presentation for payment is made as required in the Indenture within a period of six years.

No personal liability of incorporators, stockholders, officers, directors or employees

No recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company or any of the Subsidiary Guarantors in the Indenture, or in any of the Notes or the Subsidiary Guarantees or because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, officer, director, employee or controlling person of the Company or any of the Subsidiary Guarantors or of any successor Person thereof. Each Holder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes and the Subsidiary Guarantees. Such waiver may not be effective to waive liabilities under the federal securities laws.

Concerning the Trustee, and the Agents

The Bank of New York Mellon has been appointed as Trustee under the Indenture and as registrar and principal paying and transfer agent (the "Paying and Transfer Agent") with regard to the Notes. The Trustee will not be liable, except for the performance of such duties as are specifically set forth in the Indenture. If an Event of Default has occurred and is continuing, the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it under the Indenture as a prudent person would exercise under the circumstances in the conduct of such person's own affairs.

The Indenture contains limitations on the rights of the Trustee, should it become a creditor of the Company or any of the Subsidiary Guarantors, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee is permitted to engage in other transactions with the Company and its Affiliates; *provided, however, that* if it acquires any conflicting interest, it must eliminate such conflict or resign.

If the Company maintains a paying agent with respect to the Notes in a member state of the European Union, such paying agent will be located in a member state of the European Union that is not obligated to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of ECOFIN Council meeting of November 26–27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive or such other directive.

Subject to the Intercreditor Agreement, The Bank of New York Mellon will initially act as Intercreditor/Collateral Agent or Trustee, as the case may be, under the Intercreditor Agreement and the Security Documents in respect of the Security over the Collateral. The Intercreditor/Collateral Agent or the Trustee, as the case may be, acting in its capacity as such, shall have such duties with respect to the Collateral pledged, assigned or granted pursuant to the Intercreditor Agreement and the Security Documents as are set forth in the Indenture, the Intercreditor Agreement and the Security Documents. Under certain circumstances, the Intercreditor/Collateral Agent or the Trustee, as the case may be, may have obligations under the Intercreditor Agreement and the Security Documents that are in conflict with the interests of the Holders. The Intercreditor/Collateral Agent or the Trustee, as the case may be, will be under no obligation to exercise any rights or powers conferred under the Indenture, the Intercreditor Agreement or any of the Security Documents for the benefit of the Holders unless such Holders have offered to the

Intercreditor/Collateral Agent or the Trustee, as the case may be, indemnity and/or security satisfactory to the Intercreditor/Collateral Agent or the Trustee, as the case may be, against any loss, liability or expense. Furthermore, each Holder, by accepting the Notes will agree, for the benefit of the Intercreditor/Collateral Agent or the Trustee, as the case may be, that it is solely responsible for its own independent appraisal of and investigation into all risks arising under or in connection with the Security Documents and has not relied on and will not at any time rely on the Intercreditor/Collateral Agent or the Trustee, as the case may be, in respect of such risks.

The Intercreditor/Collateral Agent or the Trustee, as the case may be, shall not be responsible for the performance by any other person appointed by the Company in relation to the Notes and, unless notified in writing to the contrary, shall assume that the same are being duly performed. The Intercreditor/Collateral Agent or the Trustee, as the case may be, shall not be responsible for the value of the Collateral nor any liability for the validity, sufficiency or enforceability thereof. The Intercreditor/Collateral Agent or the Trustee, as the case may be, shall not be liable to any Holders or any other person for any action taken by the Holders or the Intercreditor/Collateral Agent or the Trustee, as the case may be, in accordance with the instructions of the Holders. The Intercreditor/Collateral Agent or the Trustee, as the case may be, shall be entitled to rely on any written direction of the Holders which has been duly given by the Holders of the requisite principal amount of the Notes outstanding.

The Trustee shall not be deemed or implied to have any duties or obligations under any documents to which it is a party. Furthermore, the Trustee shall not be deemed to have knowledge of any event unless it has been actually notified in writing of such event.

Book-entry; delivery and form

The certificates representing the Notes will be issued in fully registered form without interest coupons. Notes sold in offshore transactions in reliance on Regulation S under the Securities Act will initially be represented by one or more permanent global notes in definitive, fully registered form without interest coupons (each a "Regulation S Global Note") and will be deposited with the Trustee, as custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream.

Notes sold in reliance on Rule 144A will be represented by one or more permanent global notes in definitive, fully registered form without interest coupons (each a "Restricted Global Note;" and together with the Regulation S Global Notes, the "Global Notes") and will be deposited with the Trustee, as custodian for, and registered in the name of a nominee of, DTC.

Each Global Note (and any Notes issued for exchange therefor) will be subject to certain restrictions on transfer set forth therein as described under "Transfer Restrictions."

Ownership of beneficial interests in a Global Note will be limited to persons who have accounts with DTC ("participants") or persons who hold interests through participants. Ownership of beneficial interests in a Global Note will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). Qualified institutional buyers may hold their interests in a Restricted Global Note directly through DTC if they are participants in such system, or indirectly through organizations which are participants in such system.

Investors may hold their interests in a Regulation S Global Note directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such system. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through DTC.

So long as DTC, or its nominee, is the registered owner or holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Note for all purposes under the Indenture and the Notes. No beneficial owner of an interest in a Global Note will be able to transfer that interest except in accordance with DTC's applicable procedures, in addition to those provided for under the Indenture and, if applicable, those of Euroclear and Clearstream.

Payments of the principal of, and interest on, a Global Note will be made to DTC or its nominee, as the case may be, as the registered owner thereof. Neither the Company, nor any of the Guarantors, the Trustee nor any paying agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Company expects that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of DTC or its nominee. The Company also expects that payments by participants to owners of beneficial interests in such Global Note held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

The Company expects that DTC will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in a Global Note is credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC will exchange the applicable Global Note for Certificated Notes, which it will distribute to its participants and which may be legend as set forth under the heading "Transfer Restrictions."

The Company understands that: DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of securities certificates. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies and certain other organizations that clear through or maintain a custodial relationship with a participant, either directly or indirectly ("indirect participants").

Although DTC, Euroclear and Clearstream are expected to follow the foregoing procedures in order to facilitate transfers of interests in a Global Note among participants of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Company, any of the Subsidiary Guarantors, the Trustee or any paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

If DTC is at any time unwilling or unable to continue as a depositary for the Global Notes and a successor depositary is not appointed by the Company within 90 days, the Company will issue Certificated Notes in registered form, which may bear the legend referred to under "Transfer Restrictions," in exchange for the Global Notes. Holders of an interest in a Global Note may receive Certificated Notes, which may bear the legend referred to under "Transfer Restrictions," in accordance with the DTC's rules and procedures in addition to those provided for under the Indenture.

The clearing systems

General

DTC, Euroclear and Clearstream have advised the Company as follows:

DTC. DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom own DTC, and may include the Initial Purchasers. Indirect access to the DTC system is also available to others that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Transfers of ownership or other interests in Notes in DTC may be made only through DTC participants. In addition, beneficial owners of Notes in DTC will receive all distributions of principal of and interest on the Notes from the Trustee through such DTC participant.

Euroclear and Clearstream. Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Initial settlement

Initial settlement for the Notes will be made in immediately available funds. All Notes issued in the form of global notes will be deposited with The Bank of New York Mellon, as custodian for DTC. Investors' interests in Notes held in book-entry form by DTC will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. As a result, Euroclear and Clearstream will initially hold positions on behalf of their participants through DTC.

Investors electing to hold their Notes through DTC (other than through accounts at Euroclear or Clearstream) must follow the settlement practices applicable to United States corporate debt obligations. The securities custody accounts of investors will be credited with their holdings against payment in same day funds on the settlement date.

Investors electing to hold their Notes through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear Holders and of Clearstream Holders on the Business Day following the settlement date against payment for value on the settlement date.

Secondary market trading

Because the purchaser determines the place of delivery, it is important to establish at the time of trading of any Notes where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between DTC Participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to United States corporate debt obligations in same-day funds using DTC's Same Day Funds Settlement System.

Trading between Euroclear and Clearstream Participants. Secondary market trading between Euroclear participants and Clearstream participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in same-day funds.

Trading between DTC Seller and Euroclear or Clearstream Purchaser. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear participant or a Clearstream participant, the purchaser must send instructions to Euroclear or Clearstream through a participant at least one Business Day prior to settlement. Euroclear or Clearstream, as the case may be, will receive the Notes against payment. Payment will then be made to the DTC participant's account against delivery of the Notes. Payment will include interest accrued on the Notes from and including the last interest payment date to and excluding the settlement date, on the basis of a calendar year consisting of twelve 30-day calendar months. For transactions settling on the 31st day of the month, payment will include interest accrued to and excluding the first day of the following month. Payment will then be made to the DTC participant's account against delivery of the Notes. After settlement has been completed, the Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the Euroclear participant's or Clearstream participant's account. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day when settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade date fails), the Euroclear or Clearstream cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream. Under this approach, they may take on credit exposure to Euroclear or Clearstream until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participant, a cross-market transaction will settle no differently than a trade between two DTC participants.

Finally, day traders that use Euroclear or Clearstream and that purchase Notes from DTC participants for credit to Euroclear participants or Clearstream participants should note that these trades will automatically fail on the sale side unless affirmative action is taken. At least three techniques should be readily available to eliminate this potential problem:

(1) borrowing through Euroclear or Clearstream for one day (until the purchase side of the day trade is reflected in their Euroclear account or Clearstream account) in accordance with the clearing system's customary procedures;

(2) borrowing the Notes in the United States from a DTC participant no later than one day prior to settlement, which would give the Notes sufficient time to be reflected in the borrower's Euroclear account or Clearstream account in order to settle the sale side of the trade; or

(3) staggering the value dates for the buy and sell sides of the trade so that the value date for the purchase from the DTC participant is at least one day prior to the value date for the sale to the Euroclear participants or Clearstream participants.

Trading between Euroclear or Clearstream Seller and DTC Purchaser. Due to the time zone differences in their favor, Euroclear participants or Clearstream participants may employ their customary procedures for transactions in which Notes are to be transferred by the respective clearing system to another DTC participant. The seller must send instructions to Euroclear or Clearstream through a participant at least one Business Day prior to settlement. In these cases, Euroclear or Clearstream will credit the Notes to the DTC participant's account against payment.

Payment will include interest accrued on the Notes from and including the last interest payment date to and excluding the settlement date, on the basis of a calendar year consisting of twelve 30-day calendar months. For transactions settling on the 31st day of the month, payment will include interest accrued to the Notes excluding the first day of the following month. Payment will then be made to the DTC participant's account against delivery of the Notes. The payment will then be reflected in the account of the Euroclear participant or Clearstream participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream participant's account will be back-valued to the value date (which would be the preceding day when settlement occurs in New York). If the Euroclear participant or Clearstream participant has a line of credit with its respective clearing system and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset any overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (i.e., the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream participant's account would instead be valued as of the actual settlement date.

As in the case with respect to sales by a DTC participant to a Euroclear or Clearstream participant, participants in Euroclear and Clearstream will have their accounts credited the day after their settlement date. See "Description of the Notes—The clearing systems—Secondary market trading—Trading between DTC Seller and Euroclear or Clearstream Purchaser" above.

None of the Company, any Subsidiary Guarantor, the Trustee or any Paying and Transfer Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Notices

All notices or demands required or permitted by the terms of the Notes or the Indenture to be given to or by the Holders are required to be in writing and may be given or served by being sent by prepaid courier or by being deposited, first-class postage prepaid, in the mails of the relevant jurisdiction (if intended for the Company or any Subsidiary Guarantor or the Trustee) addressed to the Company, such Subsidiary Guarantor or the Trustee, as the case may be, at the corporate trust office of the Trustee; and (if intended for any Holder) addressed to such Holder at such Holder's last address as it appears in the Note register (or otherwise delivered to such Holders in accordance with applicable DTC, Euroclear or Clearstream procedures).

Any such notice or demand will be deemed to have been sufficiently given or served when so sent or deposited and, if to the Holders, when delivered in accordance with the applicable rules and procedures of DTC. Any such notice shall be deemed to have been delivered on the day such notice is delivered to DTC, or if by mail, when so sent or deposited.

Consent to jurisdiction; service of process

The Company and each of the Subsidiary Guarantors will irrevocably (1) submit to the non-exclusive jurisdiction of any U.S. federal or New York state court located in the Borough of Manhattan, The City of New York in connection with any suit, action or proceeding arising out of, or relating to, the Notes, any Subsidiary Guarantee, the Indenture or any transaction contemplated thereby; and (2) designate and appoint Law Debenture Corporate Service Inc. for receipt of service of process in any such suit, action or proceeding.

Governing law

Each of the Notes, the Subsidiary Guarantees, the Indenture and the Intercreditor Agreement provides that such instrument will be governed by, and construed in accordance with, the laws of the State of New York. The existing Security Documents are governed by the laws of Hong Kong.

Definitions

Set forth below are defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for other capitalized terms used in this "Description of the Notes" for which no definition is provided.

"2014 Indenture" means the indenture dated September 10, 2009 governing the 2014 Notes, as amended and supplemented.

"2014 Notes" means the 11.750% Senior Notes due 2014 issued by the Company from time to time pursuant to the 2014 Indenture.

"2014 Trustee" means the trustee under the 2014 Indenture.

"2015 Indenture" means the indenture dated August 11, 2010 governing the 2015 Notes, as amended and supplemented.

"2015 Notes" means the 10.500% Senior Notes due 2015 issued by the Company from time to time pursuant to the 2015 Indenture.

"2015 Trustee" means the trustee under the 2015 Indenture.

"2017 Indenture" means the indenture dated April 22, 2010 governing the 2017 Notes, as amended and supplemented.

"2017 Notes" means the 11.250% Senior Notes due 2017 issued by the Company from time to time pursuant to the 2017 Indenture.

"2017 Trustee" means the trustee under the 2017 Indenture.

"2018 Indenture" means the indenture dated February 23, 2011 governing the 2018 Notes, as amended and supplemented.

"2018 Notes" means the 11.125% Senior Notes due 2018 issued by the Company from time to time pursuant to the 2018 Indenture.

"2018 Trustee" means the trustee under the 2018 Indenture.

"2021 Indenture" means the indenture dated October 4, 2013 governing the 2021 Notes, as amended and supplemented.

"2021 Notes" means the 7.25% Senior Notes due 2021 issued by the Company from time to time pursuant to the 2021 Indenture.

"2021 Trustee" means the trustee under the 2021 Indenture.

"2023 Indenture" means the indenture dated January 10, 2013 governing the 2023 Notes, as amended and supplemented.

"2023 Notes" means the 7.50% Senior Notes due 2023 issued by the Company from time to time pursuant to the 2023 Indenture.

"2023 Trustee" means the trustee under the 2023 Indenture.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or Indebtedness of a Restricted Subsidiary assumed in connection with an Asset Acquisition by such Restricted Subsidiary whether or not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary.

"Adjusted Treasury Rate" means, with respect to any redemption date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities", for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three (3) months before or after May 27, 2017, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third Business Day immediately preceding the redemption date.

"Affiliate" means, with respect to any Person, any other Person (1) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; (2) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (1) of this definition; or (3) who is a spouse or any person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister, parent-in-law, grandchild, grandparent, uncle, aunt, nephew and niece of a Person described in clause (1) or (2). For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Premium" means at any redemption date, the greater of (1) 1.00% of the principal amount of such Note and (2) the excess of (A) the present value at such redemption date of the redemption price of such Note on May 27, 2017 (such redemption price being set forth in the table appearing under the caption "Optional Redemption"), plus all required remaining scheduled interest payments due on such Note through May 27, 2017 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Adjusted Treasury Rate plus 100 basis points, over (B) the principal amount of such Note on such redemption date.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or Indebtedness of a Restricted Subsidiary assumed in connection with an Asset Acquisition by such Restricted Subsidiary whether or not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary.

"Asset Acquisition" means (1) an investment by the Company or any of its Restricted Subsidiaries in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be merged into or consolidated with the Company or any of its Restricted Subsidiaries; or (2) an acquisition by the Company or any of its Restricted Subsidiaries of the property and assets of any Person other than the Company or any of its Restricted Subsidiaries that constitute substantially all of a division or line of business of such Person.

"Asset Disposition" means the sale or other disposition by the Company or any of its Restricted Subsidiaries (other than to the Company or another Restricted Subsidiary) of (1) all or substantially all of the Capital Stock of any Restricted Subsidiary; or (2) all or substantially all of the assets that constitute a division or line of business of the Company or any of its Restricted Subsidiaries.

"Asset Sale" means any sale, transfer or other disposition (including by way of merger, consolidation or Sale and Leaseback Transaction) of any of its property or assets (including any sale or issuance of Capital Stock of a Subsidiary) in one transaction or a series of related transactions by the Company or any of its Restricted Subsidiaries to any Person; *provided that* "Asset Sale" shall not include:

(1) sales or other dispositions of inventory, receivables and other current assets (including properties under development for sale and completed properties for sale) in the ordinary course of business;

(2) sales, transfers or other dispositions of assets constituting a Permitted Investment or Restricted Payment permitted to be made under the "—Limitation on Restricted Payments" covenant;

(3) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US$1 million (or the Dollar Equivalent thereof) in any transaction or series of related transactions;

(4) any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Company or its Restricted Subsidiaries;

(5) any transfer, assignment or other disposition deemed to occur in connection with creating or granting any Permitted Lien;

(6) a transaction covered by the covenant under the caption "—Consolidation, merger and sale of assets;" and

(7) any sale, transfer or other disposition by the Company or any of its Restricted Subsidiaries, including the sale or issuance by the Company or any Restricted Subsidiary of any Capital Stock of any Restricted Subsidiary, to the Company or any Restricted Subsidiary.

"Attributable Indebtedness" means, in respect of a Sale and Leaseback Transaction, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"Average Life" means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

"Bank Deposit Secured Indebtedness" means Indebtedness of the Company or any Restricted Subsidiary that is (i) secured by a pledge of one or more bank accounts or deposits of the Company or a Restricted Subsidiary or (ii) guaranteed by a guarantee or a letter of credit (or similar instruments) from or arranged by the Company or a Restricted Subsidiary and is used by the Company and its Restricted Subsidiaries to effect exchanges of U.S. dollars, Hong Kong dollars or other foreign currencies into Renminbi or vice versa, or to remit Renminbi or any foreign currency into or outside the PRC.

"Board of Directors" means the board of directors elected or appointed by the stockholders of the Company to manage the business of the Company or any committee of such board duly authorized to take the action purported to be taken by such committee.

"Board Resolution" means any resolution of the Board of Directors taking an action which it is authorized to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of the Board of Directors.

"Business Day" means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York, London or Hong Kong (or in any other place in which payments on the Notes are to be made) are authorized by law or governmental regulation to close.

"Capitalized Lease" means, with respect to any Person, any lease of any property (whether real, personal or mixed) which, in conformity with GAAP, is required to be capitalized on the balance sheet of such Person.

"Capitalized Lease Obligations" means the discounted present value of the rental obligations under a Capitalized Lease.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person,

whether outstanding on the Original Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

"Change of Control" means the occurrence of one or more of the following events:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries, taken as a whole, to any "person" (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders;

(2) the Company consolidates with, or merges with or into, any Person (other than one or more Permitted Holders), or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for

cash, securities or other property, other than any such transaction where the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) and in substantially the same proportion as before the transaction;

(3) the Permitted Holders are collectively the beneficial owners of less than 30% of the total voting power of the Voting Stock of the Company;

(4) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the Voting Stock of the Company greater than such total voting power held beneficially by the Permitted Holders;

(5) individuals who on the Original Issue Date constituted the board of directors of the Company, together with any new directors whose election by the board of directors was approved by a vote of at least a majority of the directors then in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or

(6) the adoption of a plan relating to the liquidation or dissolution of the Company.

"Change of Control Triggering Event" means the occurrence of both a Change of Control and a Rating Decline.

"Clearstream" means Clearstream Banking, *société anonyme*, Luxembourg.

"Collateral" means all collateral securing, or purported to be securing, directly or indirectly, the Notes or any Subsidiary Guarantee pursuant to the Security Documents, and shall initially consist of the Capital Stock of the initial Subsidiary Guarantors held by the Company or the initial Subsidiary Guarantor Pledgors.

"Commodity Hedging Agreement" means any spot, forward or option commodity price protection agreements or other similar agreement or arrangement designed to protect against fluctuations in commodity prices.

"Common Stock" means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding at the date of the Indenture, and include, without limitation, all series and classes of such common stock or ordinary shares.

"Comparable Treasury Issue" means the U.S. Treasury security or securities having a maturity comparable to May 27, 2017 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to May 27, 2017.

"Comparable Treasury Price" means, with respect to any redemption date, if clause (ii) of the Adjusted Treasury Rate is applicable, the average of three (or such lesser number as is obtained by the Trustee) Reference Treasury Dealer Quotations for such redemption date.

"Consolidated Assets" means, with respect to any Restricted Subsidiary at any date of determination, the Company and its Restricted Subsidiaries' proportionate interest in the total consolidated assets of that Restricted Subsidiary and its Restricted Subsidiaries measured in accordance with GAAP as of the last day of the most recent fiscal quarter for which consolidated financial statements of the Company and its Restricted Subsidiaries (which the Company shall use its reasonably best efforts to compile on a timely manner) are available (which may be internal consolidated financial statements).

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income:

(1) Consolidated Interest Expense, including, for the avoidance of doubt, capitalized interest included in cost of sales,

(2) income taxes (other than income taxes attributable to extraordinary and non-recurring gains (or losses) or sales of assets not included in the calculation of Consolidated EBITDA), including, for the avoidance of doubt, corporate income tax and land appreciation tax, and

(3) depreciation expense, amortization expense and all other non-cash items reducing Consolidated Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period and other than losses on Investment Properties arising from fair value adjustments made in conformity with GAAP), less all non-cash items increasing Consolidated Net Income (other than gains on Investment Properties arising from fair value adjustments made in conformity with GAAP),

all as determined on a consolidated basis for the Company and its Restricted Subsidiaries in conformity with GAAP; *provided that* (1) if any Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, Consolidated EBITDA shall be reduced (to the extent not otherwise reduced in accordance with GAAP) by an amount equal to (A) the amount of the Consolidated Net Income attributable to such Restricted Subsidiary multiplied by (B) the percentage ownership interest in the income of such Restricted Subsidiary not owned on the last day of such period by the Company or any of its Restricted Subsidiaries and (2) in the case of any PRC CJV (consolidated in accordance with GAAP), Consolidated EBITDA shall be reduced (to the extent not already reduced in accordance with GAAP) by any payments, distributions or amounts (including the Fair Market Value of any non-cash payments, distributions or amounts) required to be made or paid by such PRC CJV to the PRC CJV Partner, or to which the PRC CJV Partner otherwise has a right or is entitled, pursuant to the joint venture agreement governing such PRC CJV.

"Consolidated Fixed Charges" means, for any period, the sum (without duplication) of (1) Consolidated Interest Expense for such period and (2) all cash and non-cash dividends paid, declared, accrued or accumulated during such period on any Disqualified Stock or Preferred Stock of the Company or any Restricted Subsidiary held by Persons other than the Company or any Wholly Owned Restricted Subsidiary, except for dividends payable in the Company's Capital Stock (other than Disqualified Stock) or paid to the Company or to a Wholly Owned Restricted Subsidiary.

"Consolidated Interest Expense" means, for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with GAAP for such period of the Company and its Restricted Subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred, accrued or payable during such period by the Company and its Restricted Subsidiaries, without duplication, (1) interest expense attributable to Capitalized Lease Obligations, (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness, (3) the interest portion of any deferred payment obligation, (4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness, (5) the net costs associated with Hedging Obligations (including the amortization of fees), (6) interest accruing on Indebtedness of any other Person that is Guaranteed by, or secured by a Lien on any asset of, the Company or any Restricted Subsidiary (other than Pre-Registration Mortgage Guarantees) and (7) any capitalized interest, *provided that* interest expense attributable to interest on any Indebtedness bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in conformity with GAAP; *provided that* the following items shall be excluded in computing Consolidated Net Income (without duplication):

(1) the net income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting except that:

(a) subject to the exclusion contained in clause (5) below, the Company's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below); and

(b) the Company's equity in a net loss of any such Person for such period shall be included in determining such Consolidated Net Income to the extent funded with cash or other assets of the Company or Restricted Subsidiaries;

(2) the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Company or any of its Restricted Subsidiaries or all or substantially all of the property and assets of such Person are acquired by the Company or any of its Restricted Subsidiaries;

(3) the net income (but not loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other similar constitutive documents, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary;

(4) the cumulative effect of a change in accounting principles;

(5) any net after tax gains realized on the sale or other disposition of (a) any property or assets of the Company or any Restricted Subsidiary which is not sold in the ordinary course of its business or (b) any Capital Stock of any Person (including any gains by the Company realized on sales of Capital Stock of the Company or other Restricted Subsidiaries);

(6) any translation gains and losses due solely to fluctuations in currency values and related tax effects; and

(7) any net after-tax extraordinary or non-recurring gains,

provided that (A) solely for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains derived from direct or indirect sale by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment Property arising from the difference between the current book value and the cash sale price shall be added to Consolidated Net Income; (B) for purposes of the Consolidated Net Income calculation (but not for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio) any net after tax gains derived from direct or indirect sale by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment Property arising from the difference between the original cost basis and the cash sale price shall be added to Consolidated Net Income to the extent not already included in the net income for such period as determined in conformity with GAAP and Consolidated Net Income; and (C) solely for the purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains on Investment Properties arising from fair value adjustments made in conformity with GAAP shall be added to Consolidated Net Income.

"Consolidated Net Worth" means, at any date of determination, stockholders' equity as set forth on the most recently available fiscal quarter, semi-annual or annual consolidated balance sheet (which may be an internal consolidated balance sheet) of the Company and its Restricted Subsidiaries, plus, to the extent not included, any Preferred Stock of the Company, less any amounts attributable to Disqualified Stock or any equity security convertible into or exchangeable for Indebtedness, the cost of treasury stock and the principal amount of any promissory notes receivable from the sale of the Capital Stock of the Company or any of its Restricted Subsidiaries, each item to be determined in conformity with GAAP.

"Contractor Guarantees" means any Guarantee by the Company or any Restricted Subsidiary of Indebtedness of any contractor, builder or other similar Person engaged by the Company or such Restricted Subsidiary in connection with the development, construction or improvement of real or personal property or equipment to be used in a Permitted Business by the Company or any Restricted Subsidiary in the ordinary course of business, which Indebtedness was Incurred by such contractor, builder or other similar Person to finance the cost of such development, construction or improvement.

"Currency Agreement" means any foreign exchange forward contract, currency swap agreement or other similar agreement or arrangement designed to protect against fluctuations in foreign exchange rates.

"Default" means any event that is, or after notice or passage of time or both would be, an Event of Default.

"Disqualified Stock" means any class or series of Capital Stock of any Person that by its terms or otherwise is (1) required to be redeemed prior to the date that is 183 days after the Stated Maturity of the Notes, (2) redeemable at the option of the holder of such class or series of Capital Stock at any time prior to the date that is 183 days after the Stated Maturity of the Notes or (3) convertible into or exchangeable for Capital Stock referred to in clause (1) or (2) above or

Indebtedness having a scheduled maturity prior to the date that is 183 days after the Stated Maturity of the Notes; *provided that* any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes shall not constitute Disqualified Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in the "—Limitation on Asset Sales" and "—Repurchase of Notes upon a Change of Control Triggering Event" covenants and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Company's repurchase of such Notes as are required to be repurchased pursuant to the "—Limitation on Asset Sales" and "—Repurchase of Notes upon a Change of Control Triggering Event" covenants.

"Dollar Equivalent" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"DTC" means The Depository Trust Company and its successors.

"Entrusted Loans" means borrowings by a PRC Restricted Subsidiary from a bank that are secured by a pledge of deposits made by another PRC Restricted Subsidiary to the lending bank as security for such borrowings, provided that such borrowings are not reflected on the consolidated balance sheet of the Company.

"Equity Offering" means (i) any *bona fide* underwritten primary public offering or private placement of Common Stock of the Company after the Original Issue Date or (ii) any *bona fide* underwritten secondary public offering or secondary private placement of Common Stock of the Company beneficially owned by a Permitted Holder, after the Original Issue Date, to the extent that a Permitted Holder or a company controlled by a Permitted Holder concurrently with such public offering or private placement purchases in cash an equal amount of Common Stock from the Company at the same price as the public offering or private placing price, in each case under clause (i) or (ii) provided such public offering or private placement is to a person other than a Restricted Subsidiary or Permitted Holder; *provided that* any offering or placing referred to in (A) clause (i), (B) clause (ii), or (C) a combination of clauses (i) and (ii) result in the aggregate gross cash proceeds received by the Company being no less than US$20.0 million (or the Dollar Equivalent thereof).

"Euroclear" means Euroclear Bank S.A./N.V.

"Exempted Subsidiary" means any Restricted Subsidiary organized in any jurisdiction other than the PRC that is prohibited by applicable law or regulation from providing a Subsidiary Guarantee or create any Lien over its Capital Stock to secure any of the secured obligations subject to the Intercreditor Agreement; *provided* that (x) the Company shall have failed, upon using commercially reasonable efforts, to obtain any required governmental or regulatory approval or registration with respect to such Subsidiary Guarantee or Lien over its Capital Stock, to the extent that such approval or registration is available under any applicable law or regulation and (y) such Restricted Subsidiary shall cease to be an Exempted Subsidiary immediately upon such prohibition ceasing to be in force or apply to such Restricted Subsidiary or upon the Company having obtained such applicable approval or registration.

"Fair Market Value" means the price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors, whose determination shall be conclusive if evidenced by a Board Resolution.

"Financial Company Investor" means a bank, financial institution, trust company, fund management company, asset management company, financial management company or insurance company, or an Affiliate thereof, that Invests in any Capital Stock of a Restricted Subsidiary.

"Fixed Charge Coverage Ratio" means, on any Transaction Date, the ratio of (1) the aggregate amount of Consolidated EBITDA for the then most recent four fiscal quarter periods prior to such Transaction Date for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements) (the "Four Quarter Period") to (2) the aggregate Consolidated Fixed Charges during such Four Quarter Period. In making the foregoing calculation:

(a) pro forma effect shall be given to any Indebtedness or Preferred Stock Incurred, repaid or redeemed during the period (the "Reference Period") commencing on and including the first day of the Four Quarter Period and ending on and including the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement (or under any predecessor revolving credit or similar arrangement) in effect on the last day of such Four Quarter Period), in each case as if such Indebtedness or Preferred Stock had been Incurred, repaid or redeemed on the first day of such Reference Period; *provided that*, in the event of any such repayment or redemption, Consolidated EBITDA for such period shall be calculated as if the Company or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to repay or redeem such Indebtedness or Preferred Stock;

(b) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a pro forma basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;

(c) pro forma effect shall be given to the creation, designation or redesignation of Restricted and Unrestricted Subsidiaries as if such creation, designation or redesignation had occurred on the first day of such Reference Period;

(d) pro forma effect shall be given to Asset Dispositions and Asset Acquisitions (including giving pro forma effect to the application of proceeds of any Asset Disposition) that occur during such Reference Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period; and

(e) pro forma effect shall be given to asset dispositions and asset acquisitions (including giving pro forma effect to the application of proceeds of any asset disposition) that have been made by any Person that has become a Restricted Subsidiary or has been merged with or into the Company or any Restricted Subsidiary during such Reference Period and that would have constituted Asset Dispositions or Asset Acquisitions had such transactions occurred when such Person was a Restricted Subsidiary as if such asset dispositions or asset acquisitions were Asset Dispositions or Asset Acquisitions that occurred on the first day of such Reference Period;

provided that to the extent that clause (d) or (e) of this sentence requires that pro forma effect be given to an Asset Acquisition or Asset Disposition (or asset acquisition or asset disposition), such pro forma calculation shall be based upon the four fiscal quarter periods immediately preceding the Transaction Date of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

"GAAP" means generally accepted accounting principles in Hong Kong as in effect from time to time. All ratios and computations contained or referred to in the Indenture shall be computed in conformity with GAAP applied on a consistent basis.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); *provided that* the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Hedging Obligation" of any Person means the obligations of such Person pursuant to any Commodity Hedging Agreement, Currency Agreement or Interest Rate Agreement.

"Holder" means the Person in whose name a Note is registered in the Note register.

"Hong Kong Stock Exchange" means The Stock Exchange of Hong Kong Limited and its successors.

"Incur" means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock; *provided that* (1) any Indebtedness and Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (or fails to meet the qualifications necessary to remain an Unrestricted Subsidiary) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and (2) the accretion of original issue discount shall not be considered an Incurrence of Indebtedness. The terms "Incurrence," "Incurred" and "Incurring" have meanings correlative with the foregoing.

"Indebtedness" means, with respect to any Person at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables;

(5) all Capitalized Lease Obligations and Attributable Indebtedness;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided that* the amount of such Indebtedness shall be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person;

(8) to the extent not otherwise included in this definition, Hedging Obligations; and

(9) all Disqualified Stock issued by such Person valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends.

Notwithstanding the foregoing, Indebtedness shall not include any capital commitments, deferred payment obligations, pre-sale receipts in advance from customers or similar obligations Incurred in the ordinary course of business in connection with the acquisition, development, construction or improvement of real or personal property (including land use rights) to be used in a Permitted Business or any Entrusted Loan; *provided that* such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Company (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided*

(1) that the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP,

(2) that money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest, and

(3) that the amount of Indebtedness with respect to any Hedging Obligation shall be equal to (a) zero if Incurred pursuant to paragraph 2(f) under the "Limitation on Indebtedness and Preferred Stock" covenant, or (b) the net amount payable if such Hedging Obligation terminated at that time due to default by such Person, if not Incurred under such covenant.

"Intercreditor Agreement" has the meaning set forth under "—Security."

"Interest Rate Agreement" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement designed to protect against fluctuations in interest rates.

"Investment" means:

(1) any direct or indirect advance, loan or other extension of credit to another Person;

(2) any capital contribution to another Person (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others);

(3) any purchase or acquisition of Capital Stock, Indebtedness, bonds, notes, debentures or other similar instruments or securities issued by another Person; or

(4) any Guarantee of any obligation of another Person.

For the purposes of the provisions of the "Designation of Restricted and Unrestricted Subsidiaries" and "Limitation on Restricted Payments" covenants: (1) the Company will be deemed to have made an Investment in an Unrestricted Subsidiary in an amount equal to the Fair Market Value of the Company's proportionate interest in the assets (net of the Company's proportionate interest in the liabilities owed to any Person other than the Company or a Restricted Subsidiary and that are not Guaranteed by the Company or a Restricted Subsidiary) of a Restricted Subsidiary that is designated an Unrestricted Subsidiary at the time of such designation, and (2) any property transferred to or from any Person shall be valued at its Fair Market Value at the time of such transfer, as determined in good faith by the Board of Directors.

"Investment Grade" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "–" indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns or a rating of "Aaa," or "Aa," "A" or "Baa," as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for S&P or Moody's or both, as the case may be.

"Investment Property" means any property that is owned and held by any Restricted Subsidiary incorporated under the laws of the PRC primarily for rental yields or for capital appreciation or both, or any hotel owned by the Company or any Restricted Subsidiary from which the Company or any Restricted Subsidiary derives or expects to derive operating income.

"Joint Venture" means the joint venture company to be established in connection with the Project by the Company (by itself or through its Restricted Subsidiaries) with entities not Affiliated with the Company, in which the Company will hold a minority equity interest in the joint venture company's total outstanding Capital Stock, or any successor thereof.

"Jointly Controlled Entity" means any corporation, association or other business entity of which 20% or more of the voting power of the outstanding Voting Stock is owned, directly or indirectly by the Company or a Restricted Subsidiary and such corporation, association or other business entity is treated as a "joint venture" in accordance with GAAP, and such Jointly Controlled Entity's Subsidiaries.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind).

"Minority Interest Staged Acquisition Agreement" means an agreement between the Company or a Restricted Subsidiary and an Independent Third Party (x) pursuant to which the Company or such Restricted Subsidiary agrees to acquire less than a majority of the Capital Stock of a Person for a consideration that is not more than the Fair Market Value of such Capital Stock of such Person at the time the Company or such Restricted Subsidiary enters into such agreement and (y) which provides that the payment of the purchase price for such Capital Stock is made in more than one installment over a period of time.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Net Cash Proceeds" means:

(1) with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of:

(a) brokerage commissions and other fees and expenses (including fees and expenses of counsel and investment bankers) related to such Asset Sale;

(b) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the consolidated results of operations of the Company and its Restricted Subsidiaries, taken as a whole;

(c) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (x) is secured by a Lien on the property or assets sold or (y) is required to be paid as a result of such sale;

(d) appropriate amounts to be provided by the Company or any Restricted Subsidiary as a reserve against any liabilities associated with such Asset Sale,

including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with GAAP; and

(2) with respect to any issuance or sale of Capital Stock, the proceeds of such issuance or sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Offer to Purchase" means an offer to purchase Notes by the Company from the Holders commenced by the Company mailing a notice by first class mail, postage prepaid, to the Trustee, the Paying and Transfer Agent and each Holder at its last address appearing in the Note register stating:

(1) the covenant pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment on a pro rata basis;

(2) the purchase price and the date of purchase (which shall be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "Offer to Purchase Payment Date");

(3) that any Note not tendered will continue to accrue interest pursuant to its terms;

(4) that, unless the Company defaults in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest on and after the Offer to Purchase Payment Date;

(5) that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled "Option of the Holder to Elect Purchase" on the reverse side of the Note completed, to the Paying and Transfer Agent at the address specified in the notice prior to the close of business on the Business Day immediately preceding the Offer to Purchase Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying and Transfer Agent receives, not later than the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; *provided that* each Note purchased and each new Note issued shall be in a principal amount of US$200,000 or integral multiples of US$1,000.

On one Business Day prior to the Offer to Purchase Payment Date, the Company shall deposit with the Paying and Transfer Agent money sufficient to pay the purchase price of all Notes or portions thereof so accepted. On the Offer to Purchase Payment Date, the Company shall (a) accept for payment on a pro rata basis Notes or portions thereof tendered pursuant to an Offer to Purchase; and (b) deliver, or cause to be delivered, to the Trustee all Notes or portions thereof so accepted together with an Officers' Certificate specifying the Notes or portions thereof accepted for payment by the Company. The Paying and Transfer Agent shall promptly mail to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Trustee or an authenticating agent shall promptly authenticate and mail to such Holders a new Note equal in principal amount to any unpurchased portion of the Note surrendered; *provided that* each Note purchased and each new Note issued shall be in a principal amount of US$200,000 or integral multiples of US$1,000. The Company will publicly announce the results of an Offer to Purchase as soon as practicable after the Payment Date. The Company will comply with Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable, in the event that the Company is required to repurchase Notes pursuant to an Offer to Purchase.

To the extent that the provisions of any securities laws or regulations of any jurisdiction conflict with the provisions of the Indenture governing any Offer to Purchase, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance. The Company will not be required to make an Offer to Purchase if a third party makes the Offer to Purchase in compliance with the requirements set forth in the Indenture applicable to an Offer to Purchase made by the Company and purchases all Notes properly tendered and not withdrawn under such Offer to Purchase.

The offer is required to contain or incorporate by reference information concerning the business of the Company and its Subsidiaries which the Company in good faith believes will assist such Holders to make an informed decision with respect to the Offer to Purchase, including a brief description of the events requiring the Company to make the Offer to Purchase, and any other information required by applicable law to be included therein. The offer is required to contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase.

"Officer" means one of the executive officers of the Company or, in the case of a Subsidiary Guarantor, one of the directors or officers of such Subsidiary Guarantor.

"Officers' Certificate" means a certificate signed by two Officers; provided, however, with respect to the Officers' Certificate required to be delivered by any Subsidiary Guarantor under the Indenture, Officers' Certificate means a certificate signed by one Officer if there is only one Officer in such Subsidiary Guarantor at the time such certificate is required to be delivered.

"Opinion of Counsel" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be counsel to the Company.

"Original Issue Date" means the date on which the Notes are originally issued under the Indenture.

"Pari Passu Subsidiary Guarantee" means a guarantee by any Subsidiary Guarantor of Indebtedness of the Company or another Subsidiary Guarantor (including Additional Notes); *provided that* (1) the Company and such Subsidiary Guarantor were permitted to Incur such Indebtedness under the covenant under the caption "—Limitation on Indebtedness and Preferred Stock" and (2) such guarantee ranks pari passu with any outstanding Subsidiary Guarantee of such Subsidiary Guarantor.

"Payment Default" means (1) any default in the payment of interest on any Note when the same becomes due and payable, (2) any default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise, (3) the failure by the Company to make or consummate a Change of Control Offer in the manner described under the caption "—Repurchase of Notes upon a Change of Control Triggering Event," or an Offer to Purchase in the manner described under the caption "—Limitation on Asset Sales" or (4) any Event of Default specified in clause (5) of the definition of Events of Default.

"Permitted Business" means any business which is the same as or related, ancillary or complementary to any of the businesses of the Company and its Restricted Subsidiaries (as described in the offering memorandum) on the Original Issue Date.

"Permitted Holders" means any or all of the following:

(1) Mr. Yeung Kwok Keung and Ms. Yang Huiyan, collectively;

(2) any Affiliate (other than an Affiliate as defined in clause (2) or (3) of the definition of Affiliate) of the Persons specified in clause (1); and

(3) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% or more by one or more of the Persons specified in clauses (1) and (2).

"Permitted Investment" means:

(1) any Investment in the Company or a Restricted Subsidiary that is primarily engaged in a Permitted Business or a Person which will, upon the making of such Investment, become a Restricted Subsidiary that is primarily engaged in a Permitted Business or be merged or consolidated with or into or transfer or convey all or substantially all its assets to, the Company or a Restricted Subsidiary that is primarily engaged in a Permitted Business;

(2) Temporary Cash Investments;

(3) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses in accordance with GAAP;

(4) stock, obligations or securities received in satisfaction of judgments;

(5) an investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(6) any Investment pursuant to a Hedging Obligation designed solely to protect the Company or any Restricted Subsidiary against fluctuations in commodity prices, interest rates or foreign currency exchange rates;

(7) receivables owing to the Company or any Restricted Subsidiary, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(8) Investments made by the Company or any Restricted Subsidiary consisting of consideration received in connection with an Asset Sale made in compliance with the covenant under the caption "—Limitation on Asset Sales;"

(9) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under "—Limitation on Liens;"

(10) any Investment pursuant to Pre-Registration Mortgage Guarantees or Contractor Guarantees by the Company or any Restricted Subsidiary otherwise permitted to be Incurred under the Indenture;

(11) Investments in securities of trade creditors, trade debtors or customers received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such trade creditor, trade debtor or customer;

(12) advances to contractors and suppliers for the acquisition of assets or consumables or services in the ordinary course of business that are recorded as deposits or prepaid expenses on the Company's consolidated balance sheet;

(13) advances to government authorities or government-affiliated entities in the People's Republic of China in connection with the financing of primary land development in the ordinary course of business that are recorded as assets on the Company's balance sheet;

(14) deposits of pre-sale proceeds made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title in the ordinary course of business;

(15) deposits made in order to comply with statutory or regulatory obligations to maintain deposits for workers compensation claims and other purposes specified by statute or regulation from time to time in the ordinary course of business; and

(16) deposits made in order to secure the performance of the Company or any of its Restricted Subsidiaries and prepayments made in connection with the acquisition of real property or land use rights or personal property (including without limitation, Capital Stock) by the Company or any of its Restricted Subsidiaries (including, without limitation, by way of acquisition of Capital Stock of a Person), in each case in the ordinary course of business;

(17) Investments (other than Guarantees provided under paragraph (18) below) by the Company or any Restricted Subsidiary in the Joint Venture or any of its Subsidiaries in proportion to the Company's (direct or indirect) interest in the Capital Stock of the Joint Venture not to exceed an aggregate outstanding amount of RMB2.72 billion, which amount or amounts shall be determined at the time the relevant Investments are made, *provided that* the amount of any Investment not made in cash shall be the carrying or book value of such Investment as shown on the most recently available consolidated balance sheet of the Company (which may be internal consolidated balance sheet) at the time such Investment is made;

(18) any Guarantee by the Company or any Restricted Subsidiary of Indebtedness Incurred by the Joint Venture or any of its Subsidiaries in proportion to the Company's (direct or indirect) interest in the Capital Stock of the Joint Venture, *provided that* such Guarantee is permitted to be Incurred under paragraph (2)(p) under "—Limitation on Indebtedness and Preferred Stock;"

(19) any Investment (including without limitation any deemed Investment upon the redesignation of a Restricted Subsidiary as an Unrestricted Subsidiary or upon the issuance or sale of Capital Stock of a Restricted Subsidiary) by the Company or any Restricted Subsidiary in any Person (other than a Restricted Subsidiary), of which at least 20% of the Capital Stock and the Voting Stock is (or upon the making of such Investment, will be) owned, directly or indirectly, by the Company or any Restricted Subsidiary (such Person, an "Associate"), *provided* that:

(a) the aggregate of all Investments made under this clause (19) after the Original Issue Date shall not exceed in aggregate an amount equal to 20% of Total Assets. Such aggregate amount of Investments shall be calculated after deducting an amount equal to the net reduction in all Investments made under this clause (19) after the Original Issue Date resulting from:

(i) payments of interest on Indebtedness, dividends or repayments of loans or advances made under this clause, in each case to the Company or any Restricted Subsidiary (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income),

(ii) the unconditional release of a Guarantee provided by the Company or a Restricted Subsidiary after the Original Issue Date under this clause of an obligation of any such Person,

(iii) to the extent that an Investment made after the Original Issue Date under this clause (19) is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, or

(iv) any such Person becoming a Restricted Subsidiary (whereupon all Investments made by the Company or any Restricted Subsidiary in such Person after the Original Issue Date shall be deemed to have been made pursuant to clause (1) of the definition of "Permitted Investment"), not to exceed, in each case, the amount of Investments made by the Company or a Restricted Subsidiary after the Original Issue Date in any such Person pursuant to this clause (19),

(b) the Person into which such Investment is made is primarily engaged in a Permitted Business;

(c) none of the other shareholders or partners in such Person in which such Investment was made pursuant to this clause (19) is a Person described in clauses (x) or (y) of the first paragraph of the covenant under the caption "—Limitation on Transactions with Shareholders and Affiliates" (other than by reason of such shareholder or partner being an officer or director of such Person or by reason of such shareholder or partner being the Company or a Subsidiary of the Company);

(d) no Default has occurred and is continuing or would occur as a result of such Investment;

(e) with respect to an Associate in which the Company or any Restricted Subsidiary has made an Investment under this clause (19), (x) if the Company or such Restricted Subsidiary no longer owns at least 20% of the Capital Stock of such Associate, such Investment less the amount of any Receipt will be deemed not to have been made in accordance with this clause (19) and such Investment must at the time such Associate is no longer treated as an Associate satisfy the other requirements of the covenant described under "—Certain Covenants—Limitation on Restricted Payments" (including meeting the requirements of one of the other clauses set forth under this "Permitted Investment" definition) except for clause (4)(b) of the first paragraph of the covenant described under "—Certain Covenants—Limitation on Restricted Payments; and

(f) in the case of any Investment by the Company or any Restricted Subsidiary in a Person of which less than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by the Company or its Restricted Subsidiaries, at the time of such Investment, the Company could Incur at least

US$1.00 of Indebtedness under the proviso in the paragraph (1) of the covenant under the caption "—Limitation of Indebtedness and Preferred Stock."

For the avoidance of doubt, the value of each Investment made pursuant to this clause (19) shall be determined at the time such Investment is made.

"Permitted Liens" means:

(1) Liens for taxes, assessments, governmental charges or claims that are being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;

(2) statutory and common law Liens of landlords and carriers, warehousemen, mechanics, suppliers, repairmen or other similar Liens arising in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;

(3) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory or regulatory obligations, bankers' acceptances, surety and appeal bonds, government contracts, performance, and return-of-money bonds and other obligations of a similar nature incurred in the ordinary course of business (exclusive of obligations for the payment of borrowed money);

(4) leases or subleases granted to others that do not materially interfere with the ordinary course of business of the Company and its Restricted Subsidiaries, taken as a whole;

(5) Liens encumbering property or assets under construction arising from progress or partial payments by a customer of the Company or its Restricted Subsidiaries relating to such property or assets;

(6) Liens on property of, or on shares of Capital Stock or Indebtedness of, any Person existing at the time such Person becomes, or becomes a part of, any Restricted Subsidiary; *provided that* such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets acquired; provided further that such Liens were not created in contemplation of or in connection with the transactions or series of transactions pursuant to which such Person became a Restricted Subsidiary;

(7) Liens in favor of the Company or any Restricted Subsidiary;

(8) Liens arising from the rendering of a final judgment or order against the Company or any Restricted Subsidiary that does not give rise to an Event of Default;

(9) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

(10) Liens encumbering customary initial deposits and margin deposits, and other Liens that are within the general parameters customary in the industry and incurred in the

ordinary course of business, in each case, securing Indebtedness under Hedging Obligations permitted by clause (f) of the second paragraph of the covenant under the caption "—Limitation on Indebtedness and Preferred Stock;"

(11) Liens existing on the Original Issue Date;

(12) Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under clause (e) of the second paragraph of the covenant described under the caption entitled "—Limitation on Indebtedness and Preferred Stock;" *provided that* such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;

(13) Liens under the Security Documents;

(14) Liens securing any Permitted Pari Passu Secured Indebtedness that complies with each of the requirements set forth under "—Security—Permitted Pari Passu Secured Indebtedness;"

(15) any interest or title of a lessor in the property subject to any operating lease;

(16) Liens securing Indebtedness of the Company or any Restricted Subsidiary under any Pre-Registration Mortgage Guarantee which is permitted to be Incurred under clause (g) of the second paragraph of the covenant under the caption "—Limitation on Indebtedness and Preferred Stock;"

(17) easements, rights-of-way, municipal and zoning ordinances or other restrictions as to the use of properties in favor of governmental agencies or utility companies that do not materially adversely affect the value of such properties or materially impair the use for the purposes of which such properties are held by the Company or any Restricted Subsidiary;

(18) Liens (including extensions and renewals thereof) upon real or personal property; *provided that* (a) such Lien is created solely for the purpose of securing Indebtedness of the type described under clause (2)(h) of the covenant under the caption entitled "—Limitation on Indebtedness and Preferred Stock" and such Lien is created prior to, at the time of or within 180 days after the later of the acquisition or the completion of development, construction or improvement of such property, (b) the principal amount of the Indebtedness secured by such Lien does not exceed 100% of the cost of such property, development, construction or improvement and (c) such Lien shall not extend to or cover any property or assets other than such item of property and any improvements on such item, *provided that* such Lien may cover other property or assets (instead of or in addition to such item of property or improvements) and the principal amount of Indebtedness secured by such Lien may exceed 100% of such cost if such Lien is incurred in the ordinary course of business;

(19) Liens on deposits of pre-sale proceeds made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;

(20) Liens on deposits made in order to secure the performance of the Company or any of its Restricted Subsidiaries in connection with the acquisition of real property or land use

rights or personal property (including, without limitation, Capital Stock) by the Company or any of its Restricted Subsidiaries (including, without limitation, by way of acquisition of Capital Stock of a Person) in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;

(21) Liens on current assets securing Indebtedness which is permitted to be Incurred under clause (2)(n) of the covenant described under the caption entitled "—Certain Covenants—Limitation on Indebtedness and Preferred Stock;"

(22) Liens on assets securing Indebtedness permitted to be Incurred under clause (2)(o) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(23) Liens on the Capital Stock of a Restricted Subsidiary granted by the Company or any Restricted Subsidiary in favor of any Financial Company Investor in respect of, and to secure, the Indebtedness of the type described under clause (2)(q) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(24) Liens Incurred on deposits or bank accounts made to secure Bank Deposit Secured Indebtedness of the type described under clause (2)(r) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(25) Liens on the Capital Stock of the Person that is to be acquired under the relevant Minority Staged Acquisition Agreement securing Indebtedness permitted to be Incurred under clause (2)(s) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(26) Liens securing Indebtedness Incurred under clause (2)(t) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(27) Liens securing Indebtedness Incurred under clause (2)(u) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(28) Liens on Investment Properties or fixed assets securing Indebtedness of the Company or any Restricted Subsidiary permitted to be Incurred under clause (2)(v) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(29) Liens on the Capital Stock of the Person that is to be acquired under the relevant Staged Acquisition Agreement securing Indebtedness permitted to be Incurred under clause (2)(x) of the "—Certain Covenants—Limitation on Indebtedness and Preferred Stock" covenant;

(30) Liens to secure Entrusted Loans; and

(31) Liens on deposits made in order to comply with statutory obligations to maintain deposits for workers compensation claims and other purposes specified by statute made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary.

provided that, with respect to the Collateral, "Permitted Liens" shall only refer to the Liens described in clauses (1), (13) and (14) of this definition.

"Permitted Pari Passu Secured Indebtedness" has the meaning set forth under "—Security—Permitted Pari Passu Secured Indebtedness."

"Permitted Subsidiary Indebtedness" means Indebtedness (other than Public Indebtedness) of, and all Preferred Stock issued by, the Non-Guarantor Restricted Subsidiaries, taken as a whole; *provided that*, on the date of the Incurrence of such Indebtedness and after giving effect thereto and the application of the proceeds thereof, the sum of the aggregate principal amount outstanding of (x) all such Indebtedness of the Non-Guarantor Restricted Subsidiaries (excluding the amount of any Indebtedness of any Restricted Subsidiary permitted under clauses 2(d), 2(f), 2(g) and 2(m) and Subsidiary Guarantees or Pari Passu Subsidiary Guarantees permitted under clauses 2(a) and 2(b) of the covenant described under "—Certain covenants—Limitation on Indebtedness and Preferred Stock"), (y) all Public Indebtedness of any Non-Guarantor Subsidiary that constitutes Acquired Indebtedness and (z) all Public Indebtedness that was Incurred by a Non-Guarantor Subsidiary by reason of such entity being a Subsidiary Guarantor prior to being designated as a New Non-Guarantor Subsidiary does not exceed an amount equal to 15% of Total Assets.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Pre-Registration Mortgage Guarantee" means any Indebtedness of the Company or any Restricted Subsidiary consisting of a guarantee in favor of any bank or other similar financial institutions in the ordinary course of business of secured loans of purchasers of individual units of properties from the Company or any Restricted Subsidiary; *provided that*, any such guarantee shall be released in full on or before the perfection of a security interest in such properties under applicable law in favor of the relevant lender.

"Preferred Stock" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Project" means the acquisition, development, improvement, management and operation of the Property and any activity related, ancillary or complementary to the acquisition, development, improvement, management or operation of the Property.

"Property" means the parcel or parcels of land located at Panyu District, Guangzhou City, Guangdong Province, the PRC, and any real or personal property located thereon, including any property or structure erected, constructed, fixed, attached or located thereon, as described in the land grant contract, dated December 22, 2009, between (i) the Guangzhou Land and Property Exchange Center, and (ii) Foshan Shunde Country Garden Property Development Company Limited, Gold Volcano Group Limited, Guangzhou R&F Properties Co., Ltd., Kilowell International Limited and Globe Times Investments Limited, as amended or supplemented.

"Public Indebtedness" means any bonds, debentures, notes or similar debt securities issued in a public offering or a private placement (other than the Notes) to institutional investors.

"PRC CJV" means any Subsidiary that is a sino-foreign cooperative joint venture enterprise with limited liability, established in the PRC pursuant to the Law of the People's Republic of China on sino-foreign Cooperative Joint Ventures adopted on April 13, 1988 (as most recently amended on October 13, 2000) and the Detailed Rules for the Implementation of the Law of the People's Republic of China on sino-foreign Cooperative Joint Ventures promulgated on September 4, 1995, as such laws may be amended.

"PRC CJV Partner" means with respect to a PRC CJV, the other party to the joint venture agreement relating to such PRC CJV with the Company or any Restricted Subsidiary.

"PRC Restricted Subsidiary" means a Restricted Subsidiary organized under the laws of the PRC.

"Rating Agencies" means (1) S&P and (2) Moody's and (3) if S&P or Moody's or both shall not make a rating of the Notes publicly available, a nationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for S&P or Moody's or both, as the case may be.

"Rating Category" means (1) with respect to S&P, any of the following categories: "BB," "B," "CCC," "CC," "C" and "D" (or equivalent successor categories); (2) with respect to Moody's, any of the following categories: "Ba," "B," "Caa," "Ca," "C" and "D" (or equivalent successor categories); and (3) the equivalent of any such category of S&P or Moody's used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "–" for S&P; "1", "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P, a decline in a rating from "BB+" to "BB," as well as from "B-" to "B+," will constitute a decrease of one gradation).

"Rating Date" means (1) in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (x) a Change of Control and (y) a public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control or (2) in connection with actions contemplated under the caption "—Consolidation, merger and sale of assets," that date which is 90 days prior to the earlier of (x) the occurrence of any such actions as set forth therein and (y) a public notice of the occurrence of any such actions.

"Rating Decline" means (1) in connection with a Change of Control Triggering Event, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Company or any other Person or Persons to effect a Change of Control (which period shall be extended so long as the rating of the Notes, is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below, or (2) in connection with actions contemplated under the caption "—Consolidation, merger and sale of assets," the notification by any of the Rating Agencies that such proposed actions will result in any of the events listed below:

(a) in the event the Notes are rated by both Moody's and S&P on the Rating Date as Investment Grade, the rating of the Notes by either Rating Agency shall be below Investment Grade;

(b) in the event the Notes are rated by either, but not both, of the Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by such Rating Agency shall be below Investment Grade; or

(c) in the event the Notes are rated below Investment Grade by both Rating Agencies on the Rating Date, the rating of the Notes by either Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"Receipt" means, at any time, with respect to an Associate, an amount equal to the net reduction in all Investments made in such Associate under clause (19) of the definition of "Permitted

Investment" since the Original Issue Date resulting from (A) receipt of payments in cash by the Company or any Restricted Subsidiary in respect of all such Investments, including interest on, or repayments of, loans or advances, dividends or other distributions (except, in each case, to the extent any such payments are included in the calculation of Consolidated Net Income), (B) the unconditional release of a Guarantee of any obligation of any Associate provided under such clause (19) after the Original Issue Date by the Company or any Restricted Subsidiary, (C) to the extent that an Investment made after the Original Issue Date under such clause (19) is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the reasonable costs of disposition, if any) and (y) the initial amount of such Investment, or (D) such Associate becoming a Restricted Subsidiary (whereupon all Investments made by the Company or any Restricted Subsidiary in such Associate since the Original Issue Date shall be deemed to have been made pursuant to clause (1) of the definition of "Permitted Investment" definition.

"Reference Treasury Dealer" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Company in good faith.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to such Trustee by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

"Replacement Assets" means, on any date, property or assets (other than current assets that are not land use rights, properties under development or completed property held for sale) of a nature or type or that are used in a Permitted Business.

"Restricted Subsidiary" means any Subsidiary of the Company other than an Unrestricted Subsidiary.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, and its successors.

"Sale and Leaseback Transaction" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Company or any Restricted Subsidiary transfers such property to another Person and the Company or any Restricted Subsidiary leases it from such Person.

"Security Documents" means, collectively, the pledge agreements and any other agreements or instruments that may evidence or create any security interest in favor of the Trustee or the Intercreditor/Collateral Agent and/or any Holders in any or all of the Collateral securing, with respect to the Notes, the obligations of the Company under the Notes and the Indenture and of the Subsidiary Guarantor Pledgors under their respective Subsidiary Guarantees.

"Senior Indebtedness" of the Company or a Restricted Subsidiary, as the case may be, means all Indebtedness of the Company or the Restricted Subsidiary, as relevant, whether outstanding on the Original Issue Date or thereafter created, except for Indebtedness which, in the instrument creating or evidencing the same, is expressly stated to be subordinated in right of payment to the Notes or, in respect of any Restricted Subsidiary that is a Subsidiary Guarantor, its Subsidiary Guarantee; *provided that* Senior Indebtedness does not include (1) any obligation to the Company or any Restricted Subsidiary, (2) trade payables or (3) Indebtedness Incurred in violation of the Indenture.

"Significant Restricted Subsidiary" means a Restricted Subsidiary, when consolidated with its Restricted Subsidiaries, that would be a "significant subsidiary" within the meaning of the definition of "significant subsidiary" in Article 1, Rule 1-02(w) of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the Original Issue Date; *provided* that in each instance in such definition in which the term "10 percent" is used, the term "5 percent" shall be substituted therefor.

"Staged Acquisition Agreement" means an agreement between the Company or a Restricted Subsidiary and an Independent Third Party (x) pursuant to which the Company or such Restricted Subsidiary agrees to acquire not less than a majority of the Capital Stock of a Person for a consideration that is not more than the Fair Market Value of such Capital Stock of such Person at the time the Company or such Restricted Subsidiary enters into such agreement and (y) which provides that the payment of the purchase price for such Capital Stock is made in more than one installment over a period of time.

"Stated Maturity" means, (1) with respect to any Indebtedness, the date specified in such debt security as the fixed date on which the final installment of principal of such Indebtedness is due and payable as set forth in the documentation governing such Indebtedness and (2) with respect to any scheduled installment of principal of or interest on any Indebtedness, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Indebtedness.

"Subordinated Indebtedness" means any Indebtedness of the Company or any Subsidiary Guarantor which is contractually subordinated or junior in right of payment to the Notes or any Subsidiary Guarantee, as applicable, pursuant to a written agreement to such effect.

"Subsidiary" means, with respect to any Person, any corporation, association or other business entity (1) of which more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person; or (2) of which 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is "controlled" and consolidated by such Person in accordance with GAAP; provided, however, that with respect to clause (2) the occurrence of any event as a result of which such corporation, association or other business entity ceases to be "controlled" by such Person under GAAP and to constitute a Subsidiary of such Person shall be deemed to be a designation of such corporation, association or other business entity as an Unrestricted Subsidiary by such Person and be subject to the requirements under the first paragraph of "Designation of Restricted and Unrestricted Subsidiaries" covenant.

"Subsidiary Guarantee" means any Guarantee of the obligations of the Company under the Indenture and the Notes by any Subsidiary Guarantor.

"Subsidiary Guarantor" means any initial Subsidiary Guarantor named herein and any other Restricted Subsidiary which guarantees the payment of the Notes pursuant to the Indenture and the Notes; *provided that* Subsidiary Guarantor will not include any Person whose Subsidiary Guarantee has been released in accordance with the Indenture and the Notes.

"Subsidiary Guarantor Pledgor" means any initial Subsidiary Guarantor Pledgor named herein and any other Subsidiary Guarantor which pledges Collateral to secure the obligations of the Company under the Notes and the Indenture and of such Subsidiary Guarantor under its

Subsidiary Guarantee; *provided that* a Subsidiary Guarantor Pledgor will not include any person whose pledge under the Security Documents has been released in accordance with the Security Documents, the Indenture and the Notes.

"Temporary Cash Investment" means any of the following:

(1) direct obligations of the United States of America, any state of the European Economic Area, the People's Republic of China and Hong Kong or any agency of any of the foregoing or obligations fully and unconditionally Guaranteed by the United States of America, any state of the European Economic Area, the People's Republic of China, Hong Kong and Singapore or any agency of any of the foregoing, in each case maturing within one year;

(2) time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America, any state thereof, any state of the European Economic Area or Hong Kong, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of US$100.0 million (or the Dollar Equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money market fund sponsored by a registered broker dealer or mutual fund distributor;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank or trust company meeting the qualifications described in clause (2) above;

(4) commercial paper, maturing not more than 180 days after the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P;

(5) securities, maturing within one year of the date of acquisition thereof, issued or fully and unconditionally Guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or Moody's;

(6) any money market fund that has at least 95% of its assets continuously invested in investments of the types described in clauses (1) through (5) above; and

(7) time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with any banks or financial institutions (i) organized under the laws of the PRC, or (ii) made in the ordinary course of business.

"Total Assets" means, as of any date, the total consolidated assets of the Company and its Restricted Subsidiaries measured in accordance with GAAP as of the last day of the most recent fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its best efforts to compile on a timely manner) are available (which may be internal consolidated financial statements); *provided that*

(1) only with respect to clause (2)(h) of "—Certain covenants—Limitation on Indebtedness and Preferred Stock" covenant and the definition of "Permitted Subsidiary Indebtedness," Total Assets shall be calculated after giving pro forma effect to include the cumulative value of all of the real or personal property or equipment the acquisition, development, construction or improvement of which requires or required the Incurrence of Indebtedness and calculation of Total Assets thereunder in each case as of such date, as measured by the purchase price or cost therefor or budgeted cost provided in good faith by the Company or any of its Restricted Subsidiaries to the bank or other similar financial institutional lender providing such Indebtedness;

(2) only with respect to clause (2)(u) of ''—Certain Covenants—Limitation on Indebtedness and Preferred Stock'' covenant, with respect to the Incurrence of any Acquired Indebtedness as a result of any Person becoming a Restricted Subsidiary, Total Assets shall be calculated after giving pro forma effect to include the consolidated assets of such Restricted Subsidiary and any other change to the consolidated assets of the Company as a result of such Person becoming a Restricted Subsidiary; and

(3) only with respect to any Person becoming a New Non-Guarantor Restricted Subsidiary, pro forma effect shall at such time be given to the consolidated assets of such New Non-Guarantor Subsidiary (including giving pro forma effect to any other change to the consolidated assets of the Company, in each case as a result of such Person becoming a New Non-Guarantor Restricted Subsidiary).

"Trade Payables" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

"Transaction Date" means, with respect to the Incurrence of any Indebtedness, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

"Unrestricted Subsidiary" means, unless redesignated as a Restricted Subsidiary pursuant to the covenant summarized under the caption "—Designation of Restricted and Unrestricted Subsidiaries," Bright Start Group Limited, Top Favour Holdings Limited, Golden Favour Investments Limited, Pure Smart Enterprises Limited, Country Garden Properties (Malaysia) Sdn Bhd, Vibrant Corridor Sdn Bhd, Mayland Venue Sdn Bhd, Country Garden Real Estate Sdn Bhd, Country Garden Danga Bay Sdn Bhd, Country Garden (s) Pte. Ltd, Great Favour Holdings Limited, Country Garden Australia Pty Ltd, Country Garden Landscape S/B, BGY North Ryde Pty Ltd, Damai Binajaya Sdn Bhd, Country Garden Water Front Sdn Bhd, Country Garden Pacific View Sdn Bhd, Suntide Holdings Limited, Silver Dawn Holdings Limited, Sky Global International Development Limited, World Target International Development Limited, Gold Treasure International Development Limited, Yield Limited, Dongguan River Bank Garden Property Development Co., Ltd and (1) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided in the Indenture; and (2) any Subsidiary of an Unrestricted Subsidiary.

"Unrestricted Subsidiary Pre-Registration Mortgage Guarantee" means any Indebtedness of the Company or any Restricted Subsidiary consisting of a guarantee in favor of any bank or other similar financial institutions in the ordinary course of business of secured loans of purchasers of individual units of properties from any Unrestricted Subsidiary; *provided that*, any such guarantee shall be released in full on or before the perfection of a security interest in such properties under applicable law in favor of the relevant lender.

"U.S. Government Obligations" means securities that are (1) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally Guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the Company thereof at any time prior to the Stated Maturity of the Notes, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt; *provided that* (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

"Voting Stock" means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

"Wholly Owned" means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director's qualifying shares or Investments by foreign nationals mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person; *provided that* Subsidiaries that are PRC CJVs shall not be considered Wholly Owned Subsidiaries unless such Person or one or more Wholly Owned Subsidiaries of such Person is entitled to 95% or more of the economic benefits distributable by such Subsidiary.

Taxation

The following summary of certain Cayman Islands, BVI, Hong Kong and United States tax consequences of the purchase, ownership and disposition of Notes is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this offering memorandum, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of Notes.

Cayman Islands Taxation

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor in Cabinet:

(a) that no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax is to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concession Law (1999 Revision).

The undertaking is for a period of 20 years from December 19, 2006.

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not a party to any double tax treaties.

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands. We do not hold, and do not intend to hold, any interest in land in the Cayman Islands.

British Virgin Islands

There is no income or other tax of the BVI imposed by withholding or otherwise on any payment to be made to or by the Subsidiary Guarantors pursuant to the execution, delivery, performance or enforcement of the Subsidiary Guarantees.

Hong Kong

Withholding tax

No withholding tax in Hong Kong is payable on payments of principal (including any premium payable on redemption of the Notes) or interest in respect of the Notes.

Profits tax

Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business.

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "Inland Revenue Ordinance") as it is currently applied, Hong Kong profits tax may be charged on revenue profits arising on the sale, disposal or redemption of the Notes where such sale, disposal or redemption is or forms part of a trade, profession or business carried on in Hong Kong.

Interest on the Notes will be subject to Hong Kong profits tax where such interest has a Hong Kong source, and is received by or accrues to:

- a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- a corporation carrying on a trade, profession or business in Hong Kong; or
- a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and such interest is in respect of the funds of the trade, profession or business.

Although no tax is imposed in Hong Kong in respect of capital gains, Hong Kong profits tax may be chargeable on trading gains arising on the sale or disposal of the Notes where such transactions are or form part of a trade, profession or business carried on in Hong Kong.

Stamp duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Note.

U.S. Federal Income Taxation

CIRCULAR 230: ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES SET FORTH IN THIS OFFERING MEMORANDUM WAS WRITTEN IN CONNECTION WITH THE PROMOTION AND MARKETING BY THE COMPANY AND THE INITIAL PURCHASERS OF THE NOTES. SUCH DISCUSSION WAS NOT INTENDED OR WRITTEN TO BE LEGAL OR TAX ADVICE TO ANY PERSON AND WAS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, BY ANY PERSON FOR THE PURPOSE OF AVOIDING ANY U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON. EACH INVESTOR SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

The following discussion is a summary of certain U.S. federal income tax considerations relevant to the purchase, ownership and disposition of the Notes. The discussion is not a complete description of all the tax considerations that may be relevant to a particular holder. This summary is based on the Internal Revenue Code of 1986, as amended, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, all as of the date hereof, all of which are subject to change (including changes in effective dates and retroactive changes) or possible differing interpretations which may affect the tax consequences described herein. The discussion addresses only initial purchasers of the Notes that are U.S. Holders (as defined below), that hold the Notes as capital assets, that purchase the Notes at their "issue price," which will be the first price at which a substantial amount of the Notes is sold to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) for money, and that have the U.S. dollar as their functional currency. It does not address all of the issues that may be relevant to the tax treatment of investors subject to special rules, such as, banks, insurance companies, investors liable for the alternative minimum tax, beneficial owners of individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, traders that elect mark-to-market treatment, or investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal tax purposes. In addition, this summary does not address any state, local or foreign tax consequences of the purchase, ownership or disposition of the Notes or the medicare tax on net investment income.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES.

U.S. Holders

As used here, "U.S. Holder" means a beneficial owner of Notes that is, for U.S. federal income tax purposes:

(i) an individual who is a citizen or resident of the United States;

(ii) a corporation (or other business entity classified as a corporation) created or organized under the laws of the United States, any State thereof or the District of Columbia;

(iii) an estate the income of which is subject to U.S. federal income tax without regard to its source; or

(iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) it has a valid election in effect under applicable United States Treasury regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes purchases, holds or disposes of the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A U.S. Holder that is a partnership or a partner in a partnership holding the Notes is urged to consult its own tax advisor.

Taxation of interest

The gross amount of interest payments received by a U.S. Holder (including any foreign tax withheld and any Additional Amounts) with respect to the Notes will generally be includible in taxable income as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's method of tax accounting.

Interest payments on the Notes will generally be from foreign sources for U.S. federal income tax purposes and will generally be treated as "passive category income" or, in certain cases, "general category income" for U.S. foreign tax credit purposes. The U.S. foreign tax credit rules are extremely complex. U.S. Holders should consult their own tax advisors regarding the availability of U.S. foreign tax credits and the application of the U.S. foreign tax credit rules to their particular situation.

Taxation of the sale, exchange, redemption or retirement of a Note

Upon the sale, exchange, redemption or retirement of a Note, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the amount realized on the sale, exchange, redemption or retirement (less any accrued but unpaid interest, which will be taxable as such) and the U.S. Holder's adjusted tax basis in such Note. A U.S. Holder's adjusted tax basis in a Note will generally equal the amount the U.S. Holder paid to acquire the Note. Gain or loss recognized by a U.S. Holder generally will be long-term capital gain or loss if the U.S. Holder has held the Note for more than one year at the time of disposition. Certain non-corporate U.S. Holders (including individuals) may qualify for preferential rates of U.S. federal income taxation in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations. Gain or loss realized by a U.S. Holder on the sale, exchange, redemption or retirement of a Note generally will be treated for foreign tax credit purposes as gain or loss arising from sources within the United States. However, with respect to a U.S. Holder that is eligible for the benefits of the United States-PRC Income Tax Convention, if the Company is deemed to be a PRC resident enterprise and gain from the disposition of a Note is taxed under the EIT Law, such gain generally may be treated as arising from sources within the PRC. See "Risk Factors—Risks relating to our business—We may be treated as a PRC resident enterprise for PRC tax purposes, which may subject us to PRC income taxes on our worldwide income and PRC withholding taxes on interest we pay on the Notes." Each prospective purchaser is urged to consult their independent tax advisors regarding the tax consequences if a foreign withholding tax is imposed on the disposition of a Note, including the availability of the foreign tax credit under the investor's particular circumstances.

Information reporting and backup withholding

Payments of interest, principal or proceeds from the disposition of a Note may be subject to information reporting or to backup withholding of U.S. federal income tax if a recipient who is a U.S. Holder fails to furnish to the paying agent with respect to the Notes a U.S. Internal Revenue Service Form W-9 containing such U.S. Holder's taxpayer identification number or to otherwise establish an exemption from backup withholding. Penalties also may be imposed on a recipient that fails to properly supply a U.S. Internal Revenue Service Form W-9 or other evidence of exemption from backup withholding. Any amounts deducted and withheld may be allowed as a credit against the recipient's U.S. federal income tax liability, if any. If backup withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is timely furnished to the U.S. Internal Revenue Service.

Information with respect to foreign financial assets

Individuals and certain entities that own "specified foreign financial assets," generally with an aggregate value in excess of $50,000 will generally be required to file an information report on IRS Form 8938 with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by certain foreign financial institutions, as well as securities issued by non-U.S. persons if they are not held in accounts maintained by financial institutions. U.S. Holders are urged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Notes.

Plan of distribution

Under the terms and subject to the conditions contained in a purchase agreement dated May 15, 2014 (the "Purchase Agreement") between the Company and the initial purchasers named below (the "Initial Purchasers"), the Initial Purchasers have agreed to purchase from us on several basis, and we have agreed to sell to the Initial Purchasers, US$550,000,000 aggregate principal amount of the Notes set forth opposite its name below:

Initial Purchasers	Principal Amount of Notes
Goldman Sachs (Asia) L.L.C.	US$137,500,000
J.P. Morgan Securities plc	US$137,500,000
BOCI Asia Limited	US$137,500,000
The Hongkong and Shanghai Banking Corporation Limited	US$137,500,000
Total	US$550,000,000

The Purchase Agreement provides that the obligation of the Initial Purchasers to take and pay for the Notes is subject to the approval of certain legal matters by their counsel and certain other conditions. The Initial Purchasers have agreed to take and pay for all of the Notes if any are taken. After the initial offering, the offering price and other selling terms may be varied from time to time by the Initial Purchasers.

We and the Subsidiary Guarantors have agreed to indemnify jointly and severally the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, and to contribute to payments which the Initial Purchasers may be required to make in respect thereof.

The Notes are a new issue of securities with no established trading market. Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. We have been advised that the Initial Purchasers presently intend to make a market in the Notes, as permitted by applicable laws and regulations. The Initial Purchasers are not obligated, however, to make a market in the Notes, and any such market making may be discontinued at any time without prior notice at the sole discretion of the Initial Purchasers. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. We have been advised by the Initial Purchasers that, in connection with the offering of the Notes, Goldman Sachs (Asia) L.L.C. and J.P. Morgan Securities plc, as stabilizing managers, or any person or entity acting on their behalf, may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, Goldman Sachs (Asia) L.L.C. and J.P. Morgan Securities plc, as stabilizing managers, or any person or entity acting on their behalf, may overallot the offering, creating a syndicate short position. In addition, Goldman Sachs (Asia) L.L.C. and J.P. Morgan Securities plc, as stabilizing managers, or any person or entity acting on their behalf, may bid for, and purchase, the Notes in the open market to cover syndicate shorts or to stabilize the price of the Notes. Any of these activities may stabilize or maintain the market price of the Notes above independent market levels. Goldman Sachs (Asia) L.L.C. and J.P. Morgan Securities plc, as stabilizing managers, or any person or entity acting on their behalf, are not required to engage in these activities, and may end any of these activities at any time. No assurance can be given as to the liquidity of, or the trading market for, the Notes.

The Initial Purchasers and certain of their affiliates have in the past and may in the future have performed certain investment banking, commercial/corporate banking and advisory services for the Company and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform banking and advisory services for the Company and/or its affiliates in the ordinary course of their business. We may enter into hedging or other derivative transactions as part of our risk management strategy with the Initial Purchasers, which may include transactions relating to our obligations under the Notes. Our obligations under these transactions may be secured by cash or other collateral.

The Company has agreed with the Initial Purchasers that private banks will be paid a rebate in connection with the purchase of the Notes by the Initial Purchasers' private bank clients, which rebate may be deducted from the purchase price for the Notes payable by such private banks upon settlement.

The Initial Purchasers or certain of their affiliates may purchase the Notes and be allocated Notes for asset management and/or proprietary purposes and not with a view to distribution.

The Initial Purchasers or their respective affiliates may purchase the Notes and/or other securities of the Company for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of the Company or their respective subsidiaries or associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this offering memorandum relates (notwithstanding that such selected counterparties may also be purchasers of the Notes).

We expect that delivery of the Notes will be made against payment therefor on or about the closing date specified on the cover page of this offering memorandum, which will be on or about the seventh business day following the pricing date of the Notes (this settlement cycle is referred to as "T+7"). Under Rule 15c6-l of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the Notes initially will settle in T+7, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of pricing or succeeding business days should consult their own legal advisor.

Selling restrictions

United States

The Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States except (1) to qualified institutional buyers in reliance on Rule 144A, and (2) to non-U.S. persons (as defined in Regulation S under the Securities Act) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

The Initial Purchasers have represented and agreed that, except as permitted by the Purchase Agreement, they have not offered, sold or delivered and will not offer, sell or deliver any Notes within the United States or to, or for the account of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the date of the closing of the offering except in accordance with Rule 903 of Regulation S under the Securities Act. Terms used in this section have the meanings given to them by Regulation S. Resale of the Notes is restricted as described under "Transfer Restrictions."

United Kingdom

The Initial Purchasers have represented and agreed that (A) they have complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "FSMA") with respect to anything done by them in relation to the Notes in, from or otherwise involving the United Kingdom; and (B) they have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by them in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to them.

Singapore

The Initial Purchasers have acknowledged that this offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Initial Purchasers have represented and agreed that they have not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase nor will they offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, nor have they circulated or distributed nor will they circulate or distribute this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Notes to any person in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Hong Kong

The Initial Purchasers have represented and agreed that (1) they have not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to ''professional investors'' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a ''prospectus'' as defined in the Companies Ordinance (Cap. 622) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (2) they have not issued or had in their possession for the purposes of issue and will not issue or have in their possession for the purposes of issue any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made thereunder.

Japan

The Initial Purchasers have represented, warranted and undertaken that the Notes have not been and will not be registered under the Securities and Exchange Law of Japan, or the Securities and Exchange Law, and that they have not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws and regulations of Japan.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the EU Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the EU Prospectus Directive is implemented in that Relevant Member State, an offer of Notes which are the subject of the offering contemplated by this offering memorandum may not be made to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the EU Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Directive), as permitted under the EU Prospectus Directive, subject to obtaining the prior consent of the Initial Purchasers for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the EU Prospectus Directive,

provided that no such offer of Notes shall require us or any Initial Purchaser to publish a prospectus pursuant to Article 3 of the EU Prospectus Directive.

For the purposes of the above paragraph, the expression "an offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the EU Prospectus Directive in that Member State, the expression "EU Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Cayman Islands

The Initial Purchasers have represented and agreed that they has not offered or sold, and will not offer or sell, any Notes to the public in the Cayman Islands.

People's Republic of China

The Initial Purchasers have represented and agreed that they have not circulated and will not circulate the offering memorandum and they have not offered or sold and will not offer or sell the Notes, directly or indirectly, in the People's Republic of China (for such purpose, not including the Hong Kong and Macau Special Administrative Regions or Taiwan).

Transfer restrictions

Because of the following restrictions, purchasers are advised to consult their legal counsel prior to making any offer, sale, resale, charge or other transfer of the Notes.

The Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only to (1) "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) ("QIBs") in compliance with Rule 144A and (2) non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

By its purchase of the Notes, each purchaser of the Notes will be deemed to:

1. represent that it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is: (i) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A; or (ii) a purchaser that is outside the United States and is not a U.S. person;

2. acknowledge that the Notes and the Subsidiary Guarantees have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except as set forth below;

3. agree that if it is a purchaser other than a purchaser outside the United States and if it should resell or otherwise transfer the Notes within the time period referred to in Rule 144(d) under the Securities Act with respect to such transfer, it will do so only: (a) if such purchaser is an initial investor, (i) to the Company or any subsidiary thereof; (ii) inside the United States to a QIB in compliance with Rule 144A; (iii) outside the United States in an offshore transaction in compliance with Rule 904 under the Securities Act; (iv) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available); or (b) pursuant to an effective registration statement under the Securities Act;

4. agree that if it is a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, that until the expiration of the 40-day distribution compliance period, it shall not make any offer or sale of the Notes to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rule 902 under the Securities Act, except pursuant to Rule 144A to a QIB taking delivery thereof in the form of a beneficial interest in a Restricted Global Note;

5. agree that it will inform each person to whom it transfers the Notes of any restrictions on transfer of such Notes;

6. understand that if it is a purchaser outside the United States, the Notes will be represented by the Regulation S Global Note and that transfers thereto are restricted as described under "Description of the Notes—Book-entry; delivery and form." If it is a QIB, it understands that the Notes offered in reliance on Rule 144A will be represented by the Restricted Global Note. Before any interest in the Restricted Global Note may be offered, sold, charged or otherwise transferred to a person who is not a QIB, the transferee will be required to provide the Trustee with a written certification (the form of which certification can be obtained from the Trustee) as to compliance with the transfer restriction referred to above;

6. understand that each Note sold within the United States will bear a legend to the following effect unless otherwise agreed by the Company and the holder thereof (unless such Note has been sold pursuant to a registration statement that has been declared effective under the Securities Act):

THIS NOTE AND THE SUBSIDIARY GUARANTEES RELATED TO THIS NOTE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND ACCORDINGLY, THIS NOTE MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT WITHIN THE TIME PERIOD REFERRED TO IN RULE 144(d) UNDER THE SECURITIES ACT AS IN EFFECT WITH RESPECT TO SUCH TRANSFER, RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) IF SUCH PURCHASER IS AN INITIAL INVESTOR, (I) TO COUNTRY GARDEN HOLDINGS COMPANY LIMITED OR ANY SUBSIDIARY THEREOF; (II) INSIDE THE UNITED STATES TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT; (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT; (IV) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE); OR (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS NOTE WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE TRUSTEE. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE AND THE PAYING AND TRANSFER AGENT TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING RESTRICTIONS; and

7. acknowledge that the Company, the Trustee, the Subsidiary Guarantors, the Trustee, the Principal Paying and Transfer Agent, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agree that if any of the acknowledgements, representations or agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Company, the Subsidiary Guarantors, the Trustee, the Principal Paying and Transfer Agent and the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Ratings

The Notes have been provisionally assigned a rating of BB by Standard & Poor's Ratings Services, Ba2 by Moody's Investors Service and BB+ by Fitch Ratings. The ratings reflect the rating agencies' assessment of the likelihood of timely payment of the principal of and interest on the Notes. The ratings do not address the payment of any Additional Amounts and do not constitute recommendations to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. We cannot assure you that the ratings will remain in effect for any given period or that the ratings will not be revised by such rating agencies in the future if in their judgment circumstances so warrant. Each such rating should be evaluated independently of any other rating on the Notes, on other of our securities, or on us.

Legal matters

Certain legal matters with respect to the Notes will be passed upon for us by Conyers Dill & Pearman (Cayman) Limited as to matters of Cayman Islands law, Conyers Dill & Pearman as to matters of BVI law, Sidley Austin as to matters of United States federal and New York law, Iu, Lai & Li as to matters of Hong Kong law and Jingtian & Gongcheng as to matters of PRC law. Certain legal matters will be passed upon for the Initial Purchasers by Skadden, Arps, Slate, Meagher & Flom LLP as to matters of United States federal and New York law and Commerce & Finance Law Offices as to matters of PRC law.

Independent auditor

Our consolidated financial statements as of and for each of the fiscal years ended December 31, 2012 and 2013 reproduced in this offering memorandum have been audited by PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, as stated in their reports appearing herein.

General information

Consents

We have obtained all necessary consents, approvals and authorizations in the Cayman Islands and the BVI in connection with the issue and performance of the Notes and the Subsidiary Guarantees. The entering into the Indenture governing the Notes and the issue of the Notes have been authorized by a resolution of our board of directors dated April 25, 2014.

Litigation

Save as disclosed in this offering memorandum, there are no legal or arbitration proceedings against or affecting us, any of our subsidiaries or any of our assets, nor are we aware of any pending or threatened proceedings, which are or might be material in the context of this issue of the Notes or the Subsidiary Guarantees.

No material adverse change

Except as may be otherwise disclosed in this offering memorandum, there has been no adverse change, or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) of our general affairs since December 31, 2013 that is material in the context of the issue of the Notes.

Documents available

For so long as any of the Notes are outstanding, copies of the Indenture governing the Notes may be inspected free of charge during normal business hours on any weekday (except public holidays) at the corporate trust office of the Trustee.

For so long as any of the Notes are outstanding, copies of our audited consolidated financial statements for the last three financial years may be obtained during normal business hours on any weekday (except public holidays) at the corporate trust office of the Trustee.

Clearing system and settlement

The Notes have been accepted for clearance through the facilities of DTC, Euroclear and Clearstream. Certain trading information with respect to the Notes is set forth below:

	CUSIP	ISIN	Common Code
Rule 144A Notes	22234X AH2	US22234XAH26	106485542
Regulation S Notes	G24524 AJ2	USG24524AJ24	106485577

Only Notes evidenced by a Global Note have been accepted for clearance through Euroclear and Clearstream.

Listing of the Notes

Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this offering memorandum. The listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Notes or us. The Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Notes are listed on the SGX-ST.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Global Note is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for definitive Notes, an announcement of such exchange shall be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore.

Summary of certain differences between HKFRS and U.S. GAAP

Our consolidated financial information for the years ended December 31, 2011, 2012 and 2013 included elsewhere in this offering memorandum has been prepared and presented in accordance with HKFRS. In Hong Kong, financial statements are prepared in accordance with HKFRS issued by the Hong Kong Institute of Certified Public Accountants. Certain differences exist between HKFRS and U.S. GAAP, which might be material to the financial information herein.

The matters described below summarize certain differences between HKFRS and U.S. GAAP that may be material to our balance sheets and statements of comprehensive income. We are responsible for preparing the summary below. Such summary should not be construed to be exhaustive. We have not prepared a complete reconciliation of the financial information and related footnote disclosure between HKFRS and U.S. GAAP and have not quantified such differences. Accordingly, no assurance is provided that the following summary of differences between HKFRS and U.S. GAAP is complete. Had we undertaken any such quantification or reconciliation, other potential significant accounting and disclosure differences may have come to our attention which are not identified below.

Furthermore, no attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented in the audited consolidated financial information or footnotes thereto. Additionally, no attempt has been made to identify future differences between HKFRS and U.S. GAAP as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate HKFRS and U.S. GAAP have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between HKFRS and U.S. GAAP that may affect the financial information as a result of transactions or events that may occur in the future.

In making an investment decision, you must rely upon your own examination of us, the terms of the offering and the financial information. You should consult your own professional advisors for an understanding of the differences between HKFRS and U.S. GAAP, and how those differences might affect the financial information included herein.

Consolidation

Under HKFRS 10, the "Consolidated Financial Statements" standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The objective of HKFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity to present consolidated financial statements. Under this standard, an entity would have control of an investee when it 1) has power, through rights that give it the current ability, to direct the activities that significantly affect the investee's returns 2) exposure, or rights, to variable returns from its involvement with the investee and 3) the ability to use its power over the investee to affect the amount of the investor's returns.

Under U.S. GAAP, unless it is determined that the entity is a variable interest entity ("VIE"), entities are consolidated when there is a "controlling financial interest." The usual condition for a controlling financial interest is ownership of a majority voting interest. U.S. accounting practice in the preparation of consolidated financial statements, as interpreted by rules and regulations of the U.S. Securities Exchange Commission, has evolved with an emphasis on (a) legal form, (b) ownership criterion and (c) contractual arrangements rather than on a broader definition of control. Accordingly, entities that are consolidated under HKFRS may not necessarily be consolidated under U.S. GAAP. U.S. GAAP provides a framework for identifying VIEs and determining when a company should include the assets, liabilities, non-controlling interests and results of activities of VIEs in its consolidated financial statements of the primary beneficiary of the entity. The primary beneficiary is the variable interest holder that has the power to direct the activities that most significantly affect the economic performance of the VIE, and the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

Joint arrangements

Under IFRS 11, the "Joint Arrangement" standard classifies joint arrangements as either joint operations or joint ventures. A joint operation is a joint arrangement that gives parties to the arrangement direct rights to the assets and obligations for the liabilities. A joint operator will recognize its interest based on its involvement in the joint operation rather than on the participation interest it has in the joint arrangement. A joint venture, in contrast, gives the parties rights to the net assets or outcome of the arrangement. A joint venturer does not have rights to individual assets or obligations for individual liabilities of the joint venture. Instead, joint ventures share in the net assets and, in turn, the outcome of the activity undertaken by the joint venture. Joint ventures are accounted for using the equity method in accordance with IAS 28, 'Investments in associates'.

Under US GAAP, prior to determining the accounting model, an entity first assesses whether the joint venture is a VIE. If the joint venture is a VIE, the accounting model discussed in the "consolidation section" above is applied. If the joint venture is not a VIE, ventures apply the equity method to recognize the investment in a jointly controlled entity. Proportionate consolidation is generally not permitted except for unincorporated entities operating in certain industries.

Common control transactions

Under HKFRS, when the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and that control is not transitory, merger accounting treats two or more parties as combining on an equal footing. It is normally applied without any restatement of net assets to fair value, and includes the results of each for the whole of the accounting period. Correspondingly, it does not reflect the issue of shares as an application of resources at fair value. The difference that arises on consolidation does not represent goodwill but is deducted from, or added to, reserves.

Under U.S. GAAP, merger of companies under common control requires the adding together of the historical financial statements of the combining companies as if they had always been combined. When accounting for a transfer of assets or exchange of shares between entities under common control, the company that receives the net assets or the equity interests should initially recognize the assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity on the date of transfer. However, the purchase method of accounting should be applied if the effect of the transfer or exchange is acquisition of a part of the non-controlling equity interests in a subsidiary.

Accounting for property assets

Under HKFRS, completed properties held for sale are stated at the lower of cost and net realizable value.

Under U.S. GAAP, completed projects held for sale are long-lived assets to be disposed of by sale and shall be measured at the lower of carrying amount or fair value less cost to sell.

Properties under development

Under HKFRS, a write down of properties under development to the lower of cost or the net realizable value at the close of a fiscal period is a valuation allowance that can be subsequently reversed if the underlying facts and circumstances change. Market value under HKFRS is net realizable value.

Under U.S. GAAP, a write down of properties under development to the lower of cost or market value at the close of a fiscal period creates a new cost basis that subsequently cannot be marked up based on changes in underlying facts and circumstances. Market value under U.S. GAAP is the lower of the replacement cost and net realizable value minus normal profit margin.

Capitalization of borrowing costs

Under HKFRS, borrowing costs are capitalized to the extent that such costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to prepare for its intended use or sale. Borrowing costs cease to be capitalized when substantially all the activities necessary to prepare the asset for its intended use or sale are completed.

Under U.S. GAAP, borrowing costs capitalized are limited to the lower of actual borrowing costs incurred or avoidable borrowing costs. Avoidable borrowing cost is the amount that could have been avoided if expenditures for the qualifying asset had not been made, when qualifying expenditures have occurred and activities necessary to prepare the asset have begun.

The periodic depreciation expense under HKFRS and U.S. GAAP differs as a result of the difference in the amount of interest capitalized under the two accounting standards.

Goodwill and negative goodwill

Under HKFRS, goodwill on acquisition is included in intangible assets. Goodwill is not amortized but reviewed for impairment annually, and when indicators of impairment arise, at the cash-generating unit (CGU) level, or group of CGUs, as applicable. A CGU is typically at a lower level than a reporting unit, as defined under HKFRS. A one step impairment test is used when comparing the carrying amount to recoverable amount. Goodwill is carried at cost less accumulated impairment losses.

Under U.S. GAAP, intangible assets are amortized over their useful lives unless such lives are indefinite. Goodwill and intangible assets with indefinite useful lives are not amortized but instead are subject to annual impairment reviews or whenever there are events or changes in circumstances that would indicate that their carrying values may not be recoverable. Goodwill is assessed at the reporting unit level using a prescribed two-step process. The first step identifies potential goodwill impairment by comparing the fair value and the carrying value of the reporting unit, while the second step measures the amount of goodwill impairment, if any, by comparing the implied fair value of goodwill to its carrying value. Indefinite-lived intangibles are generally assessed on an asset basis using a one-step process whereby the carrying value of the asset is compared to its fair value.

Revenue recognition

Under HKFRS, revenue from sales of properties is recognized upon completion of sale agreements, which refers to the time when the relevant properties have been delivered to the purchasers where risk and rewards are transferred.

Under U.S. GAAP, for property sales other than retail land sale, profit is recognized in full on using the full accrual method if (1) a sale is consummated; (2) the buyer's initial and continuing investments are adequate to demonstrate a commitment to pay for the property; (3) the seller's receivable is not subject to future subordination; and (4) the seller has transferred to the buyer the usual risks and rewards of ownership in a transaction that is in substance a sale and does not have a substantial continuing involvement with the property. Where the buyer's initial or continuing investment is inadequate, profit should be recognized by the installment method, the cost recovery method, the reduced profit method, or the deposit method upon meeting certain recognition criteria prescribed by U.S. GAAP. Where property transactions cannot be considered a sale as a result of the seller's continuing involvement, the financing, the leasing or the profit sharing (or co-venture) method of revenue recognition should be used based on meeting certain criteria.

Impairment of assets

Under HKFRS, at each balance sheet date, if an indication of impairment exists, an asset's recoverable amount is estimated and an impairment loss is recognized to reduce the asset to its recoverable amount. Such impairment losses are recognized in profit or loss. Reversals of previous provision of impairment are allowed when the circumstances and events that led to the write-down cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

U.S. GAAP requires an impairment loss to be recognized for long-lived assets, including property, plant and equipment and certain identifiable intangibles where a triggering event occurs or the carrying amount of the asset may not be recoverable. An estimate of the future undiscounted cash flows expected to result from the use and eventual disposal of the asset, or the group of assets, is compared to the carrying value to determine whether impairment exists. If it is determined that the asset is impaired, the impairment loss recognized is the difference between the carrying amount of the asset and its fair value based on quoted market value less selling costs, if available. If quoted market value is not available, the estimate of fair value is based on various valuation techniques, including the sum of future discounted cash flows and fundamental analysis. Once such impairments have been recorded, subsequent reversal of impairment charges are not allowed. An asset to be disposed of is recorded at the lower of its carrying value or fair value less cost to sell.

Deferred income taxes

Under HKFRS, deferred tax assets and liabilities are required to be provided in full using the liability method on temporary differences arising between the tax base of an asset or a liability and its carrying amount in the financial statements at any point in time. Deferred tax assets and liabilities arising from temporary differences need to be measured at the rates enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Under U.S. GAAP, deferred tax assets and liabilities are recognized for the tax consequences of temporary differences by applying enacted statutory rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. A valuation allowance is provided to reduce the amount of deferred tax assets if, in the opinion of management, it is considered more likely than not that some portion of, or all of, the deferred tax asset will not be realized in the future.

Accounting for guarantees

Under HKFRS, guarantees of indebtedness of others are accounted for under HKFRS 4 if it meets the definition of an insurance contract. An insurance contract is a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. We assess at each reporting date whether our recognized insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in light of the estimated future cash flows, the entire deficiency is recognized in the consolidated income statement.

Under U.S. GAAP, guarantees include contracts that contingently require the company to make payments to a guaranteed party based on changes in an underlying asset that is related to an asset, liability or equity security of the guaranteed party, performance guarantees, indemnification agreements or indirect guarantees of indebtedness of others. When a company issues a guarantee, the company must recognize an initial liability in its statement of financial position for the fair value, or market value, of the obligations it assumes under the guarantee and must disclose that information in its interim and annual financial statements.

Cash flow statement

Under HKFRS, interest paid is classified as cash flow from operating activities while dividends and interest received are classified as cash flows from investing activities. For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts.

U.S. GAAP requires interest paid and dividends and interest received be classified as operating activities. Bank overdrafts are treated as loans under U.S. GAAP rather than cash and cash equivalents.

Uncertain tax positions

Under HKFRS, there is no specific standard that addresses uncertain tax positions. The general measurement guidance is contained in HKAS 12 which requires current tax liabilities (assets) for the current and prior periods to be measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. However, the unit of accounts and measurement method are not specified in HKAS 12, which results in diversity in practice.

U.S. GAAP prescribes the recognition threshold and measurement attribute for the financial statement recognition of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. The tax benefit from an uncertain tax position may be recognized only if it is more likely than not that the tax position will be sustained based on technical merits upon examination by tax authorities.

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Index to consolidated financial statements

Page references included in the consolidated financial statements for each of the years ended December 31, 2013 and 2012 set forth below refer to pages in such consolidated financial statements as appeared in our annual reports for the years ended December 31, 2013 and 2012, as the case may be. These annual reports are not incorporated by reference herein and do not form part of this offering memorandum.

Independent auditor's report

pwc 羅兵咸永道

To the shareholders of Country Garden Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Country Garden Holdings Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 59 to 161, which comprise the consolidated and company balance sheets as at December 31, 2013, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

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opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2013, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 12, 2014

Consolidated balance sheet

	Note	As at December 31, 2013 RMB'000	2012 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	**15,828,290**	11,613,913
Investment property	7	**112,340**	118,329
Intangible assets	8	**43,477**	22,632
Land use rights	9	**1,865,068**	1,390,218
Properties under development	10	**40,080,095**	25,700,500
Investment in an associate	11	**56,791**	114,351
Deferred income tax assets	26	**1,800,022**	1,449,327
Available-for-sale financial assets	12	**206,329**	-
Other non-current assets	13	**33,333**	201,722
		60,025,745	40,610,992
Current assets			
Properties under development	10	**67,473,799**	39,155,431
Completed properties held for sale	15	**18,919,822**	18,497,241
Inventories	16	**572,863**	347,514
Trade and other receivables	17	**26,378,400**	17,123,921
Prepaid taxes		**6,189,210**	3,927,083
Restricted cash	18	**7,769,870**	5,050,935
Cash and cash equivalents	19	**18,909,719**	11,809,031
		146,213,683	95,911,156
Total assets		**206,239,428**	136,522,148
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital and premium	20	**20,169,019**	19,368,755
Other reserves	22	**2,194,083**	1,901,964
Retained earnings			
—proposed final dividend	33	**3,105,759**	2,527,303
—others	22	**18,484,759**	13,779,127
		43,953,620	37,577,149
Non-controlling interests		**2,057,547**	1,307,259
Total equity		**46,011,167**	38,884,408

	Note	As at December 31, 2013	2012
		RMB'000	**RMB'000**
Liabilities			
Non-current liabilities			
Senior notes	23	**20,711,542**	14,213,224
Bank and other borrowings	25	**23,103,006**	13,603,287
Deferred government grants		**239,520**	189,520
Deferred income tax liabilities	26	**1,269,910**	924,381
		45,323,978	28,930,412
Current liabilities			
Advanced proceeds received from customers		**63,417,952**	33,353,645
Trade and other payables	27	**30,914,620**	19,030,298
Income taxes payable		**8,137,481**	7,227,236
Senior notes	23	**2,348,003**	-
Convertible bond	24	**-**	943,866
Bank and other borrowings	25	**10,086,227**	8,152,283
		114,904,283	68,707,328
Total liabilities		**160,228,261**	97,637,740
Total equity and liabilities		**206,239,428**	136,522,148
Net current assets		**31,309,400**	27,203,828
Total assets less current liabilities		**91,335,145**	67,814,820

The notes on pages 67 to 161 are an integral part of these consolidated financial statements.

The financial statements on pages 59 to 161 were approved by the Board of Directors on March 12, 2014 and were signed on its behalf.

Mo Bin
Director

Yang Erzhu
Director

Balance sheet

	Note	As at December 31, 2013	As at December 31, 2012
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Investments in subsidiaries	14	**27,772,865**	25,973,294
Current assets			
Amounts due from subsidiaries	14	**21,884,166**	13,868,726
Restricted cash	18	**-**	34,054
Cash and cash equivalents	19	**762,588**	81,123
		22,646,754	13,983,903
Total assets		**50,419,619**	39,957,197
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital and premium	20	**20,549,255**	19,748,991
Other reserves	22	**18,167**	32,801
Retained earnings			
—proposed final dividend	33	**3,105,759**	2,527,303
—others	22	**100,182**	343,607
Total equity		**23,773,363**	22,652,702
LIABILITIES			
Non-current liabilities			
Senior notes	23	**20,711,542**	14,213,224
Bank and other borrowings	25	**1,651,523**	893,755
		22,363,065	15,106,979
Current liabilities			
Amounts due to subsidiaries	14	**788,239**	673,500
Trade and other payables		**792**	-
Senior notes	23	**2,348,003**	-
Convertible bond	24	**-**	943,866
Bank and other borrowings	25	**1,146,157**	580,150
		4,283,191	2,197,516
Total liabilities		**26,646,256**	17,304,495
Total equity and liabilities		**50,419,619**	39,957,197
Net current assets		**18,363,563**	11,786,387
Total assets less current liabilities		**46,136,428**	37,759,681

The notes on pages 67 to 161 are an integral part of these consolidated financial statements.

The financial statements on pages 59 to 161 were approved by the Board of Directors on March 12, 2014 and were signed on its behalf.

Mo Bin
Director

Yang Erzhu
Director

Consolidated statement of comprehensive income

	Note	Year ended December 31, 2013	2012
		RMB'000	RMB'000
Revenue	5	**62,681,875**	41,890,984
Cost of sales	29	**(43,713,256)**	(26,551,479)
Gross profit		**18,968,619**	15,339,505
Other gains—net	28	**64,334**	103,293
Selling and marketing costs	29	**(4,303,823)**	(2,186,059)
Administrative expenses	29	**(2,033,277)**	(1,568,279)
Operating profit		**12,695,853**	11,688,460
Finance income	31	**803,249**	153,277
Finance costs	31	**-**	(279,720)
Finance income/(costs)—net	31	**803,249**	(126,443)
Share of results of an associate and a joint venture	11,13	**(25,949)**	(93,689)
Fair value changes on derivative financial instruments		**-**	73,585
Profit before income tax		**13,473,153**	11,541,913
Income tax expenses	32	**(4,625,173)**	(4,657,351)
Profit for the year		**8,847,980**	6,884,562
Other comprehensive income			
Items that may be reclassified to profit or loss:			
—Change in value of available-for-sale financial assets		**6,329**	-
—Currency translation differences		**(78,927)**	(6,028)
Other comprehensive loss for the year, net of tax		**(72,598)**	(6,028)
Total comprehensive income for the year		**8,775,382**	6,878,534
Profit attributable to:			
—Owners of the Company		**8,514,104**	6,852,651
—Non-controlling interests		**333,876**	31,911
		8,847,980	6,884,562
Total comprehensive income attributable to:			
—Owners of the Company		**8,476,627**	6,849,323
—Non-controlling interests		**298,755**	29,211
		8,775,382	6,878,534
Earnings per share attributable to owners of the Company (expressed in RMB cents per share)			
Basic	36	**46.65**	38.06
Diluted	36	**46.61**	37.96

The notes on pages 67 to 161 are an integral part of these consolidated financial statements.

	Note	2013	2012
		RMB'000	RMB'000
Dividends	33	**3,105,759**	2,527,303

Consolidated statement of changes in equity

	Share capital and premium	Other reserves and retained earnings	Non-controlling interests	Total
	RMB'000 (note 20)	RMB'000 (note 22)	RMB'000	RMB'000
Balance at January 1, 2012	15,382,196	13,608,041	1,077,027	30,067,264
Comprehensive income				
Profit for the year	-	6,852,650	31,912	6,884,562
Other comprehensive income				
—Currency translation differences	-	(3,327)	(2,701)	(6,028)
Total comprehensive income for the year	-	6,849,323	29,211	6,878,534
Transactions with owners in their capacity as owners:				
Capital injections	-	-	281,611	281,611
2011 final dividends	-	(2,251,970)	-	(2,251,970)
Dividends paid to non-controlling interests	-	-	(80,590)	(80,590)
Issue of shares as a result of placing (note 20(a))	1,734,589	-	-	1,734,589
Issue of shares as a result of the scrip dividend scheme (note 20(b))	2,251,970	-	-	2,251,970
Employee share option scheme:				
—Value of employee services (note 30)	-	3,000	-	3,000
Total transactions with owners	3,986,559	(2,248,970)	201,021	1,938,610
Balance at December 31, 2012	19,368,755	18,208,394	1,307,259	38,884,408
Balance at January 1, 2013	**19,368,755**	**18,208,394**	**1,307,259**	**38,884,408**
Comprehensive income				
Profit for the year	**-**	**8,514,104**	**333,876**	**8,847,980**
Other comprehensive income				
—Available-for-sale financial assets	**-**	**6,329**	**-**	**6,329**
—Currency translation differences	**-**	**(43,806)**	**(35,121)**	**(78,927)**
Total comprehensive income for the year	**-**	**8,476,627**	**298,755**	**8,775,382**
Transactions with owners in their capacity as owners:				
Capital injections	**-**	**-**	**562,009**	**562,009**
2012 final dividends (note 33)	**-**	**(2,510,111)**	**-**	**(2,510,111)**
Dividends paid to non-controlling interests	**-**	**-**	**(83,400)**	**(83,400)**
Issue of shares as a result of the scrip dividend scheme (note 20(c))	**800,264**	**-**	**-**	**800,264**
Employee share option scheme:				
—Value of employee services (note 30)	**-**	**15,167**	**-**	**15,167**
Non-controlling interests arising from business combination (note 40)	**-**	**-**	**166,009**	**166,009**
Changes in ownership interests in subsidiaries without change of control (note 39)	**-**	**(405,476)**	**(193,085)**	**(598,561)**
Total transactions with owners	**800,264**	**(2,900,420)**	**451,533**	**(1,648,623)**
Balance at December 31, 2013	**20,169,019**	**23,784,601**	**2,057,547**	**46,011,167**

The notes on pages 67 to 161 are an integral part of these consolidated financial statements.

Consolidated cash flow statement

	Note	Year ended December 31, 2013 RMB'000	2012 RMB'000
Cash flows from operating activities			
Cash generated from operations	34	**2,822,408**	3,994,913
Income tax paid		**(4,817,435)**	(3,466,061)
Interest paid		**(3,814,356)**	(3,012,054)
Net cash used in operating activities		**(5,809,383)**	(2,483,202)
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	40	**(13,163)**	-
Purchases of property, plant and equipment		**(4,777,165)**	(3,894,485)
Purchases of intangible assets		**(37,776)**	(10,190)
Purchases of land use rights		**(531,768)**	(1,679)
Prepayment for an investment	12	**-**	(200,000)
Payment for investment property		**(1,645)**	-
Investment in a joint venture	13	**-**	(5,000)
Proceeds from disposal of property, plant and equipment	34	**27,647**	10,289
Government grants received		**50,000**	-
Interest received	31	**290,708**	132,382
Net cash used in investing activities		**(4,993,162)**	(3,968,683)
Cash flows from financing activities			
Capital contributions from non-controlling interests		**562,009**	281,611
Payment for acquisition of non-controlling interests	39	**(247,000)**	-
Issue of shares as a result of placing	20	**-**	1,734,589
Net proceeds from termination of equity swap		**-**	713,046
Redemption of convertible bond	24	**(957,163)**	-
Net proceeds from the issuance of senior notes	23	**9,136,339**	-
Proceeds from bank and other borrowings		**24,552,236**	16,921,991
Repayments of bank and other borrowings		**(13,268,573)**	(9,043,712)
Dividends paid to the Company's shareholders		**(1,709,847)**	-
Dividends paid to non-controlling interests		**(83,400)**	(80,590)
Net cash generated from financing activities		**17,984,601**	10,526,935
Net increase in cash and cash equivalents		**7,182,056**	4,075,050
Cash and cash equivalents at the beginning of the year		**11,809,031**	7,744,362
Exchange losses on cash and cash equivalents		**(81,368)**	(10,381)
Cash and cash equivalents at the end of the year	19	**18,909,719**	11,809,031

The notes on pages 67 to 161 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

Country Garden Holdings Company Limited (the "Company") was incorporated in the Cayman Islands on November 10, 2006 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company's registered office is Cricket Square, P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively the "Group") are principally engaged in the property development, construction, fitting and decoration, property management and hotel operation.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi ("RMB"), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on March 12, 2014.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and derivative financial instruments.

The preparation of financial statements in conformity with the HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.1.1 Changes in accounting policy and disclosures

(i) New and revised standards and amendments to existing standards that are mandatory for the first time for the financial year beginning January 1, 2013 and are relevant to the Group

- Amendment to Hong Kong Accounting Standards ("HKAS") 1, 'Financial statements presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. This amendment did not have a material impact on the Group's consolidated financial statements.

• HKFRS 10 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This new standard did not have a material impact on the Group's consolidated financial statements.

• HKAS 27 (revised 2011) 'Separate financial statements' includes the provisions on separate financial statements that are left after the control provisions of HKAS 27 have been included in the new HKFRS 10. This revised standard did not have a material impact on the Group's consolidated financial statements.

• HKFRS 11 'Joint arrangements' is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. Before January 1, 2013, the Group's interest in its jointly controlled entity was accounted for using the equity method. Under HKFRS 11, the jointly controlled entity has been assessed to be a joint venture and is still accounted for using the equity method. This new standard did not have a material impact on the Group's consolidated financial statements.

• HKAS 28 (revised 2011) 'Associates and joint ventures' includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of HKFRS 11. This revised standard did not have a material impact on the Group's consolidated financial statements.

• HKFRS 12 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. This new standard did not have a material impact on the Group's consolidated financial statements.

• Amendments to HKFRSs 10, 11 and 12 on transition guidance. These amendments provide additional transition relief to HKFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before HKFRS 12 is first applied. These amendments did not have a material impact on the Group's consolidated financial statements.

• HKFRS 13 'Fair value measurements' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs. This new standard did not have a material impact on the Group's consolidated financial statements.

- Amendment to HKFRS 7, ‘Financial instruments: Disclosures’ on asset and liability offsetting’. The amendments require new disclosure requirements which focus on quantitative information about recognised financial instruments that are offset in the statement of financial position, as well as those recognised financial instruments that are subject to master netting or similar arrangements irrespective of whether they are offset. This amendment did not have a material impact on the Group’s consolidated financial statements.

- Annual improvements 2011, address six issues in the 2009–2011 reporting cycle. It includes changes to: HKFRS 1, ‘First time adoption’, HKAS 1, ‘Financial statement presentation’, HKAS 16, ‘Property plant and equipment’, HKAS 32, ‘Financial instruments: Presentation’, HKAS 34, ‘Interim financial reporting’. These amendments did not have a material impact on the Group’s consolidated financial statements.

- Annual improvement 2012: amendment to HKFRS 13, ‘Fair value measurement. This amendment is a clarification that there is no change in measurement requirements for short-term receivables and payable when the effect of not discounting is immaterial. This amendment did not have a material impact on the Group’s consolidated financial statements.

(ii) New and revised standards and amendments to existing standards that have been issued and are relevant to the Group, but are not effective for the financial year beginning January 1, 2013 and have not been early adopted

- Amendment to HKAS 32 ‘Financial instruments: Presentation’ on asset and liability offsetting. These amendments are to the application guidance in HKAS 32, ‘Financial instruments: Presentation’, and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. This amendment will be effective for annual periods beginning on or after January 1, 2014 and the Group is yet to assess the impact of this amendment on the Group’s consolidated financial statements.

- Amendments to HKFRS 10, HKFRS 12 and HKAS 27, ‘Consolidation for investment entities’. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an ‘investment entity’ definition and which display particular characteristics. Changes have also been made HKFRS 12 to introduce disclosures that an investment entity needs to make. These amendments are effective from January 1, 2014 with early adoption permitted in order to allow investment entities to apply the amendments at the same time they first apply the rest of HKFRS 10. The Group is yet to assess the impact of these amendments on the Group’s consolidated financial statements.

- Amendment to HKAS 36, ‘Impairment of assets’ on recoverable amount disclosures. This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The above amendment will be effective for annual periods beginning on or after January 1, 2014 and the Group is yet to assess the impact of this amendment on the Group’s consolidated financial statements.

- Annual improvements 2012, which include changes from the 2010–2012 cycle of the annual improvements project, that affect the following standards: HKFRS 2, 'Share-based payment', HKFRS 3, 'Business combinations' and consequential amendments to HKFRS 9, 'Financial instruments', HKAS 37, 'Provisions, contingent liabilities and contingent assets', HKAS 39, 'Financial instruments—Recognition and measurement', HKFRS 8, 'Operating segments', HKAS 16, 'Property, plant and equipment', HKAS 38, 'Intangible assets' and HKAS 24, 'Related Party Disclosures'. The above amendments will be effective for annual periods beginning on or after July 1, 2014 and the Group is yet to assess the impact of these amendments on the Group's consolidated financial statements.

- Annual improvements 2013, which include changes from the 2011–2013 cycle of the annual improvements project that affect the following standards: HKFRS 3, 'Business combinations', HKFRS 13, 'Fair value measurement' and HKAS 40, 'Investment property'. The above amendments will be effective for annual periods beginning on or after July 1, 2014 and the Group is yet to assess the impact of these amendments on the Group's consolidated financial statements.

- HKFRS 9, 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. HKFRS 9 was issued in November 2009 and October 2010. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch. The effective date of the above new standard is left open pending the finalisation of the impairment and classification and measurement requirements. The Group is yet to assess the impact of this new standard on the Group's consolidated financial statements.

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of an associate' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in profit or loss.

2.4 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company (the "ED") that makes strategic decisions.

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB which is the Company's functional currency and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when defined in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other gains—net'.

Translation difference on non-monetary financial assets and liabilities are recognised in profit or loss as part of the fair value gain or loss.

(iii) Group companies

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20–40 years
Transportation equipment	5–10 years
Machinery	5–10 years
Furniture, fitting and equipment	5–8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.10).

Construction in progress represents the direct costs of construction incurred of property, plant and equipment less any impairment losses. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and put into use. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other gains—net' in the consolidated statement of comprehensive income.

2.8 Investment property

Property that is held for long-term rental yields, and that is not occupied by the Group, is classified as investment property.

Investment property is stated at historical cost less accumulated depreciation and impairment loss, if any. It is depreciated using the straight line method over its estimated useful life of 20 years. Subsequent expenditure is charged to the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance costs are expensed in profit or loss during the financial period in which they are incurred.

Property that is being constructed or developed for future use as investment property is classified as investment properties and carried at cost.

2.9 Intangible assets

Acquired computer software programmes are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful lives of 5 to 10 years on a straight-line basis.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life—for example, goodwill or intangible assets not ready to use—are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets as loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' in the balance sheet (note 2.18).

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.11.2 Recognition and measurement

Regular way purchases and sales of investments are recognised on trade-date—the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in profit or loss as 'gains and losses from investment securities'.

Dividends on available-for-sale equity instruments are recognised in profit or loss as part of other income when the group's right to receive payments is established.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.13 Impairment of financial assets

(i) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred 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 (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors 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 where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, 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 been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(ii) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a Group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss—measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss—is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss.

2.14 Properties under development

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises cost of land use rights, construction costs, depreciation of machinery and equipment, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

2.15 Completed properties held for sale

Completed properties remaining unsold at year ended are stated at the lower of cost and net realisable value.

Cost comprises development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

2.16 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 Construction contracts

A construction contract is defined by HKAS 11 as a contract specifically negotiated for the construction of an asset.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group uses the "percentage of completion method" to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within "trade and other receivables".

The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

2.18 Trade and other receivables

Trade receivables are amounts due from customers for properties sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.19 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and at banks, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.20 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes,) is deducted from equity attributable to the Company's owners until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's owners.

2.21 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to construction of hotel properties are included in non-current liabilities as deferred government grants and are credited to profit or loss on a straight-line basis over the expected lives of the related assets when they are completed and ready for use.

2.22 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.23 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.24 Borrowing costs

General and specific 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 get ready for their intended use or sale, are added to the cost of those assets, until such time as 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 eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.25 Senior notes

Senior notes issued by the Company that contain both liability and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability and early redemption option components are recognised at fair value.

In subsequent periods, the liability component of the senior notes is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the senior notes are allocated to the liability and early redemption option components in proportion to their relative fair values. Transaction costs relating to the early redemption option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the senior notes using the effective interest method.

2.26 Compound financial instruments

Compound financial instruments issued by the Group comprised convertible bond that could be converted to share capital at the option of the holder, and the number of shares to be issued did not vary with changes in their fair value.

The liability component of a compound financial instrument was recognised initially at the fair value of a similar liability that did not have an equity conversion option. The equity component was recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs were allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument was measured at amortised cost using the effective interest method. The equity component of a compound financial instrument was not re-measured subsequent to initial recognition except on conversion or expiry or when the Company redeemed some or all of the convertible bond upon exercise of the put option by the bond holders (note 24).

2.27 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using the tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint venture, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.28 Employee benefits

(i) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group contributes on a monthly basis to various defined contribution benefit plans organised by the relevant governmental authorities. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Assets of the plans are held and managed by government authorities and are separated from those of the Group.

(ii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.29 Share-based payments

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

From the perspective of the Company, the Company grants its equity instruments to employees of its subsidiaries to exchange for their services related to the subsidiaries. Accordingly, the share-based compensation expenses, which are recognised in the consolidated financial statements, are treated as part of the "Investments in subsidiaries" in the Company's balance sheet.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.30 Provisions and contingent liabilities

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2.31 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown, net of discounts and after eliminating sales with the Group companies. Revenue is recognised as follows:

(i) Sales of properties

Revenue from sales of properties is recognised when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectibility of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated balance sheet as advanced proceeds received from customers under current liabilities.

(ii) Construction services

Revenue arising from construction services is recognised in the accounting period in which the services is rendered, by reference to completion of the specific transaction assessed on the basis of the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract (note 2.17).

(iii) Hotel operation

Revenue from hotel operation is recognised in the accounting period in which the services are rendered.

(iv) Property management

Revenue arising from property management is recognised in the accounting period in which the services are rendered.

(v) Decoration services

Revenue from decoration services is recognised in the accounting period in which the services are rendered.

(vi) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(vii) Rental income

Rental income from properties letting under operating leases is recognised on a straight line basis over the lease terms.

(viii) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.32 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) The Group is the lessee

(a) The Group is the lessee other than operating lease of land use rights

Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

(b) The Group is the lessee under operating lease of land use rights

The Group made upfront payments to obtain operating leases of land use rights. The upfront payments of the land use rights are recorded as assets. The amortisation of land use rights is recognised as an expense on a straight-line basis over the unexpired period of the land use rights.

(ii) The Group is the lessor

Assets leased out under operating leases are included in property, plant and equipment and completed properties held for sale in the consolidated balance sheet. Lease income from operating lease is recognised over the term of the lease on a straight-line basis.

2.33 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.34 Insurance contracts

An insurance contract is a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk is a pre-existing risk transferred from the policyholder to the insurer, and is significant only if an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance (i.e. have no discernible effect on the economics of the transaction).

The Group assesses at each reporting date whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in the consolidated statement of comprehensive income.

The Group regards its financial guarantee contracts provided in respect of mortgage facilities for certain property purchasers and financial guarantee contracts provided to its related parties as insurance contracts.

3 Financial risk management

The Group conducts its operations mainly in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The property industry is highly sensitive to the economic environment in the PRC, which will affect the volumes of property transactions and selling prices. The Group mainly relies on sales of properties and borrowings to fund its operations. All borrowings due for repayment in 2014 are anticipated to be repaid according to the terms of the loan agreements as the Group considers no renewal is necessary given its sufficient cash to finance its obligation. The Group has alternative plans (refer to note 3(a)(iv)) to monitor liquidity risk should there be significant adverse changes on the Group's cash flow projections.

(a) Financial risk factors

(i) Foreign exchange risk

The Group's businesses are principally conducted in RMB. The majority of assets is denominated in RMB, The majority of non-RMB assets and liabilities are bank deposits and borrowings denominated in Hong Kong Dollar ("HKD"), United States Dollar ("USD") and Ringgit Malaysia ("RM"). The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in non-RMB. The Group currently does not have a foreign currency hedging policy. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the respective balance sheet dates are as follows:

	Group		Company	
	2013	2012	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
HKD	**170,083**	193,345	**26,703**	37,106
USD	**1,034,314**	665,580	**735,768**	77,954
RM	**840,188**	-	**-**	-
	2,044,585	858,925	**762,471**	115,060
Liabilities				
HKD	**1,077,094**	162,160	**1,077,094**	162,160
USD	**24,780,131**	15,524,969	**24,780,131**	15,524,969
RM	**1,798,579**	-	**-**	-
	27,655,804	15,687,129	**25,857,225**	15,687,129

The following table shows the sensitivity analysis of a 5% change in RMB against the relevant foreign currencies. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. If there was a 5% increase in RMB against the relevant currencies, the effect on the post-tax profit for the year would be as follows:

	Group		Company	
	2013	2012	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000
HKD				
Increase/(decrease) in profit for the year	**45,351**	(1,559)	**52,520**	6,253
USD				
Increase in profit for the year	**1,187,291**	742,969	**1,202,218**	772,351
RM				
Increase in profit for the year	**47,920**	-	**-**	-

(ii) Cash flow and fair value interest rate risk

The Group

The Group's interest rate risk arises from interest bearing bank deposits, senior notes and bank and other borrowings. Bank deposits and bank and other borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Senior notes issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group currently does not use any interest rate swaps to hedge its exposure to interest rate risk. However, the Group will consider hedging significant interest rate exposure should the need arise.

The directors of the Company consider that the fluctuation in interest rate has no material impact on the Group's post-tax profit for years 2013 and 2012 as most of interest expenses were capitalised.

The Company

The Company's interest rate risk arises from interest bearing bank deposits, senior notes and bank borrowings. Bank deposits and bank borrowings issued at variable rates expose the Company to cash flow interest-rate risk. Senior notes issued at fixed rates expose the Company to fair value interest rate risk.

As at December 31, 2013, if interest rates on bank borrowings had been 1% higher/lower with all other variables held constant, post tax profit would have been RMB27,977,000 (2012: RMB14,739,000) lower/higher respectively, mainly as a result of higher/lower interest expenses on floating rate bank borrowings.

(iii) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, and cash deposits with banks.

The carrying amounts of trade and other receivables, restricted cash, cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, bank deposits are mainly placed with state-owned financial institutions and reputable banks which are all high-credit-quality financial institutions. The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers.

For prepayments in respect of acquisition of land use rights, the Group considers the risk is minimal as these prepayments were paid to the PRC government and will transfer to land use rights upon obtaining certificates from the PRC government. The Group has policies in place to monitor the issuance status of land use rights certificates.

For properties that are still under construction, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of the guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount under the loan and any accrued interest thereon. Under such circumstances, the Group is able to retain the customer's deposits and sell the property to recover any amounts paid by the Group to the bank. Unless the selling price would drop by no less than 30%, which is remote, the Group would not be in a loss position in selling those properties out. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced (refer to note 4(b) for more information).

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. Detailed disclosure of these guarantees is made in note 37.

No credit limits were exceeded during the year, and management does not expect any losses from non-performance by these counterparties.

(iv) Liquidity risk

Management aims to maintain sufficient cash to meet funding requirement for operations and monitors rolling forecasts of the Group's cash on the basis of expected cash flow. The directors of the Company have prepared cash flow projections for the year ending December 31, 2014. Key assumptions used in the preparation of the cash flow projections for the year ending December 31, 2014 include: (1) proceeds from pre-sales in 2014 is expected to be higher than that of 2013; (2) construction payments match receipt of the relevant proceeds from pre-sales; (3) available project loan facility is expected to be no less than that of 2013 and (4) no breach of debt convenants is anticipated in 2014.

The Group has a number of alternative plans to mitigate the potential impacts on anticipated cash flows should there be significant adverse changes in economic environment. These include adjusting and further slowing down the construction progress as appropriate to ensure available resources for the development of properties for sale, implementing cost control measures, accelerating sales with more flexible pricing and issuing senior notes. The Group, will base on its assessment of the relevant future costs and benefits, pursue such options as are appropriate. The directors consider that the Group will be able to maintain sufficient financial resources to meet its operation needs.

The table below analyses the Group's and the Company's non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2013					
Senior notes (principal amount plus interest)	**4,473,219**	**4,356,997**	**12,955,913**	**11,517,425**	**33,303,554**
Bank and other borrowings (principal amount plus interest)	**12,143,708**	**11,955,518**	**13,214,840**	**694,786**	**38,008,852**
Trade and other payables (excluding other taxes payable and salaries payable)	**27,716,392**	**-**	**-**	**-**	**27,716,392**
Total	**44,333,319**	**16,312,515**	**26,170,753**	**12,212,211**	**99,028,798**

Company

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2013					
Senior notes (principal amount plus interest)	**4,473,219**	**4,356,997**	**12,955,913**	**11,517,425**	**33,303,554**
Bank borrowings (principal amount plus interest)	**1,250,541**	**1,064,972**	**626,884**	**-**	**2,942,397**
Total	**5,723,760**	**5,421,969**	**13,582,797**	**11,517,425**	**36,245,951**

Group

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At December 31, 2012					
Senior notes (principal amount plus interest)	1,559,197	3,916,259	9,095,511	5,971,618	20,542,585
Convertible bond (principal amount plus interest)	957,163	-	-	-	957,163
Bank and other borrowings (principal amount plus interest)	9,598,727	6,215,514	8,853,225	529,649	25,197,115
Trade and other payables (excluding other taxes payable and salaries payable)	16,699,531	-	-	-	16,699,531
Total	28,814,618	10,131,773	17,948,736	6,501,267	63,396,394

Company

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At December 31, 2012					
Senior notes (principal amount plus interest)	1,559,197	3,916,259	9,095,511	5,971,618	20,542,585
Convertible bond (principal amount plus interest)	957,163	-	-	-	957,163
Bank borrowings (principal amount plus interest)	630,203	747,938	149,904	-	1,528,045
Total	3,146,563	4,664,197	9,245,415	5,971,618	23,027,793

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for 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.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including convertible bond and senior notes, as shown in the consolidated balance sheet) less cash and cash equivalents and the guarantee deposits for construction of pre-sale properties.

The gearing ratios at December 31, 2013 and 2012 were as follows:

	Group	
	2013	2012
	RMB'000	RMB'000
Total borrowings including convertible bond and senior notes (notes 23, 24 and 25)	**56,248,778**	36,912,660
Less: cash and cash equivalents (note 19)	**(18,909,719)**	(11,809,031)
guarantee deposits for construction of pre-sale properties (note 18)	**(7,769,870)**	(4,839,881)
Net debt	**29,569,189**	20,263,748
Total equity (excluding non-controlling interests)	**43,953,620**	37,577,149
Gearing ratio	**67.3%**	53.9%

The directors of the Company consider the Group's gearing ratio is within the healthy range.

(c) Fair value estimation

The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At December 31, 2013, the Group had no level 1 or level 2 financial instruments, the only level 3 financial instrument represents the available-for-sale financial assets (note 12). At December 31, 2012, the Group had no financial instruments stated at fair value.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in level 3 instruments for the year ended December 31, 2013.

	Group
	RMB'000
Opening balance	-
Transfers from other non-current assets (note 13)	**200,000**
Fair value changes	**6,329**
Closing balance	**206,329**

(d) Financial instruments by category

Group:

	2013			2012
Assets as per balance sheet	**Available-for-sale**	**Loans and receivables**	**Total**	**Loans and receivables**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Available-for-sale financial assets	**206,329**	**-**	**206,329**	-
Trade and other receivables excluding prepayments	**-**	**15,581,035**	**15,581,035**	9,301,135
Restricted cash	**-**	**7,769,870**	**7,769,870**	5,050,935
Cash and cash equivalents	**-**	**18,909,719**	**18,909,719**	11,809,031
Total	**206,329**	**42,260,624**	**42,466,953**	26,161,101

	Financial liabilities at amortised cost	
Liabilities as per balance sheet	**2013**	**2012**
	RMB'000	**RMB'000**
Senior notes	**23,059,545**	14,213,224
Convertible bond	**-**	943,866
Bank and other borrowings	**33,189,233**	21,755,570
Trade and other payables (excluding other taxes payable and salaries payable)	**27,716,392**	16,699,531
Total	**83,965,170**	53,612,191

Company:

	Loans and receivables	
Assets as per balance sheet	**2013**	**2012**
	RMB'000	**RMB'000**
At December 31		
Amounts due from subsidiaries	**21,884,166**	13,868,726
Restricted cash	**-**	34,054
Cash and cash equivalents	**762,588**	81,123
Total	**22,646,754**	13,983,903

	Financial liabilities at amortised cost	
Liabilities as per balance sheet	**2013**	**2012**
	RMB'000	**RMB'000**
At December 31		
Senior notes	**23,059,545**	14,213,224
Convertible bond	**-**	943,866
Bank borrowings	**2,797,680**	1,473,905
Amounts due to subsidiaries	**788,239**	673,500
Total	**26,645,464**	17,304,495

4 Critical accounting estimates and judgements

Estimates and judgements used in preparing the consolidated financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes and deferred taxation

Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

(b) Revenue recognition

The Group has recognised revenue from the sale of properties held for sale as disclosed in note 5. The assessment of when an entity has transferred the significant risks and rewards of ownership to buyers requires the examination of the circumstances of the transaction. In most cases, the transfer of risks and rewards of ownership coincides with the date when the equitable interest in the property vests with the buyer upon release of the respective property to the buyer.

As disclosed in note 37, the Group provides guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. These guarantees will normally be discharged upon issuance of the real estate ownership certificate which are generally be available within three months after the purchasers take possession of the relevant properties. In order to obtain mortgages, the purchasers would have settled no less than 30% of the total contract amount in accordance with related PRC regulations upon signing the sales contract. The directors of the Company are of the opinion that such settlements provide sufficient evidence of the purchasers' commitment to honour contractual obligation of the bank loans. In addition, based on the past experiences, defaults of mortgage facilities by the purchasers which resulted in the bank guarantees being called upon were rare and the financial impact was immaterial. Further, as disclosed in note 3(a)(iii), the credit risk of the Group under the circumstance that a purchaser defaults on the payment of its mortgage during the term of the guarantee is very low. Accordingly, the directors believe that significant risks and rewards associated to the ownership of the properties have been transferred to the purchasers upon the delivery of the properties to them.

(c) Estimates for net realisable value of properties under development and properties held for sale

The Group assesses the carrying amounts of properties under development and properties held for sale according to their net realisable value based on the realisability of these properties. Net realisable value for properties under development is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion (including land costs). Net realisable value for properties held for sale is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses. Based on management's best estimates, there was no material impairment for properties under development and properties held for sale at December 31, 2013.

(d) Estimates for impairment of hotel assets

Management performs review for impairment of the hotel assets whenever events or changes in circumstances indicate that the carrying amounts of the hotel assets may not be recoverable. In such case, the recoverable amounts of hotel assets have been determined based on value-in-use method. The value-in-use calculations require the use of significant estimates and assumptions on the projections of cash flows from the continuous use of the hotel assets. The key assumptions used in determining the value-in-use of hotel assets mainly include:

- Post-tax discount rate of 12%;
- 4% growth rate after lease-up period;
- Occupancy rates of 60% to 65% after lease-up period; and
- Lease-up period of 6 years.

Based on management's best estimates, there was no material impairment for hotel assets at December 31, 2013.

5 Segment information—Group

The ED reviews the Group's internal reporting in order to assess performance and allocate resources. The ED has determined the operating segments based on these reports.

The ED considers the business from product perspective. From a product perspective, ED assesses the performance of:

- Property development;
- Construction, fitting and decoration;
- Property management; and
- Hotel operation.

The ED assesses the performance of the operating segments based on a measure of operating profit.

Segment assets consist primarily of property, plant and equipment, intangible assets, land use rights, investment property, properties under development, completed properties held for sale, inventories, receivables and operating cash. They exclude deferred income tax assets and available-for-sale financial assets. Segment liabilities consist primarily of operating liabilities. They exclude senior notes, convertible bond, bank and other borrowings, deferred income tax liabilities and income taxes payable.

Capital expenditure comprises additions to property, plant and equipment (note 6), investment property (note 7), intangible assets (note 8) and land use rights (note 9).

Revenue consists of the following:

	2013	2012
	RMB'000	RMB'000
Sales of properties	**60,043,348**	40,011,972
Rendering of construction, fitting and decoration services	**866,871**	314,278
Rendering of property management services	**777,129**	592,311
Rendering of hotel services	**994,527**	972,423
	62,681,875	41,890,984

Sales between segments are carried out according to the terms and conditions agreed by the respective segments' management.

The Group's entire revenue is attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. No geographical information is therefore presented.

The Group has a large number of customers; none of whom contributed 5% or more of the Group's revenue.

The segment information provided to the ED for the reportable segments for the year ended December 31, 2013 is as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel operation	Total Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	60,043,348	14,144,254	777,129	1,129,982	76,094,713
Inter-segment revenue	-	(13,277,383)	-	(135,455)	(13,412,838)
Revenue (from external customers)	60,043,348	866,871	777,129	994,527	62,681,875
Depreciation and amortisation	263,425	19,062	7,884	300,398	590,769
Operating profit/(loss)	12,571,925	203,911	18,166	(98,149)	12,695,853
At December 31, 2013					
Total segment assets	184,926,936	5,834,901	1,243,197	12,228,043	204,233,077
Capital expenditure	1,927,732	195,278	22,659	3,174,540	5,320,209
Total segment liabilities	88,453,509	4,589,530	985,474	543,579	94,572,092

The segment information provided to the ED for the reportable segments for the year ended December 31, 2012 is as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel operation	Total Group
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	40,011,972	9,041,654	592,377	1,113,316	50,759,319
Inter-segment revenue	-	(8,727,376)	(66)	(140,893)	(8,868,335)
Revenue (from external customers)	40,011,972	314,278	592,311	972,423	41,890,984
Depreciation and amortisation	145,735	12,852	6,491	261,793	426,871
Operating profit/(loss)	11,667,897	30,070	47,834	(57,341)	11,688,460
At December 31, 2012					
Total segment assets	120,741,925	4,153,938	1,112,228	9,064,730	135,072,821
Capital expenditure	779,571	6,258	12,481	3,156,125	3,954,435
Total segment liabilities	47,653,801	3,508,785	790,201	620,676	52,573,463

As at December 31, 2013, Segment assets of the property development segment included the amounts of investments in an associate and a joint venture accounted for using the equity method totalling RMB90,124,000 (2012: RMB116,073,000).

Reportable operating profits are reconciled to net profit as follows:

	2013	2012
	RMB'000	RMB'000
Total operating profit	**12,695,853**	11,688,460
Finance income/(costs)—net	**803,249**	(126,443)
Share of results of an associate and a joint venture	**(25,949)**	(93,689)
Fair value changes on derivative financial instruments	**-**	73,585
Profit before income tax	**13,473,153**	11,541,913
Income tax expenses	**(4,625,173)**	(4,657,351)
Profit for the year	**8,847,980**	6,884,562

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	2013	2012
	RMB'000	**RMB'000**
Total segment assets	**204,233,077**	135,072,821
Deferred income tax assets	**1,800,022**	1,449,327
Available-for-sale financial assets	**206,329**	-
Total assets per consolidated balance sheet	**206,239,428**	136,522,148
Total segment liabilities	**94,572,092**	52,573,463
Deferred income tax liabilities	**1,269,910**	924,381
Income taxes payable	**8,137,481**	7,227,236
Senior notes	**23,059,545**	14,213,224
Convertible bond	**-**	943,866
Bank and other borrowings	**33,189,233**	21,755,570
Total liabilities per consolidated balance sheet	**160,228,261**	97,637,740

6 Property, plant and equipment—Group

	Buildings	Machinery	Transportation equipment	Furniture, fitting and equipment	Construction in progress	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At January 1, 2012						
Cost	5,485,094	320,715	501,685	591,165	2,476,548	9,375,207
Accumulated depreciation	(556,432)	(155,046)	(337,940)	(267,485)	-	(1,316,903)
Accumulated impairment	(3,007)	-	-	-	-	(3,007)
Net book amount	4,925,655	165,669	163,745	323,680	2,476,548	8,055,297
Year ended December 31, 2012						
Opening net book amount	4,925,655	165,669	163,745	323,680	2,476,548	8,055,297
Additions	260,386	64,707	88,306	226,516	3,302,651	3,942,566
Transfers	1,184,577	-	-	-	(1,184,577)	-
Disposals	(2,150)	(419)	(1,730)	(4,638)	-	(8,937)
Depreciation	(201,524)	(25,218)	(51,561)	(96,710)	-	(375,013)
Closing net book amount	6,166,944	204,739	198,760	448,848	4,594,622	11,613,913

	Buildings	Machinery	Transportation equipment	Furniture, fitting and equipment	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2012						
Cost	6,927,907	383,105	580,992	807,084	4,594,622	13,293,710
Accumulated depreciation	(757,956)	(178,366)	(382,232)	(358,236)	-	(1,676,790)
Accumulated impairment	(3,007)	-	-	-	-	(3,007)
Net book amount	6,166,944	204,739	198,760	448,848	4,594,622	11,613,913
Year ended December 31, 2013						
Opening net book amount	**6,166,944**	**204,739**	**198,760**	**448,848**	**4,594,622**	**11,613,913**
Acquisition of subsidiaries (note 40)	**-**	**676**	**1,225**	**982**	**-**	**2,883**
Additions	**541,832**	**164,565**	**632,077**	**243,215**	**3,167,331**	**4,749,020**
Transfers	**897,059**	**-**	**-**	**-**	**(897,059)**	**-**
Disposals	**(11,512)**	**(1,939)**	**(13,173)**	**(1,562)**	**-**	**(28,186)**
Depreciation	**(248,118)**	**(36,791)**	**(79,144)**	**(145,233)**	**-**	**(509,286)**
Exchange differences	**-**	**-**	**(137)**	**83**	**-**	**(54)**
Closing net book amount	**7,346,205**	**331,250**	**739,608**	**546,333**	**6,864,894**	**15,828,290**
At December 31, 2013						
Cost	**8,350,085**	**530,095**	**1,193,519**	**1,047,493**	**6,864,894**	**17,986,086**
Accumulated depreciation	**(1,003,880)**	**(198,845)**	**(453,911)**	**(501,160)**	**-**	**(2,157,796)**
Net book amount	**7,346,205**	**331,250**	**739,608**	**546,333**	**6,864,894**	**15,828,290**

Depreciation charge was capitalised or expensed in the following categories in the consolidated balance sheet or the consolidated statement of comprehensive income:

	2013	2012
	RMB'000	RMB'000
Properties under development	**70,463**	25,483
Cost of sales	**256,550**	193,288
Selling and marketing costs	**24,232**	17,696
Administrative expenses	**158,041**	138,546
	509,286	375,013

As at December 31, 2013, buildings with net book value of RMB2,547,510,000 (2012: RMB1,969,380,000) were pledged as collateral for the Group's borrowings.

As at December 31, 2013, title certificates of buildings with net book value of RMB1,199,121,000 (2012: RMB2,064,790,000) were still in the progress of being obtained.

Also as at December 31, 2013, included in buildings and construction in progress were the hotels located in the PRC with net book value of RMB9,057,213,000 (2012: RMB6,219,684,000).

7 Investment property—Group

	2013	2012
	RMB'000	RMB'000
At December 31		
Cost	**154,327**	152,682
Accumulated depreciation	**(41,987)**	(34,353)
Net book amount	**112,340**	118,329

	2013	2012
	RMB'000	RMB'000
Year ended December 31		
Opening net book amount	**118,329**	125,963
Additions	**1,645**	-
Depreciation	**(7,634)**	(7,634)
Closing net book amount	**112,340**	118,329

The Group's property interest held under operating leases for the purpose of earning rentals is measured using the cost model and accounted for as investment property. The investment property is located in the PRC and has lease periods of between 10 years to 20 years.

The fair value of the Group's investment property was approximately RMB197,000,000 as at December 31, 2013 (2012: RMB190,000,000) as determined by the directors of the Company with reference to the valuation performed by CB Richard Ellis Limited, an independent qualified professional valuer. Valuation was performed using the direct comparison method on the assumption that the property can be sold in its existing state subject to existing tenancies or otherwise with the benefit of vacant possession and making references to comparable sales transactions as available in the relevant market. The fair value measurement of the investment property is categorised within level 3 of the fair value hierarchy.

Depreciation of investment property has been charged to cost of sales for the year.

The rental income of the investment property in 2013 was RMB5,957,000 (2012: RMB5,100,000).

As at December 31, 2013, investment property with net book value of RMB81,922,000 (2012: RMB82,159,000) was pledged as collateral for the Group's borrowings.

8 Intangible assets—Group

	Computer software	
	2013	**2012**
	RMB'000	**RMB'000**
At December 31		
Cost	**83,112**	45,336
Accumulated amortisation	**(39,635)**	(22,704)
Net book amount	**43,477**	22,632
Year ended December 31		
Opening net book amount	**22,632**	18,496
Additions	**37,776**	10,190
Amortisation	**(16,931)**	(6,054)
Closing net book amount	**43,477**	22,632

Amortisation expense has been charged in administrative expenses.

9 Land use rights—Group

	2013	**2012**
	RMB'000	**RMB'000**
Opening net book amount	**1,390,218**	1,326,078
Additions	**531,768**	1,679
Reclassification from properties under development	**-**	100,631
Amortisation	**(56,918)**	(38,170)
Closing net book amount	**1,865,068**	1,390,218

Amortisation expense has been charged in administrative expenses.

Land use rights are located in the PRC and for self-use, and held on leases of between 10 to 50 years.

As at December 31, 2013, land use rights with net book value of RMB1,110,458,000 (2012: RMB955,734,000) were pledged as collateral for the Group's borrowings.

10 Properties under development—Group

	2013	2012
	RMB'000	**RMB'000**
Properties under development expected to be completed:		
—Within the normal operating cycle included under current assets	**67,473,799**	39,155,431
—Beyond normal operating cycle included under non-current assets	**40,080,095**	25,700,500
	107,553,894	64,855,931
Amounts comprise:		
—Construction costs	**58,166,423**	33,564,122
—Land use rights	**45,256,897**	28,598,537
—Interest capitalised	**4,130,574**	2,693,272
	107,553,894	64,855,931

Properties under development expected to be completed within the normal operating cycle included under current assets did not include properties to be completed and available for sale more than twelve months after the balance sheet date.

The capitalisation rate used to determine the amount of interest incurred eligible for capitalisation in 2013 was 8.54% (2012: 9.56%). Most of the properties under development of the Group are located in the PRC and some in Malaysia.

As at December 31, 2013, land use rights included in properties under development with net book value of RMB11,494,935,000 (2012: RMB18,857,070,000) were pledged as collateral for the Group's borrowings.

11 Investment in an associate—Group

	2013	2012
	RMB'000	**RMB'000**
At January 1	**114,351**	204,762
Share of loss	**(57,560)**	(90,411)
At December 31	**56,791**	114,351

The Group's share of the results of its associate, which is unlisted, is as follows:

Name	**Country of incorporation**	**Principal activities**	**Loss and total comprehensive loss 2013**	**Loss and total comprehensive loss 2012**	**% interest held 2013 and 2012**
			RMB'000	**RMB'000**	
Guangzhou Li He Property Development Company Limited ("Li He")	PRC	Property Development	(57,560)	(90,411)	20%

The land of the property development project of Li He consists of three phases. According to the previously agreed payment schedule of land premium, the third phase land premium of

RMB10,200,000,000 should be settled in December 2011. As at June 30, 2013, land premium totaling RMB7,700,000,000 remained unsettled. In October 2013, Li He entered into a supplemental agreement with the relevant government authorities on the payment schedule of the above RMB7,700,000,000 of outstanding land premium. According to the payment schedule stated in the supplemental agreement, RMB4,500,000,000 of land premium was settled in 2013, while the remaining land premium will need to be settled by November 2014. Based on the fact that Li He has agreed the payment schedule with the relevant government authorities on the outstanding land premium and the communication with the relevant government authorities, the directors of the Company consider that the delay in payment of land premium does not render significant cant adverse impact on the operation results and financial position of the Group as at December 31, 2013.

As at December 31, 2013, there were no significant contingent liabilities relating to the Group's interest in Li He except for the contingent liability arising from the guarantee that the Group provided to Li He for its borrowings (note 37).

12 Available-for-sale financial assets—Group

Unlisted equity investment at fair value:	**2013**	**2012**
	RMB'000	**RMB'000**
At January 1	**-**	-
Transferred from other non-current assets (note 13)	**200,000**	-
Fair value change (note 22)	**6,329**	-
At December 31	**206,329**	-

The Group's available-for-sale financial assets represent a 3.95% equity interest in an unlisted investment fund company which was established in March 2013 in the PRC. The available-for-sale financial assets are denominated in RMB.

The fair value of the available-for-sale investment at December 31, 2013 was determined with reference to the Group's share of the net asset value of the investment fund company. The fair value measurement of the available-for-sale investment is categorised within level 3 of the fair value hierarchy.

13 Other non-current assets—Group

	As at December 31,	
	2013	**2012**
	RMB'000	**RMB'000**
Prepayment for an investment (note (a))	**-**	200,000
Investment in a joint venture (note (b))	**33,333**	1,722
	33,333	201,722

Notes:

(a) In November 2012, the Group entered into an investment agreement with certain PRC companies to establish an investment fund company. Pursuant to the investment agreement, the Group made an investment of RMB200,000,000 which was recorded in other non-current assets at December 31, 2012. In March 2013, the investment fund company was established and the above investment was transferred to available-for-sale financial assets (note 12).

(b) Investment in a joint venture is analysed as follows:

	2013	2012
	RMB'000	RMB'000
At January 1	**1,722**	-
Capital injection	**-**	5,000
Share of profit/(loss)	**31,611**	(3,278)
At December 31	**33,333**	1,722

At December 31, 2013, the Group held 50% equity interest in Zhongshan Yahong Property Development Company Limited ("Zhongshan Yahong"), which is established in the PRC and its principle activity is property development.

The Group's share of the results of its joint venture, which is unlisted, is as follows:

Name	Country of incorporation	Principal activities	Profit/(loss) and total comprehensive income/(loss)		% interest held
			2013	2012	2013 and 2012
			RMB'000	RMB'000	
Zhongshan Yahong	PRC	Property Development	**31,611**	(3,278)	50%

As at December 31, 2013, there were no significant contingent liabilities and commitments relating to the Group's interest in Zhongshan Yahong except for the contingent liability arising from the guarantee that the Group provided to Zhongshan Yahong for its borrowings (note 37).

14 Investments in subsidiaries, amounts due from/to subsidiaries—company

	2013	2012
	RMB'000	RMB'000
Non-current asset		
—Unlisted investments at cost	**27,757,698**	25,973,294
—Deemed contribution arising from share-based compensation (note a)	**15,167**	-
	27,772,865	25,973,294
Current assets		
—Amounts due from subsidiaries (note b)	**21,884,166**	13,868,726
Current liabilities		
—Amounts due to subsidiaries (note b)	**(788,239)**	(673,500)

(a) The amount represents share-based compensation expenses arising from the grant of share options of the Company to employees (note 30) in exchange for their services provided to certain subsidiaries of the Group, which were deemed to be capital contribution made by the Company to these subsidiaries.

(b) Amounts due from/(to) subsidiaries are interest free, unsecured and repayable on demand. Details of the principal subsidiaries as at December 31, 2013 are set out in note 42.

15 Completed properties held for sale—Group

	2013	2012
	RMB'000	RMB'000
Completed properties held for sale	**18,919,822**	18,497,241

The completed properties held for sale are located in the PRC.

16 Inventories—Group

	2013	2012
	RMB'000	RMB'000
Construction materials and spare parts	**572,863**	347,514

17 Trade and other receivables—Group

	As at December 31,	
	2013	2012
	RMB'000	RMB'000
Trade receivables (note (a))	**6,274,434**	2,968,240
Land auction deposits	**2,310,096**	1,360,698
Other receivables (note (b))	**3,760,664**	2,920,761
Amounts due from customers for contract work (note (c))	**891,484**	657,131
Prepayments for land use rights (note (d))	**7,570,306**	5,212,879
Amount due from an associate (note 41(d))	**2,039,745**	1,139,745
Amount due from a joint venture (note 41(d))	**304,612**	254,560
Other prepayments (note (e))	**3,227,059**	2,609,907
	26,378,400	17,123,921

As at December 31, 2013, the fair value of trade and other receivables approximates their carrying amounts.

(a) Trade receivables mainly arise from sales of properties. Property buyers are generally granted credit terms of 1 to 6 months. The ageing analysis of trade receivables based on revenue recognition date is as follows:

	As at December 31,	
	2013	2012
	RMB'000	RMB'000
Within 90 days	**5,283,477**	2,486,415
Over 90 days and within 180 days	**398,542**	188,987
Over 180 days and within 365 days	**338,579**	184,038
Over 365 days	**253,836**	108,800
	6,274,434	2,968,240

At December 31, 2013 and 2012, trade receivables were denominated in RMB.

Trade receivables are analysed as follows:

	As at December 31,	
	2013	2012
	RMB'000	RMB'000
Fully performing under credit terms	**6,081,471**	2,776,224
Past due but not impaired	**192,963**	192,016
	6,274,434	2,968,240

Past due but not impaired receivables mainly represent receivables from sales of properties. The directors consider that these receivables would be recovered and no provision was therefore made against past due receivables as at December 31, 2013 (2012: nil). The ageing analysis of these trade receivables is as follows:

	As at December 31,	
	2013	2012
	RMB'000	RMB'000
Over 90 days and within 180 days	**80,813**	162,990
Over 180 days and within 365 days	**84,512**	14,358
Over 365 days	**27,638**	14,668
	192,963	192,016

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

(b) Other receivables mainly represent advances made to outsourced construction and design vendors, which are interest-free, unsecured and repayable on demand.

(c) Amounts due from customers for contract work at the balance sheet date are as follows:

	Group	
	2013	2012
	RMB'000	RMB'000
Cost incurred	**4,916,387**	4,184,249
Recognised profits (less recognised losses)	**2,090,478**	1,955,745
	7,006,865	6,139,994
Less: progress billings	**(6,115,381)**	(5,482,863)
	891,484	657,131
Represented by:		
Amounts due from customers	**891,484**	657,131
Including: Related parties (note 41(d))	**700,197**	447,124
Third parties	**191,287**	210,007

(d) Prepayments for land are related to acquisition of land use rights upon successfully bidding at the land auctions conducted by the PRC government. The relevant land use right certificates have not been obtained at December 31, 2013.

(e) Other prepayments mainly represent prepayments for purchases of construction materials and services.

18 Restricted cash

	Group		Company	
	2013	2012	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Denominated in RMB:				
Guarantee deposits for construction of pre-sale properties (note below)	**7,769,870**	4,839,881	**-**	-
Collateral for bank and other borrowings (note 25)	**-**	177,000	**-**	-
	7,769,870	5,016,881	**-**	-
Denominated in HKD:				
Collateral for bank and other borrowings (note 25)	**-**	34,054	**-**	34,054
	7,769,870	5,050,935	**-**	34,054

Note:

In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amount of presale proceeds of properties as guarantee deposits for the constructions of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after the completion certificates have been obtained or the issuance of the real estate ownership certificates, whichever is earlier.

19 Cash and cash equivalents

	Group		Company	
	2013	2012	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Cash at bank and in hand:				
Denominated in RMB	**24,605,140**	15,992,299	**117**	117
Denominated in HKD	**170,083**	193,345	**26,703**	37,106
Denominated in USD	**1,034,314**	665,580	**735,768**	77,954
Denominated in RM	**840,188**	8,742	**-**	-
Denominated in other currencies	**29,864**	-	**-**	-
Less: restricted cash (note 18)	**(7,769,870)**	(5,050,935)	**-**	(34,054)
	18,909,719	11,809,031	**762,588**	81,123

The conversion of RMB and RM denominated balances into foreign currencies and the remittance of these foreign currencies denominated bank balances and cash out of the PRC and Malaysia are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC and Malaysia governments.

20 Share capital and premium

	Note	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Treasury shares	Total
							Group
			HKD'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Authorised							
At January 1, 2012, December 31, 2012 and 2013		100,000,000,000	10,000,000	9,905,008			
Issued and fully paid							
At January 1, 2012		16,699,138,043	1,669,914	1,647,530	14,114,902	(380,236)	15,382,196
Issue of shares as a result of placing	(a)	677,191,602	67,719	54,895	1,679,694	-	1,734,589
Issue of shares as a result of the scrip dividend scheme	(b)	853,330,509	85,333	69,206	2,182,764	-	2,251,970
At December 31, 2012 and January 1, 2013		18,229,660,154	1,822,966	1,771,631	17,977,360	(380,236)	19,368,755
Issue of shares as a result of the scrip dividend scheme	(c)	227,874,023	22,787	18,106	782,158	-	800,264
At December 31, 2013		**18,457,534,177**	**1,845,753**	**1,789,737**	**18,759,518**	**(380,236)**	**20,169,019**

	Note	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Total
						Company
			HKD'000	**RMB'000**	**RMB'000**	**RMB'000**
Authorised						
At January 1, 2012, December 31, 2012 and 2013		100,000,000,000	10,000,000	9,905,008		
Issued and fully paid						
At January 1, 2012		16,699,138,043	1,669,914	1,647,530	14,114,902	15,762,432
Issue of shares as a result of placing	(a)	677,191,602	67,719	54,895	1,679,694	1,734,589
Issue of shares as a result of the scrip dividend scheme	(b)	853,330,509	85,333	69,206	2,182,764	2,251,970
At December 31, 2012 and January 1, 2013		18,229,660,154	1,822,966	1,771,631	17,977,360	19,748,991
Issue of shares as a result of the scrip dividend scheme	(c)	227,874,023	22,787	18,106	782,158	800,264
At December 31, 2013		**18,457,534,177**	**1,845,753**	**1,789,737**	**18,759,518**	**20,549,255**

Notes:

(a) On February 29, 2012, the Company entered into a placing and subscription agreement with Concrete Win Limited ("Concrete Win"), the holding company of the Company, and certain placing agents (the "Agreement"). Pursuant to the Agreement, the Company conditionally agreed to issue to Concrete Win, and Concrete Win conditionally agreed to subscribe for 677,191,602 new shares of the Company at a price of HKD3.23 per share. On March 8, 2012, 677,191,602 new shares were issued and allotted at a price of HKD3.23 per share. These new shares were entitled to the scrip dividend as described in note (b) below.

(b) On May 18, 2012, a scrip dividend scheme was issued whereby the 2011 final dividend was satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to the shareholders to elect to receive such dividend in cash in lieu of such allotment. On June 15, 2012, 853,330,509 new shares were issued as of result of the above scrip dividend scheme and the placing of new shares (see note (a) above) at a price of HKD3.254 per share representing the average of the closing prices of the Company's ordinary shares for the five consecutive trading days up to and including May 4, 2012.

(c) On May 27, 2013, a scrip dividend scheme was issued whereby shareholders may elect to receive cash dividend of RMB13.86 cents per share or an allotment of such number of new shares credited as fully paid and having an aggregate market value equal to, save for adjustment for fractions, the total amount of 2012 final dividend which such shareholder could receive in cash (the "Maximum Entitlement") or partly new shares not exceeding the Maximum Entitlement and the remainder in cash. On June 18, 2013, 227,874,023 new shares were issued as a result of the above scrip dividend scheme at a price of HKD4.42 per share representing the average of the closing prices of the Company's ordinary shares for the five consecutive trading days up to and including May 16, 2013.

21 Share option scheme

On November 30, 2012, the Group granted 3,000,000 share options with an exercise price of HKD3.7 per share to certain independent non-executive directors. The options were vested immediately after the grant date and have a contractual option term of 10 years. The Group has no legal or contractual obligation to repurchase or settle the options in cash.

On December 13, 2013, the Group granted 6,173,457 share options with an exercise price of HKD4.844 per share to certain directors and employees in connection with a profit sharing incentive scheme (the "Incentive Scheme") adopted by the Group during the year. Pursuant to the Incentive Scheme, certain portion of the bonus calculated in accordance with the Incentive Scheme is settled in cash, while the remaining portion is settled in the Company's share options as the consideration for the costs to exercise the share options. The share options were exercisable commencing from December 13, 2018 to December 12, 2023 (both days inclusive). The vesting period of the above share options is 5 years. The fair value of the above share options at the grant date approximated the portion of bonus which is to be settled in the Company's share options.

Movements in the number of share options are as follows:

	2013 Numbers of options	**2012 Numbers of options**
At January 1	**3,000,000**	-
Granted	**6,173,457**	3,000,000
At December 31	**9,173,457**	3,000,000

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Expiry date	**Exercise price in HKD per share**	**Number of share options**
November 29, 2022	3.700	3,000,000
December 12, 2023	4.844	6,173,457

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of vesting periods of the shares options (the "Expected Retention Rate") in order to determine the amount of share-based compensation expenses charged to profit or loss. As at December 31, 2013, the Expected Retention Rate was assessed to be 100% (2012: 100%).

22 Other reserves and retained earnings

	Group									
	Merger reserve	Statutory reserves	Conversion option reserve	Share option reserve	Available-for-sale	Translation reserve	Others	Sub-total	Retained earnings	Total
	RMB'000 (note (a))	RMB'000 (note (b))	RMB'000 (note 24)	RMB'000 (note 21)	RMB'000 (note 12)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2012	(149,801)	1,487,898	29,801	-	-	-	-	1,367,898	12,240,143	13,608,041
Profit for the year	-	-	-	-	-	-	-	-	6,852,651	6,852,651
Transfer to statutory reserves	-	534,394	-	-	-	-	-	534,394	(534,394)	-
Dividends	-	-	-	-	-	-	-	-	(2,251,970)	(2,251,970)
Currency translation differences	-	-	-	-	-	(3,328)	-	(3,328)	-	(3,328)
Employee share option scheme: —Value of employee service (note 30)	-	-	-	3,000	-	-	-	3,000	-	3,000
Balance at December 31, 2012	(149,801)	2,022,292	29,801	3,000	-	(3,328)	-	1,901,964	16,306,430	18,208,394
Representing:										
2012 proposed final dividend									2,527,303	
Others									13,779,127	
									16,306,430	
Balance at January 1, 2013	**(149,801)**	**2,022,292**	**29,801**	**3,000**	**-**	**(3,328)**	**-**	**1,901,964**	**16,306,430**	**18,208,394**
Profit for the year	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**8,514,104**	**8,514,104**
Transfer to statutory reserves	**-**	**749,706**	**-**	**-**	**-**	**-**	**-**	**749,706**	**(749,706)**	**-**
Effect of redemption of convertible bond upon maturity	**-**	**-**	**(29,801)**	**-**	**-**	**-**	**-**	**(29,801)**	**29,801**	**-**
Dividends	**-**	**-**	**-**		**-**	**-**		**-**	**(2,510,111)**	**(2,510,111)**
Currency translation differences	**-**	**-**	**-**	**-**	**-**	**(43,806)**	**-**	**(43,806)**	**-**	**(43,806)**
Employee share option scheme: —Value of employee service (note 30)	**-**	**-**	**-**	**15,167**	**-**	**-**	**-**	**15,167**	**-**	**15,167**
Changes in ownership interests in subsidiaries without change of control (note 39)	**-**	**-**	**-**	**-**	**-**	**-**	**(405,476)**	**(405,476)**	**-**	**(405,476)**
Change in value of available-for-sale financial assets	**-**	**-**	**-**	**-**	**6,329**	**-**	**-**	**6,329**	**-**	**6,329**
Balance at December 31, 2013	**(149,801)**	**2,771,998**	**-**	**18,167**	**6,329**	**(47,134)**	**(405,476)**	**2,194,083**	**21,590,518**	**23,784,601**
Representing:										
2013 proposed final dividend									**3,105,759**	
Others									**18,484,759**	
									21,590,518	

				Company
	Conversion option reserve	Share option reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2012	29,801	-	2,409,275	2,439,076
Profit for the year (note 35)	-	-	2,713,605	2,713,605
Dividend	-	-	(2,251,970)	(2,251,970)
Employee share option scheme:				
—Value of employee service (note 21)	-	3,000	-	3,000
Balance at December 31, 2012	29,801	3,000	2,870,910	2,903,711
Representing:				
2012 proposed final dividend			2,527,303	
Others			343,607	
			2,870,910	
Balance at January 1, 2013	**29,801**	**3,000**	**2,870,910**	**2,903,711**
Profit for the year (note 35)	**-**	**-**	**2,815,341**	**2,815,341**
Dividend	**-**	**-**	**(2,510,111)**	**(2,510,111)**
Employee share option scheme:				
—Value of employee service (note 30)	**-**	**15,167**	**-**	**15,167**
Effect of redemption of convertible bond upon maturity	**(29,801)**	**-**	**29,801**	**-**
Balance at December 31, 2013	**-**	**18,167**	**3,205,941**	**3,224,108**
Representing:				
2013 proposed final dividend			**3,105,759**	
Others			**100,182**	
			3,205,941	

Notes:

(a) Merger reserve of the Group represents the difference between the share capital of subsidiaries, acquired pursuant to a group reorganisation undertaken for the listing of Company on the main board of the Stock Exchange in 2007, over the nominal value of shares of the Company issued in exchange thereof.

(b) Pursuant to the relevant rules and regulations governing foreign investment enterprise established in the PRC and the articles of association of certain PRC subsidiaries of the Group, the subsidiaries are required to transfer certain portion of their profit after taxation to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital.

23 Senior notes

The Group has issued the following senior notes:

(i) On September 10, 2009, the Company issued senior notes in an aggregate principal amount of USD300,000,000. On September 23, 2009, the Company made an additional issue of senior notes in an aggregated principal amount of USD75,000,000 (collectively the "2014 Notes"). The 2014 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2014 Notes carry interest at the rate of 11.75% per annum, payable semi-annually on March 10, and September 10, in arrears, and will mature on September 10, 2014, unless redeemed earlier. The 2014 Notes is therefore classified as a current liability as at December 31, 2013.

(ii) On April 22, 2010, the Company issued senior notes in an aggregate principal amount of USD550,000,000 (the "2017 Notes"). The 2017 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2017 Notes carry interest at the rate of 11.25% per annum, payable semi-annually on April 22, and October 22, in arrears, and will mature on April 22, 2017, unless redeemed earlier.

(iii) On August 11, 2010, the Company issued senior notes in an aggregate principal amount of USD400,000,000 (the "2015 Notes"). The 2015 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2015 Notes carry interest at the rate of 10.50% per annum, payable semi-annually on August 11, and February 11, in arrears, and will mature on August 11, 2015, unless redeemed earlier.

(iv) On February 23, 2011, the Company issued senior notes in an aggregate principal amount of USD900,000,000 (the "2018 Notes"). The 2018 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2018 Notes carry interest at the rate of 11.125% per annum, payable semi-annually on February 23, and August 23, in arrears, and will mature on February 23, 2018, unless redeemed earlier.

(v) On January 10, 2013, the Company issued senior notes in an aggregate principal amount of USD750,000,000 (the "2023 Notes"). The 2023 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2023 Notes carry interest at the rate of 7.5% per annum, payable semi-annually on January 10, and July 10, in arrears, and will mature on January 10, 2023, unless redeemed earlier.

(vi) On October 4, 2013, the Company issued senior notes in an aggregate principal amount of USD750,000,000 (the "2021 Notes"). The 2021 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2021 Notes carry interest at the rate of 7.25% per annum, payable semi-annually on October 4, and April 4, in arrears, and will mature on April 4, 2021, unless redeemed earlier.

The Company has options to redeem the above senior notes in whole or in part prior to their maturity at the redemption price as defined in the indenture agreements of these senior notes.

All senior notes contain a liability component and the early redemption options:

(i) Liability component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the year is calculated by applying an effective interest rate of approximately 12.11%, 11.81%, 11.23%, 11.69%, 7.72% and 7.64% per annum to the liability component of the 2014 Notes, 2017 Notes, 2015 Notes, 2018 Notes, 2023 Notes and 2021 Notes respectively.

(ii) Early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors consider that the fair value of the above early redemption options was insignificant on initial recognition and at December 31, 2013 and 2012.

The senior notes recognised in the balance sheet were calculated as follows:

	Group and Company	
	2013	**2012**
	RMB'000	**RMB'000**
Included in non-current liabilities:		
As at January 1	**14,213,224**	14,204,447
Additions	**9,136,339**	-
Exchange gain	**(593,909)**	(31,276)
Interest expenses (note 31)	**2,015,289**	1,606,744
Coupon paid	**(1,711,398)**	(1,566,691)
	23,059,545	14,213,224
Less: current portion	**(2,348,003)**	-
As at December 31	**20,711,542**	14,213,224
Included in current liabilities:		
Current portion	**2,348,003**	-
As at December 31	**2,348,003**	-

The fair value of the senior notes at December 31, 2013 was RMB23,943,435,000 (2012: RMB15,968,438,000). The fair value is calculated using the market price of the senior notes on the balance sheet date. The fair value measurement of the senior notes is categorised within the level 1 of fair value hierarchy.

At December 31, 2013, the aggregate amount of senior notes that were wholly repayable within 5 years and after 5 years was RMB13,835,922,000 (2012: RMB8,458,287,000) and RMB9,223,623,000 (2012: RMB5,754,937,000), respectively.

24 Convertible bond

In 2008, the Company issued a RMB denominated USD settled 2.5% convertible bond (the "Bond") due 2013, of an initial principal amount of USD600 million (equivalent to approximately RMB4,314 million). The Bond was listed on the Singapore Exchange Securities Trading Limited. At the option of bond holders, the aggregate amount of RMB4,314 million would be convertible into fully paid shares with a par value of HKD0.1 each of the Company.

The Bond matured in five years (February 2013) from the issue date at 121.306% of the nominal value or could be converted into ordinary shares of the Company on or after April 3, 2009 at contracted price (the initial conversion price is HKD9.05 per share) at a fixed exchange rate of RMB0.922 to HKD1.

As of December 31, 2012, the Company had redeemed and repurchased the principal of the Bond totaling approximately USD449 million.

In February 2013, the Bond matured and was redeemed in whole at an aggregate amount of USD152,405,000 (equivalent to approximately RMB957,163,000), including principal amount of USD150,850,000 and interest amount of USD1,555,000. The carrying amount of the conversion option reserve was transferred to retained earnings as a result of the redemption upon maturity.

The Bond recognised in the balance sheet was calculated as follows:

	Group and Company	
	2013	2012
	RMB'000	RMB'000
Liability component as at January 1	**943,866**	884,128
Interest expenses (note 31)	**13,297**	79,264
Principal and coupon paid	**(957,163)**	(19,526)
Liability component as at December 31	**-**	943,866

Interest expenses on the liability component of the Bond were calculated using the effective interest method, applying the effective interest rate of 9.24% per annum to the liability component.

25 Bank and other borrowings

	Group		Company	
	2013	2012	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000
Bank and other borrowings included in non-current liabilities:				
—secured	**24,713,828**	16,994,036	**-**	-
—unsecured	**6,485,764**	3,444,105	**2,396,564**	1,222,475
Less: current portion of non-current bank and other borrowings	**(8,096,586)**	(6,834,854)	**(745,041)**	(328,720)
	23,103,006	13,603,287	**1,651,523**	893,755
Bank and other borrowings included in current liabilities:				
—secured	**200,579**	438,127	**-**	-
—unsecured	**1,789,062**	879,302	**401,116**	251,430
Current portion of non-current bank and other borrowings	**8,096,586**	6,834,854	**745,041**	328,720
	10,086,227	8,152,283	**1,146,157**	580,150

The Group's borrowings of RMB24,304,407,000 as at December 31, 2013 (2012: RMB16,522,365,000), were jointly secured by certain properties, land use rights and equipment of the Group (notes 6, 7, 9 and 10) with total carrying values of RMB15,234,825,000 as at December 31, 2013 (2012: RMB21,864,343,000). The Group's borrowings of RMB610,000,000 as at December 31, 2013 (2012: RMB568,800,000) were guaranteed by the Company and secured by the Group's equity interest in certain subsidiaries. The Group's remaining secured borrowings of nil (2012: RMB340,998,000) were secured by certain bank deposits of the Group (note 18).

Other borrowings represent RMB301,748,000 (2012: nil) of borrowings under a financing arrangement entered into by the Group with a third-party financing company in the form of a sale and leaseback transaction with a repurchase option. The subject sold and leased back under the financing arrangement is an equipment of the Group. As the repurchase price is set at RMB1 which is minimal compared to the expected fair value and the Group is certain that it will exercise the repurchase option, the above financing arrangement is accounted for as collateralised borrowings of the Group.

The exposure of the Group's and Company's bank and other borrowings to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

	Group		Company	
	6 months or less	**6-12 months**	**6 months or less**	**6-12 months**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Borrowings included in non-current liabilities:				
At December 31, 2013	**22,801,258**	**301,748**	**1,651,523**	**-**
At December 31, 2012	13,603,287	-	893,755	-
Borrowings included in current liabilities:				
At December 31, 2013	**10,086,227**	**-**	**1,146,157**	**-**
At December 31, 2012	8,152,283	-	580,150	-

At December 31, 2013, the Group's borrowings included in non-current liabilities were repayable as follows:

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Between 1 and 2 years	**10,656,172**	5,320,196	**1,041,792**	745,041
Between 2 and 5 years	**11,776,548**	7,774,257	**609,731**	148,714
Over 5 years	**670,286**	508,834	**-**	-
	23,103,006	13,603,287	**1,651,523**	893,755

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Wholly repayable within 5 years	**21,452,508**	12,633,287	**1,651,523**	893,755
Wholly repayable after 5 years	**1,650,498**	970,000	**-**	-
	23,103,006	13,603,287	**1,651,523**	893,755

The weighted average effective interest rates as at December 31, were as follows:

	Group		Company	
	2013	**2012**	**2013**	**2012**
—Bank and other borrowings	**7.34%**	8.18%	**4.19%**	3.19%

The carrying amounts of the borrowings approximate their fair values.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group		Company	
	2013	2012	**2013**	2012
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
RMB	**29,146,093**	20,281,665	**-**	-
HKD	**1,077,094**	162,160	**1,077,094**	162,160
USD	**1,720,586**	1,311,745	**1,720,586**	1,311,745
RM	**1,245,460**	-	**-**	-
	33,189,233	21,755,570	**2,797,680**	1,473,905

26 Deferred income tax—Group

The analysis of deferred tax assets and liabilities is as follows:

	2013	**2012**
	RMB'000	**RMB'000**
Deferred income tax assets:		
—to be realised after more than 12 months	**1,186,838**	950,080
—to be realised within 12 months	**613,184**	499,247
	1,800,022	1,449,327
Deferred income tax liabilities:		
—to be settled after more than 12 months	**(1,269,910)**	(924,381)
	530,112	524,946

The net movement on the deferred income tax account is as follows:

	2013	**2012**
	RMB'000	**RMB'000**
Beginning of the year	**524,946**	514,134
Acquisition of subsidiaries (note 40)	**(93,489)**	-
Recognised in profit or loss (note 32)	**98,655**	10,812
End of the year	**530,112**	524,946

Movement in deferred tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets:

	Impairment of assets	Recognition of expenses	Elimination of unrealised profits	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2012	536	92,262	688,695	517,804	1,299,297
Credited/(Charged) to profit or loss	-	42,169	141,484	(33,623)	150,030
At December 31, 2012	536	134,431	830,179	484,181	1,449,327
At January 1, 2013	**536**	**134,431**	**830,179**	**484,181**	**1,449,327**
(Charged)/credited to profit or loss	**(536)**	**(106,317)**	**241,731**	**215,817**	**350,695**
At December 31, 2013	**-**	**28,114**	**1,071,910**	**699,998**	**1,800,022**

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets as at December 31, 2013 of RMB10,620,000 (2012: RMB19,370,000) in respect of accumulated tax losses amounting to RMB42,481,000 as at December 31, 2013 (2012: RMB77,479,000). Accumulated tax losses of not recognised deferred tax asset amounting to RMB6,962,000, RMB3,089,000, RMB12,629,000, RMB17,427,000 and RMB2,374,000 as at December 31, 2013 will expire in 2014, 2015, 2016, 2017 and 2018 respectively.

Deferred income tax liabilities:

	Fair value gain on assets acquired	Recognition of construction contract revenue and contract costs	Withholding tax on profit to be distributed in future	Total
	RMB'000	RMB'000	RMB'000 (note)	RMB'000
At January 1, 2012	(38,686)	(269,510)	(476,967)	(785,163)
Credited/(charged) to profit or loss	5,678	(243,530)	98,634	(139,218)
At December 31, 2012	(33,008)	(513,040)	(378,333)	(924,381)
At January 1, 2013	**(33,008)**	**(513,040)**	**(378,333)**	**(924,381)**
Acquisition of subsidiaries (note 40)	**(93,489)**	**-**	**-**	**(93,489)**
Credited/(Charged) to profit or loss	**6,225**	**(237,052)**	**(21,213)**	**(252,040)**
At December 31, 2013	**(120,272)**	**(750,092)**	**(399,546)**	**(1,269,910)**

Note:

As at December 31, 2013, the retained earnings of the Group's PRC subsidiaries not yet remitted to holding companies incorporated outside of the PRC, for which no deferred income tax liability had been provided, were approximately RMB17,266,308,000 (2012: RMB12,228,683,000). Such earnings are expected to be retained by the PRC subsidiaries for reinvestment purposes and would not be remitted to a foreign investor in the foreseeable future based on management's estimation of overseas funding requirements.

27 Trade and other payables—Group

	2013	2012
	RMB'000	RMB'000
Trade payables (note)	**18,045,410**	11,653,984
Other payables—third parties	**9,153,619**	4,215,960
Other taxes payable	**1,663,780**	1,175,651
Salaries payable	**1,534,448**	1,155,116
Accrued expenses	**517,363**	829,587
	30,914,620	19,030,298

The carrying amounts of trade and other payables approximate their fair values.

Note:

The ageing analysis of trade payables was as follows:

	2013	2012
	RMB'000	RMB'000
Within 90 days	**16,696,591**	10,965,229
Over 90 days and within 180 days	**745,092**	332,990
Over 180 days and within 365 days	**309,170**	231,832
Over 365 days	**294,557**	123,933
	18,045,410	11,653,984

28 Other gains—net

	2013	2012
	RMB'000	RMB'000
Rental income	**42,854**	29,710
Forfeiture of desposits received from customers	**15,324**	26,838
Refund of land usage tax	**3,914**	25,050
(Loss)/gain on disposal of property, plant and equipment	**(539)**	1,352
Others	**2,781**	20,343
	64,334	103,293

29 Expenses by nature

	2013	2012
	RMB'000	**RMB'000**
Auditor's remuneration	**6,900**	6,500
Advertising costs	**1,915,429**	1,273,470
Amortisation of intangible assets (note 8)	**16,931**	6,054
Business taxes and other levies (note below)	**4,004,793**	2,656,101
Costs of completed properties sold	**38,994,824**	23,412,588
Donations	**125,966**	80,868
Depreciation (notes 6 and 7)	**446,457**	357,164
Employee benefit expenses	**3,243,706**	1,798,835
Land use rights amortisation (note 9)	**56,918**	38,170
Surveillance charges	**35,388**	19,355
Rental expenses	**132,325**	49,659
Others	**1,070,719**	607,053
Total cost of sales, selling and marketing costs and administrative expenses	**50,050,356**	30,305,817

Note:

Business tax

The PRC subsidiaries of the Group are subject to business taxes on their revenues at the following rates:

Category	**Rate**
Sale of properties	5%
Property construction, fitting and decoration	3%
Property management	5%
Hotel service	5%

30 Employee benefit expenses (including directors' and chief executive's emoluments)

	2013	2012
	RMB'000	**RMB'000**
Wages and salaries	**6,194,189**	4,009,043
Contributions to pension plans (note a)	**42,111**	27,490
Staff welfare	**96,257**	62,837
Medical benefits	**84,225**	54,982
Share-based compensation expenses	**15,167**	3,000
Other allowances and benefits	**24,063**	15,709
	6,456,012	4,173,061
Less: captured in properties under development	**(3,212,306)**	(2,374,226)
	3,243,706	1,798,835

(a) Contributions to pension plans

Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

(b) Directors' and chief executive's emoluments

The remuneration of every director and chief executive for the year ended December 31, 2013 is set out below:

Name of director	Fees	Salary	Discretionary bonuses	Share-based compensation expenses	Employer's contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Mr. Yeung Kwok Keung	-	3,500	-	-	13	3,513
Ms. Yang Huiyan	-	1,700	-	-	33	1,733
Mr. Mo Bin**	-	2,500	-	-	45	2,545
Mr. Zhu Rongbin (appointed on May 29, 2013)	-	1,400	-	-	17	1,417
Ms. Yang Ziying	-	1,300	-	-	24	1,324
Mr. Yang Erzhu	-	2,000	-	-	24	2,024
Mr. Su Rubo	-	2,000	-	-	37	2,037
Mr. SU Baiyuan (appointed on December 13, 2013)	-	167	-	-	-	167
Mr. Ou Xueming	-	1,800	165	729	24	2,718
Mr. Yang Zhicheng	-	1,700	-	1,141	9	2,850
Mr. Yang Yongchao	-	1,900	-	-	54	1,954
Mr. Xie Shutai (appointed on May 29, 2013)	-	992	2,673	-	37	3,702
Mr. Song Jun (appointed on May 29, 2013)	-	992	2,526	-	37	3,555
Mr. Liang Guokun (appointed on May 29, 2013)	-	992	3,213	-	18	4,223
Mr. Lai Ming, Joseph*	318	-	-	-	-	318
Mr. Shek Lai Him, Abraham*	318	-	-	-	-	318
Mr. Tong Wui Tung, Ronald*	318	-	-	-	-	318
Mr. Huang Hongyan*	215	-	-	-	-	215
Ms. Huang Xiao*	215	-	-	-	-	215
Mr. Liu Hongyu* (appointed on December 13, 2013)	140	-	-	-	-	140
Mr. Mei Wenjue* (appointed on December 13, 2013)	140	-	-	-	-	140
	1,664	22,943	8,577	1,870	372	35,426

* Independent non-executive directors.

** Chief executive of the Company.

The remuneration of each director and chief executive of the Company for the year ended December 31, 2012 is set out as below:

Name of director	Fees	Salary	Discretionary bonuses	Share-based Compensation expenses	Employer's contribution to pension scheme	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Mr. Yeung Kwok Keung	-	3,500	-	-	33	3,533
Ms. Yang Huiyan	-	1,700	-	-	51	1,751
Mr. Mo Bin**	-	2,500	-	-	54	2,554
Ms. Yang Ziying	-	1,300	-	-	43	1,343
Mr. Yang Erzhu	-	2,000	-	-	41	2,041
Mr. Su Rubo	-	2,027	-	-	53	2,080
Mr. Zhang Yaoyuan	-	1,900	-	-	41	1,941
Mr. Ou Xueming	-	1,800	-	-	41	1,841
Mr. Yang Zhicheng	-	1,700	-	-	29	1,729
Mr. Yang Yongchao	-	1,900	-	-	64	1,964
Mr. Lai Ming, Joseph*	300	-	-	1,000	-	1,300
Mr. Shek Lai Him, Abraham*	300	-	-	1,000	-	1,300
Mr. Tong Wui Tung, Ronald*	300	-	-	1,000	-	1,300
Mr. Huang Hongyan* (appointed on December 20, 2012)	5	-	-	-	-	5
Ms. Huang Xiao* (appointed on December 20, 2012)	5	-	-	-	-	5
	910	20,327	-	3,000	450	24,687

* Independent non-executive directors.

** Chief executive of the Company.

During 2013 and 2012, no directors received any emoluments from the Group as an inducement to join or leave the Group or compensation for loss of office; no directors waived or have agreed to waive any emoluments.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year including three (2012: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2012: two) individuals during the year are as follows:

	2013	2012
	RMB'000	RMB'000
Salaries and other benefits	**9,149**	8,096
Contributions to pension plans	**419**	460
	9,568	8,556

The emoluments fell within the following bands:

	Number of individuals	
	2013	2012
HKD4,500,001 to HKD5,000,000	**-**	1
HKD5,000,001 to HKD5,500,000	**1**	-
HKD5,500,001 to HKD6,000,000	**-**	1
HKD6,500,001 to HKD7,000,000	**1**	-

31 Finance income/(costs)—net

	2013	2012
	RMB'000	RMB'000
Finance income:		
—Interest income on short-term bank deposits	**290,708**	132,382
—Net foreign exchange gains on financing activities	**512,541**	20,895
	803,249	153,277
Interest expenses:		
—Senior notes wholly repayable within 5 years	**(1,590,347)**	(967,292)
—Senior notes wholly repayable after 5 years	**(424,942)**	(639,452)
—The Bond wholly repayable within 5 years (note 24)	**(13,297)**	(79,264)
—Bank and other borrowings wholly repayable within 5 years	**(2,005,232)**	(1,363,009)
—Bank and other borrowings wholly repayable after 5 years	**(85,655)**	(48,065)
	(4,119,473)	(3,097,082)
Less: capitalised on qualifying assets	**4,119,473**	2,817,362
Finance costs	**-**	(279,720)
Finance income/(costs)—net	**803,249**	(126,443)

32 Income tax expenses

	2013	2012
	RMB'000	RMB'000
Current income tax		
—PRC corporate income tax	**3,089,030**	2,406,924
—Hong Kong profits tax (note (a))	**-**	-
—Land appreciation tax (note (b))	**1,634,798**	2,261,239
	4,723,828	4,668,163
Deferred income tax (note 26)		
—PRC corporate income tax	**(119,868)**	87,822
—Withholding income tax on profit to be distributed in future (note (c))	**21,213**	(98,634)
	(98,655)	(10,812)
	4,625,173	4,657,351

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the group companies as follows:

	2013	2012
	RMB'000	RMB'000
Profit before income tax	**13,473,153**	11,541,913
Tax calculated at PRC corporate income tax rate of 25% (2012: 25%)	**3,368,288**	2,885,478
Land appreciation tax deductible for calculation of income tax purpose	**(408,700)**	(565,310)
Utilisation of tax losses not recognised as deferred income tax assets	**(8,750)**	-
Tax losses not recognised as deferred income tax assets	**-**	540
Income not subject to tax	**(138,789)**	(24,466)
Expenses not deductible for tax	**157,113**	198,504
	2,969,162	2,494,746
Withholding income tax on profit to be distributed in future (note (c))	**21,213**	(98,634)
Land appreciation tax	**1,634,798**	2,261,239
Income tax expenses	**4,625,173**	4,657,351

Notes:

(a) No Hong Kong profits tax was provided for the year as the Group did not have any assessable profit in Hong Kong (2012: nil).

(b) PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.

(c) According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after January 1, 2008 are generally subject to a 10% withholding income tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding income tax rate will be reduced from 10% to 5%.

Withholding income tax is provided on the dividends to be distributed by the PRC subsidiaries of the Group. The relevant group companies have successfully obtained endorsement from various PRC tax bureaus to enjoy the treaty benefit of 5% corporate income tax rate on dividends received from the PRC subsidiaries of the Group. Accordingly, withholding income tax has been provided at 5% of the dividends to be distributed by the PRC subsidiaries of the Group.

33 Dividends

	2013	2012
	RMB'000	RMB'000
Proposed final dividend of RMB16.83 cents per share (2012: RMB13.86 cents) (note)	**3,105,759**	2,527,303

Note:

The 2012 final dividend was satisfied in the form of shares or cash dividend as a result of the scrip dividend scheme (note 20(c)). As a result of the above scrip dividend scheme, 227,874,023 new shares were issued at a price of HKD4.42 per share in June 2013 totalling RMB800,264,000, and dividend totaling RMB1,709,847,000 (RMB13.86 cents per ordinary share) was paid in cash in June 2013. The directors recommend the payment of a 2013 final dividend of RMB16.83 cents per share, totaling RMB3,105,759,000. Such dividend is to be approved by the shareholders at the forthcoming annual general meeting. These financial statements do not reflect this dividend payable.

34 Cash generated from operations

	2013	2012
	RMB'000	RMB'000
Profit for the year	**8,847,980**	6,884,562
Adjustments for:		
Income tax expenses (note 32)	**4,625,173**	4,657,351
Interest income (note 31)	**(290,708)**	(132,382)
Interest expenses (note 31)	**-**	279,720
Net foreign exchange gains (note 31)	**(512,541)**	(20,895)
Depreciation (notes 6 and 7)	**516,920**	382,647
Amortisation of land use rights (note 9)	**56,918**	38,170
Amortisation of intangible assets (note 8)	**16,931**	6,054
Loss/(gain) on disposal of property, plant and equipment (note 28)	**539**	(1,352)
Share of results of an associate and a joint venture (notes 11 and 13)	**25,949**	93,689
Fair value changes on derivative financial instruments	**-**	(73,585)
Share-based compensation expense (note 30)	**15,167**	3,000
	13,302,328	12,116,979
Changes in working capital (excluding the effects of acquisition of subsidiaries and currency exchange differences on consolidation):		
Property under development and completed properties held for sale	**(40,195,415)**	(14,182,358)
Inventories	**(225,349)**	(98,719)
Restricted cash	**(2,718,935)**	(1,977,143)
Trade and other receivables	**(8,554,589)**	(4,629,917)
Prepaid taxes	**(1,258,275)**	(304,338)
Trade and other payables	**12,408,336**	7,581,775
Advanced proceeds received from customers	**30,064,307**	5,488,634
Cash generated from operations	**2,822,408**	3,994,913

In the statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	2013	2012
	RMB'000	RMB'000
Net book amount (note 6)	**28,186**	8,937
(Loss)/gain on disposals	**(539)**	1,352
Proceeds	**27,647**	10,289

Non-cash transactions

The principal non-cash transactions in 2013 and 2012 represented the issue of shares to satisfy dividend pursuant to the scrip dividend scheme as disclosed in note 20.

35 Profit attributable to owners of the company

The profit attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of RMB2,815,341,000 (2012: RMB2,713,605,000).

36 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares (note 20).

	2013	2012
Profit attributable to owners of the Company (RMB'000)	**8,514,104**	6,852,651
Weighted average number of ordinary shares in issue (thousands)	**18,252,660**	18,006,527
Earnings per share—Basic (RMB cents per share)	**46.65**	38.06

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible bond and share options. The Bond is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expenses charged to profit or loss. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2013	2012
Profit attributable to owners of the Company (RMB'000)	**8,514,104**	6,852,651
Interest expense on the Bond (RMB'000)	**-**	18,639
Profit used to determine diluted earnings per share (RMB'000)	**8,514,104**	6,871,290
Weighted average number of ordinary shares in issue (thousands)	**18,252,660**	18,006,527
Adjustments—conversion of the Bond (thousands)	**13,591**	93,599
Adjustments—share options (thousands)	**581**	-
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**18,266,832**	18,100,126
Earnings per share—Diluted (RMB cents per share)	**46.61**	37.96

37 Contingencies

The Group had the following contingent liabilities:

	2013	2012
	RMB'000	**RMB'000**
Guarantees in respect of mortgage facilities for certain purchasers (note (a))	**31,443,651**	17,776,087
Guarantee to an associate and a joint venture in respect of borrowings (note (b))	**1,184,209**	1,705,491
	32,627,860	19,481,578

Note:

(a) It represented the guarantees in respect of 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 principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. As at December 31, 2013, the amount of RMB85,087,000 (2012: RMB72,222,000) was to be discharged two years from the day the mortgaged loans become due; and RMB31,358,564,000 (2012: RMB17,703,865,000) was to be discharged upon the earlier of (i) issuance of the real estate ownership certificate which are generally available within three months after the purchasers take possession of the relevant properties; and (ii) the satisfaction of mortgaged loans by the purchasers of properties.

The directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty (see note 4(b)) and therefore no provision has been made in the financial statements for the guarantees.

(b) This represents the maximum exposure of the guarantee provided for Li He and Zhongshan Yahong for their borrowings.

38 Commitments—Group

(a) Commitments for capital and property development expenditures

	2013	2012
	RMB'000	**RMB'000**
Contracted but not provided for:		
—Property, plant and equipment	**9,131**	12,425
—Property development expenditure (including land premium)	**49,047,432**	25,471,728
	49,056,563	25,484,153

(b) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases in respect of buildings are as follows:

	2013	2012
	RMB'000	**RMB'000**
Not later than one year	**22,640**	7,648
Later than one year and not later than five years	**20,046**	14,702
Later than five years	**21,516**	21,154
	64,202	43,504

(c) Operating lease rentals receivable

The future aggregate minimum lease rentals receivable under non-cancellable operating leases in respect of buildings are as follows:

	2013	2012
	RMB'000	RMB'000
Not later than one year	**70,907**	53,794
Later than one year and not later than five years	**290,463**	213,210
Later than five years	**52,456**	43,972
	413,826	310,976

39 Transactions with non-controlling interest

On October 28, 2013, the Group acquired the entire remaining 49% equity interest of a subsidiary, Qingyuan Country Garden Xinya Property Development Company Limited ("Qingyuan Xinya"), at a consideration of RMB598,561,000. The carrying amount of the non-controlling interest in Qingyuan Xinya on the date of acquisition was RMB193,085,000. The Group recognised a decrease in non-controlling interest of RMB193,085,000 and a decrease in equity attributable to owners of the Company of RMB405,476,000. The effect of changes in the ownership interest of Qingyuan Xinya on the equity attributable to owners of the Company during the year is summarised as follows:

	December 31, 2013
	RMB'000
Carrying amount of non-controlling interest acquired	**193,085**
Consideration paid and payable	**(598,561)**
Excess of consideration over the carrying amount of non-controlling interests acquired	**(405,476)**

As of December 31, 2013, RMB247,000,000 of the above consideration has been settled, the remaining portion will be settled in 2014.

40 Business combinations

(a) Acquisition of 80% equity interest of Wuzhou Hefu Property Development Co., Ltd (Wuzhou Hefu)

On August 30, 2013, Taishan Country Garden Property Development Company Limited, an indirect wholly-owned subsidiary of the Company, acquire 80% of the equity interest of Wuzhou Hefu from Foshan Shunde Yayu Property Development Company Limited, a related party to the Group, at a consideration of RMB357,706,000.

Wuzhou Hefu's principal activities are property development and management in the PRC.

The following table summarises the consideration paid for Wuzhou Hefu, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

	RMB'000
Consideration:	
—Cash	**92,530**
—Liability assumed and settled	**265,176**
	357,706
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	**2,379**
Property, plant and equipment	**1,124**
Properties under development	**483,439**
Trade and other receivables	**21,286**
Trade and other payables	**(151)**
Deferred tax liabilities	**(60,945)**
Total identifiable net assets	**447,132**
Non-controlling interest	**(89,426)**
	357,706

The revenue and net loss after tax included in the consolidated statement of comprehensive income since August 30, 2013 contributed by Wuzhou Hefu was nil and RMB2,927,000 respectively.

Had Wuzhou Hefu been consolidated from January 1, 2013, the consolidated statement of comprehensive income would show pro-forma revenue and net loss of nil and RMB6,244,000 respectively.

(b) Acquisition of 39.5% equity interest of Yield Limited

On December 16, 2013, Country Garden (Hong Kong) Development Company Limited, an indirect wholly-owned subsidiary of the Company, acquire 39.5% of the equity interest of Yield Limited, from Easy Land Investment Limited, a third party to the Group, at a consideration of RMB50,000,000.

As the Group has the rights to variable returns from its involvement with Yield Limited and has the ability to affect those returns through its majority vote position in the board of directors of Yield Limited and the right to determine the budget, pricing and promotion strategies of the projects held by Yield Limited, the Group has control over Yield Limited and Yield Limited is thus accounted for as a subsidiary of the Group.

The following table summarises the consideration paid for Yield Limited, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

	RMB'000
Consideration:	
—Cash	**50,000**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	**392,164**
Property, plant and equipment	**1,759**
Properties under development and completed properties held for sale	**1,004,387**
Trade and other receivables	**676,870**
Bank borrowings	**(150,000)**
Trade and other payables	**(1,766,053)**
Deferred tax liabilities	**(32,544)**
Total identifiable net assets	**126,583**
Non-controlling interest	**(76,583)**
	50,000

The revenue and net profit after tax included in the consolidated statement of comprehensive income since December 16, 2013 contributed by Yield Limited was RMB739,159,000 and RMB31,025,000 respectively.

Had Yield Limited been consolidated from January 1, 2013, the consolidated statement of comprehensive income would show pro-forma revenue and net profit of RMB739,159,000 and RMB10,751,000 respectively.

The aggregate amount of the cash paid as considerations for the above two acquisitions net of the cash and cash equivalents acquired was RMB13,163,000.

41 Related party transactions

(a) Name and relationship with related parties

Ultimate controlling shareholders

Mr. Yang Erzhu, Ms. Yang Huiyan, Mr. Su Rubo, Mr. Zhang Yaoyuan and Mr. Ou Xueming.

Close family members of ultimate controlling shareholders

Mr. Yeung Kwok Keung, Mr. Zhang Chibiao, Ms. Zhang Yingyan, Mr. Yang Minsheng, Mr. Su Zhixian, Mr. Yang Zhicheng, Mr. Yang Zhigang, Ms. Yang Ziying, Ms. Ou Jieping, Ms. Ou Jieling and Mr. Wu Weizhong.

Controlled by ultimate controlling shareholders	
Guangdong Elite Architectural Co., Ltd.	廣東博意建築設計院有限公司
Qingyuan Country Garden Property Development Co., Ltd. ("Qingyuan Country Garden")	清遠碧桂園物業發展有限公司
Controlled by ultimate controlling shareholders and their close family members	
Foshan Shunde Jiangkou Water Plant Co., Ltd.	佛山市順德區江口自來水有限公司
Zengcheng Crystal Water Plant Co., Ltd.	增城市清源自來水廠有限公司
Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pipe")	廣東鴻業管樁有限公司
Guangdong Shenghui Electronics Holdings Limited ("Shenghui Electronics")*	廣東昇輝電子控股有限公司
Wanfang Construction Co., Ltd ("Wanfang Construction")	廣東萬方工程有限公司
Wanfang Stone Co., Ltd ("Wanfang Stone")	廣東萬方石業有限公司
Foshan Shunde Yayu Property Development Co., Ltd.	佛山市順德區雅宇房產開發有限公司
Associate	
Li He	廣州利合房地產開發有限公司
Joint venture	
Zhongshan Yahong	中山市雅鴻房地產開發有限公司

* Shenghui Electronics has ceased to be a related party to the Group since November 2013, after the change in its shareholders.

The English names of certain of the companies referred to above in this note represent management's best efforts at translating the Chinese names of these companies as no English names have been registered or available.

(b) Transactions with related parties

Saved as disclosed in other notes above, the Group had the following significant transactions with related parties during the year:

	2013	2012
	RMB'000	RMB'000
(i) Construction and decoration service income (note (i)):		
Controlled by ultimate controlling shareholders:		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**253,107**	93,137

	2013	2012
	RMB'000	RMB'000
(ii) Purchase of design service (note (ii)):		
Controlled by ultimate controlling shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**638,913**	395,891

	2013	2012
	RMB'000	RMB'000
(iii) Purchase of construction service and construction materials and water (note (iii)):		
Controlled by ultimate controlling shareholders and their close family members:		
廣東萬方工程有限公司 Wanfang Construction	**181,355**	-
佛山市順德區江口自來水有限公司 Foshan Shunde Jiangkou Water Plant Co., Ltd.	**3,486**	4,022
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	**6,298**	6,279
廣東鴻業管樁有限公司 Grand Pipe	**8,664**	11,283
廣東昇輝電子控股有限公司 Shenghui Electronics	**271,434**	91,536
廣東萬方石業有限公司 Wanfang Stone	**46,166**	-
	517,403	113,120

(i) Construction and decoration fees were charged in accordance with the terms of the underlying agreements.

(ii) Design service fees were charged in accordance with the terms of the underlying agreements.

(iii) Construction service and materials, and water charges were charged in accordance with the terms of the underlying agreements.

(c) Key management compensation

	Year ended December 31,	
	2013	2012
	RMB'000	RMB'000
Salaries and other short-term employee benefits	**35,410**	32,198
Retirement scheme contributions	**759**	963
Share-based compensation expenses	**1,870**	-
	38,039	33,161

(d) Balances with related parties

As at December 31, 2013 and 2012, the Group had the following significant balances with related parties:

	2013	2012
	RMB'000	RMB'000
(i) Balances due from related parties		
—included in amounts due from customers for contract work:		
Controlled by ultimate controlling shareholders:		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**700,197**	447,124
—included in other receivables and prepayments:		
Controlled by ultimate controlling shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**516,307**	519,826
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**64,061**	54,086
	580,368	573,912
Controlled by ultimate controlling shareholders and their close family members:		
廣東昇輝電子控股有限公司 Shenghui Electronics	**18,806**	621
Associate:		
廣州利合房地產開發有限公司 Li He	**2,039,745**	1,139,745
Joint venture:		
中山市雅鴻房地產開發有限公司 Zhongshan Yahong	**304,612**	254,560
	2,943,531	1,968,838

	2013	2012
	RMB'000	**RMB'000**
(ii) Balances due to related parties		
—included in trade payables:		
Controlled by ultimate controlling shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**235,463**	110,899
Controlled by ultimate controlling shareholders and their close family members:		
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	**958**	1,282
廣東鴻業管樁有限公司 Grand Pipe	**392**	448
廣東昇輝電子控股有限公司 Shenghui Electronics	**135,392**	51,758
廣東萬方石業有限公司 Wanfang Stone	**6,182**	-
廣東萬方工程有限公司 Wanfang Construction	**92,829**	-
	471,216	164,387

Balances due from/to related parties are unsecured, interest-free and to be settled according to the contract terms.

42 Particulars of principal subsidiaries

The following is a list of principal subsidiaries at December 31, 2013:

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Incorporated in the BVI, a limited liability company, operates in the PRC and directly held by the Company:					
Smart World Development Holdings Ltd	March 28, 2006	USD300	100%	-	Investment holding
Incorporated in Hong Kong, a limited liability company, operates in Hong Kong and indirectly held by the Company:					
Country Garden (Hong Kong) Development Company Limited	September 21, 2005	HKD1	100%	-	Investment holding
Yield Limited	January 19, 2004	RMB786	50%	50%	Property development
Incorporated in the BVI, all of which are limited liability companies and operate in the PRC and indirectly held by the Company:					
Estonia Development Ltd	March 21, 2006	USD200	100%	-	Investment holding
Falcon Investments Development Ltd	March 21, 2006	USD300	100%	-	Investment holding
United Gain Group Ltd	March 28, 2006	USD200	100%	-	Investment holding
Wise Fame Group Ltd	March 28, 2006	USD300	100%	-	Investment holding
Angel View International Limited	April 7, 2006	USD200	100%	-	Investment holding
Boavista Investments Limited	April 7, 2006	USD200	100%	-	Investment holding
Impreza Group Limited	April 7, 2006	USD300	100%	-	Investment holding
Infiniti Holdings Development Limited	April 7, 2006	USD300	100%	-	Investment holding
Bright Start Group Limited	July 19, 2011	USD1	100%	-	Investment holding
Pure Smart Enterprises Limited	July 19, 2011	USD1	100%	-	Investment holding
Top Favor Holding Limited	July 19, 2011	USD1	100%	-	Investment holding

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Golden Favor Investments Limited	July 19, 2011	USD1	100%	-	Investment holding
Power Great Entetprises Limited	December 10, 2007	USD1	100%	-	Investment holding
Great Favor Investments Limited	July 16, 2013	USD1	100%	-	Investment holding
Established and operate in the PRC, all of which are limited liability companies:					
Guangdong Giant Leap Construction Co., Ltd. ("Giant Leap Construction Co.") 廣東騰越建築工程有限公司	March 25, 1997	RMB900,000,000	100%	-	Construction
Foshan Shunde Country Garden Property Development Co., Ltd. 佛山市順德區碧桂園物業發展有限公司	April 2, 1997	RMB1,387,500,000	100%	-	Property development
Guangzhou Country Garden Property Development Co., Ltd. 廣州碧桂園物業發展有限公司	July 30, 1998	RMB506,000,000	100%	-	Property development
Foshan Shunde Finest Decoration & Design Enterprise 佛山市順德區雅駿裝飾設計工程有限公司	August 9, 1999	RMB300,000,000	100%	-	Decoration and design
Zengcheng Country Garden Property Development Co., Ltd. 增城市碧桂園物業發展有限公司	September 22, 2000	RMB1,448,200,000	100%	-	Property development
Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd. 廣州南沙經濟技術開發區碧桂園物業發展有限公司	August 2, 2001	RMB1,764,473,626	100%	-	Property development
Guangzhou Huadou Country Garden Property Development Co., Ltd. 廣州市花都碧桂園物業發展有限公司	January 24, 2002	RMB462,500,000	100%	-	Property development
Heshan Country Garden Property Development Co., Ltd. 鶴山市碧桂園物業發展有限公司	July 9, 2003	RMB963,000,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Changsha Venice Palace Property Development Co., Ltd. 長沙威尼斯城房地產開發有限公司	August 1, 2003	RMB233,000,000	100%	-	Property development
Jiangmen East Coast Country Garden Property Development Co., Ltd. 江門市東岸房地產發展有限公司	August 13, 2003	RMB650,000,000	100%	-	Property development
Jiangmen Xinhui Country Garden Phoenix Hotel Co., Ltd 江門新會碧桂園鳳凰酒店有限公司	August 13, 2003	RMB130,100,000	100%	-	Hotel Operation
Jiangmen Wuyi Country Garden Property Development Co., Ltd. 江門市五邑碧桂園房地產開發有限公司	September 28, 2003	RMB863,000,000	100%	-	Property development
Heshan Country Garden Phoenix City Hotel Co., Ltd. 鶴山市碧桂園鳳凰酒店有限公司	September 29, 2003	RMB116,300,000	100%	-	Hotel operation
Foshan Gaoming Country Garden Property Development Co., Ltd. 佛山市高明區碧桂園房地產開發有限公司	January 13, 2004	RMB1,162,500,000	100%	-	Property development
Zengcheng Country Garden Phoenix City Hotel Co., Ltd. 增城市碧桂園鳳凰城酒店有限公司	January 13, 2004	RMB500,700,000	100%	-	Hotel operation
Shenyang Hua Rui Real Estate Co., Ltd. 瀋陽華鋭置業有限公司	March 25, 2004	RMB580,000,000	100%	-	Property development
Qingyuan Country Garden Holiday Islands Hotel Co., Ltd. 清遠市碧桂園假日半島酒店有限公司	April 5, 2004	RMB131,300,000	100%	-	Hotel operation
Changsha Economic and Technological Development Area Venice Palace Hotel Co., Ltd. 長沙經濟技術開發區威尼斯酒店有限公司	December 6, 2004	RMB110,800,000	100%	-	Hotel operation
Foshan Nanhai Country Garden Property Development Co., Ltd. 佛山市南海區碧桂園房地產開發有限公司	December 24, 2004	RMB365,200,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Jiangmen Wuyi Country Garden Phoenix Hotel Co., Ltd. 江門市五邑碧桂園鳳凰酒店有限公司	January 14, 2005	RMB103,800,000	100%	-	Hotel operation
Yangjiang Country Garden Phoenix Hotel Co., Ltd. 陽江市碧桂園鳳凰酒店有限公司	February 2, 2005	RMB130,750,624	100%	-	Hotel operation
Yangdong Country Garden Property Development Co., Ltd. 陽東縣碧桂園房地產開發有限公司	February 2, 2005	RMB197,351,958	100%	-	Property development
Taishan Country Garden Property Development Co., Ltd. 台山市碧桂園房地產開發有限公司	March 21, 2005	RMB322,288,631	100%	-	Property development
Foshan Gaoming Country Garden Phoenix Hotel Co., Ltd. 佛山市高明區碧桂園鳳凰酒店有限公司	September 30, 2005	RMB163,100,000	100%	-	Hotel operation
Shaoguan Shunhong Property Development Co., Ltd. 韶關市順宏房地產開發有限公司	July 12, 2006	RMB747,800,000	100%	-	Property development
Manzhouli Country Garden Property Development Co., Ltd. 滿洲里碧桂園房地產開發有限公司	December 12, 2006	RMB357,900,000	100%	-	Property Development
Chaohu Country Garden Property Development Co., Ltd. 巢湖市碧桂園房地產開發有限公司	December 18, 2006	RMB1,115,200,000	100%	-	Property Development
Taizhou Country Garden Property Development Co., Ltd. 泰州市碧桂園房地產開發有限公司	January 5, 2007	RMB548,300,000	100%	-	Property development
Shenyang Country Garden Property Development Co., Ltd. 瀋陽市碧桂園房地產開發有限公司	January 11, 2007	RMB1,350,000,000	100%	-	Property development
Lechang Country Garden Property Development Co., Ltd. 樂昌市碧桂園房地產開發有限公司	February 15, 2007	RMB124,800,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd. 瀋陽渾南新城碧桂園房地產開發 有限公司	April 25, 2007	RMB1,540,000,000	100%	-	Property development
Shenyang Yidong Real Estate Co., Ltd 瀋陽伊東置業有限公司	April 25, 2007	RMB460,512,978	100%	-	Property development
Enping Country Garden Property Development Co., Ltd. 恩平市碧桂園房地產開發有限公司	April 28, 2007	RMB220,000,000	100%	-	Property development
Zhangjiajie Country Garden Property Development Co., Ltd. 張家界碧桂園置業有限公司	May 8, 2007	RMB330,000,000	100%	-	Property development
Anhui Hexian Country Garden Property Development Co., Ltd. 安徽和縣碧桂園房地產開發有限公司	May 15, 2007	RMB750,000,000	100%	-	Property development
Anhui Hexian Huarui Real Estate Co., Ltd 安徽和縣華瑞置業有限公司	May 15, 2007	RMB218,842,923	100%	-	Property development
Shenyang Shenbei Xincheng Yidong Real Estate Co., Ltd 瀋陽瀋北新城伊東置業有限公司	May 18, 2007	RMB750,000,000	100%	-	Property development
Tianjin Xinbi Investment Development Co., Ltd 天津新碧投資發展有限公司	May 25, 2007	RMB460,000,000	100%	-	Investment holding
Shaoguan Country Garden Property Development Co., Ltd. 韶關市碧桂園房地產開發有限公司	June 5, 2007	RMB750,000,000	100%	-	Property development
Changsha Ningxiang Country Garden Property Development Co., Ltd. 長沙市寧鄉碧桂園房地產開發有限公司	June 5, 2007	RMB230,000,000	100%	-	Property development
Anhui Zhongmiao Country Garden Property Development Co., Ltd. 安徽中廟碧桂園房地產開發有限公司	June 8, 2007	RMB420,000,000	100%	-	Property development
Anhui Hexian Country Garden Phoenix Hotel Co., Ltd 安徽和縣碧桂園鳳凰酒店有限公司	June 8, 2007	RMB200,000,000	100%	-	Hotel operation
Shanwei Country Garden Property Development Co., Ltd. 汕尾市碧桂園房地產開發有限公司	June 12, 2007	RMB100,000,000	100%	-	Property development
Zhaoqing Sihui Huaping Real Estate Co., Ltd 肇慶四會華平置業有限公司	June 21, 2007	RMB216,167,341	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Sihui Country Garden Property Development Co., Ltd. 四會市碧桂園房地產開發有限公司	June 22, 2007	RMB320,000,000	100%	-	Property development
Keyou Qianqi Country Garden Property Development Co., Ltd. 科右前旗碧桂園房地產開發有限公司	July 29, 2007	RMB180,000,000	100%	-	Property development
Chizhou Country Garden Property Development Co., Ltd. 池州市碧桂園房地產開發有限公司	July 30, 2007	RMB251,000,000	100%	-	Property development
Chongqing Country Garden Property Development Co., Ltd. 重慶市碧桂園房地產開發有限公司	August 3, 2007	RMB310,000,000	100%	-	Property development
Chongqing Country Garden Phoenix Hotel Co., Ltd 重慶市碧桂園鳳城酒店有限公司	August 3, 2007	RMB100,000,000	100%	-	Hotel operation
Xianning Country Garden Property Development Co., Ltd. 咸寧碧桂園房地產開發有限公司	August 8, 2007	RMB250,000,000	100%	-	Property development
Yiyang Country Garden Property Development Co., Ltd. 益陽市碧桂園房地產開發有限公司	August 10, 2007	RMB150,000,000	100%	-	Property development
Haicheng Country Garden Property Development Co., Ltd. 海城市碧桂園房地產開發有限公司	August 30, 2007	RMB350,000,000	100%	-	Property development
Lufeng Country Garden Property Development Co., Ltd. 陸豐碧桂園房地產開發有限公司	August 30, 2007	RMB100,000,000	100%	-	Property development
Maoming Country Garden Property Development Co., Ltd. 茂名市碧桂園房地產開發有限公司	August 31, 2007	RMB350,000,000	100%	-	Property development
Suizhou Country Garden Property Development Co., Ltd. 隨州碧桂園房地產開發有限公司	August 31, 2007	RMB580,000,000	100%	-	Property development
Yangshan Country Garden Property Development Co., Ltd. 陽山碧桂園房地產開發有限公司	September 5, 2007	RMB130,000,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Anqing Country Garden Property Development Co., Ltd. 安慶碧桂園房地產開發有限公司	September 27, 2007	RMB740,000,000	100%	-	Property development
Anqing Country Garden Phoenix Hotel Co., Ltd 安慶碧桂園鳳凰酒店有限公司	September 29, 2007	RMB150,000,000	100%	-	Hotel operation
Huangshan Country Garden Property Development Co., Ltd. 黃山碧桂園房地產開發有限公司	September 30, 2007	RMB180,000,000	100%	-	Property development
Shenyang Huiying Real Estate Co., Ltd 瀋陽匯盈置業有限公司	October 9, 2007	RMB358,416,054	100%	-	Property development
Shenyang Dedi Real Estate Co., Ltd 瀋陽德地置業有限公司	October 9, 2007	RMB369,851,683	100%	-	Property development
Tongliao Country Garden Property Development Co., Ltd. 通遼碧桂園房地產開發有限公司	October 15, 2007	RMB500,000,000	100%	-	Property development
Wuhu Country Garden Property Development Co., Ltd. 蕪湖晉智房地產開發有限公司	November 5, 2007	RMB800,000,000	100%	-	Property development
Liuyang Country Garden Property Development Co., Ltd. 瀏陽碧桂園房地產開發有限公司	December 4, 2007	RMB168,000,000	100%	-	Property development
Zhaoqing Country Garden Furniture Co., Ltd 肇慶市碧桂園現代家居有限公司	December 12, 2007	RMB210,376,103	100%	-	Manufacturing of furniture
Huidong Country Garden Property Development Co., Ltd. 惠東碧桂園房地產開發有限公司	January 23, 2008	RMB450,000,000	100%	-	Property development
Suihua Country Garden Property Development Co., Ltd. 綏化碧桂園房地產開發有限公司	July 17, 2008	RMB100,000,000	100%	-	Property development
Jingmen Country Garden Property Development Co., Ltd. 荊門碧桂園房地產開發有限公司	September 10, 2008	RMB130,000,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Tianjin Balizhou Country Garden Property Development Co., Ltd. 天津八里洲碧桂園房地產開發有限公司	September 25, 2008	RMB183,000,000	100%	-	Property development
Qingyuan Zhuoyue Hongjian Real Estate Investment Co., Ltd 清遠市卓越弘建置業投資有限公司	October 27, 2009	RMB130,000,000	100%	-	Property development
Shenyang Giant Leap Construction Co., Ltd 瀋陽騰越建築工程有限公司	December 10, 2009	RMB130,000,000	100%	-	Construction
Jiangmen Xinhui Country Garden Property Development Co., Ltd 江門市新會區碧桂園房地產開發有限公司	January 12, 2010	RMB180,000,000	100%	-	Property development
Maoming Shuidongwan Country Garden Property Development Co., Ltd 茂名市水東灣碧桂園房地產開發有限公司	January 20, 2010	RMB200,000,000	100%	-	Property development
Jiangmen Jianghai Country Garden Property Development Co., Ltd 江門市江海區碧桂園房地產開發有限公司	January 13, 2010	RMB120,000,000	100%	-	Property development
Wuhan Country Garden Lianfa Investment Co., Ltd 武漢碧桂園聯發投資有限公司	January 21, 2010	RMB200,000,000	52%	48%	Property development
Jurong Country Garden Property Development Co., Ltd 句容碧桂園房地產開發有限公司	August 12, 2010	RMB2,831,587,637	100%	-	Property development
Chuzhou Country Garden Property Development Co., Ltd 滁州碧桂園房地產開發有限公司	August 17, 2010	RMB250,000,000	100%	-	Property development
Haifeng Country Garden Property Development Co., Ltd 海豐碧桂園房地產開發有限公司	October 26, 2010	RMB105,000,000	100%	-	Property development
Heshan Zhishan Country Garden Property Development Co., Ltd 鶴山市址山碧桂園房地產開發有限公司	November 23, 2010	RMB250,000,000	80%	20%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Heyuan Country Garden Property Development Co., Ltd 河源市碧桂園房地產開發有限公司	December 7, 2010	RMB300,000,000	100%	-	Property development
Dongguan Country Garden Property Development Co., Ltd. 東莞市碧桂園房地產開發有限公司	September 25, 2010	RMB600,000,000	100%	-	Property development
Foshan Chancheng Country Garden Property Development Co., Ltd. 佛山市禪城區碧桂園房地產開發有限公司	November 13, 2010	RMB1,000,000,000	90%	10%	Property development
Shenyang Qipanshan Country Garden Property Development Co., Ltd. 瀋陽市棋盤山碧桂園房地產開發有限公司	September 28, 2010	RMB176,134,163	100%	-	Property development
Wuhan Eco-city Country Garden Investment Co., Ltd. 武漢生態城碧桂園投資有限公司	December 4, 2010	RMB500,000,000	55%	45%	Property development
Laian Country Garden Property Development Co., Ltd 來安碧桂園房地產開發有限公司	December 15, 2010	RMB450,000,000	100%	-	Property development
Foshan Shunde Xinbi Trading Co., Ltd. 佛山市順德區新碧貿易有限公司	January 16, 2010	RMB200,000,000	100%	-	Trading
Foshan Shunde Longjiang Country Garden Phoenix Hotel Co., Ltd 佛山市順德區龍江鎮碧桂園鳳凰酒店有限公司	November 11, 2010	RMB100,000,000	100%	-	Hotel operation
Qingyuan Holiday Islands Country Garden Property Development Co., Ltd. 清遠假日半島碧桂園置業發展有限公司	July 7, 2010	RMB120,000,000	100%	-	Property development
Hubei Lianzhi Country Garden Zishanhu Property Development Co., Ltd. 湖北聯置碧桂園梓山湖房地產開發有限公司	December 29, 2011	RMB500,000,000	51%	49%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Jiangmen Xinhui Daze Country Garden Property Development Co., Ltd. 江門市新會區大澤碧桂園房地產開發有限公司	December 2, 2011	RMB310,000,000	100%	-	Property development
Hubei Liantou Country Garden Investment Co., Ltd. 湖北聯投碧桂園投資有限公司	November 23, 2011	RMB141,630,000	51%	49%	Property development
Xiangtan Country Garden Property Development Co., Ltd. 湘潭碧桂園房地產開發有限公司	January 12, 2011	RMB200,000,000	100%	-	Property development
Meizhou Country Garden Property Development Co., Ltd 梅州市碧桂園房地產開發有限公司	January 4, 2011	RMB200,000,000	100%	-	Property development
Qingyuan Country Garden Xinya Property Development Co., Ltd 清遠碧桂園新亞房地產開發 有限公司	January 25, 2011	RMB300,000,000	100%	-	Property development
Wuxi Country Garden Property Development Co., Ltd 無錫市碧桂園房地產開發有限公司	January 14, 2011	RMB398,000,000	100%	-	Property development
Guangzhou Shilou Country Garden Property Development Co., Ltd 廣州市石樓碧桂園物業發展 有限公司	April 2, 2011	RMB350,000,000	100%	-	Property development
Hangzhou Country Garden Property Development Co., Ltd 杭州碧桂園房地產開發有限公司	April 1, 2011	RMB862,576,465	100%	-	Property development
Dongguan Dexia Country Garden Property Development Co., Ltd 東莞市德廈碧桂園房地產開發有限公司	April 13, 2011	RMB250,000,000	100%	-	Property development
Kaiping Country Garden Property Development Co., Ltd 開平市碧桂園房地產開發有限公司	June 9, 2011	RMB300,000,000	100%	-	Property development
Chenzhou Country Garden Property Development Co., Ltd 郴州碧桂園房地產開發有限公司	July 7, 2011	RMB190,000,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Hainan Wenchang Country Garden Property Development Co., Ltd 海南文昌碧桂園房地產開發有限公司	January 17, 1994	RMB100,000,000	100%	-	Property development
Zhangqiu Country Garden Phoenix Hotel Co., Ltd 章丘市碧桂園房地產開發有限公司	August 17, 2011	RMB100,000,000	100%	-	Property development
Chongqing Qianjiang Country Garden Property Development Co., Ltd 重慶市黔江碧桂園房地產開發有限公司	May 9, 2012	RMB180,000,000	100%	-	Property development
Jiaoling Country Garden Property Development Co., Ltd 蕉嶺碧桂園房地產開發有限公司	June 8, 2012	RMB120,000,000	100%	-	Property development
Hainan Lingao Country Garden Fangyuan Property Development Co., Ltd 海南臨高碧桂園方圓房地產開發有限公司	August 22, 2012	RMB408,163,300	51%	49%	Property development
Rudong Country Garden Property Development Co., Ltd 如東碧桂園房地產開發有限公司	September 7, 2012	RMB180,000,000	100%	-	Property development
Yixing Country Garden Property Development Co., Ltd 宜興市碧桂園房地產開發有限公司	September 25, 2012	RMB315,265,000	100%	-	Property development
Danyang Country Garden Property Development Co., Ltd 丹陽碧桂園房地產開發有限公司	October 23, 2012	RMB437,649,768	100%	-	Property development
Jingjiang Country Garden Property Development Co., Ltd 靖江市碧桂園房地產開發有限公司	January 30, 2013	RMB100,000,000	100%	-	Property development
Xuancheng Country Garden Property Development Co., Ltd 宣城碧桂園房地產開發有限公司	January 30, 2013	RMB150,000,000	100%	-	Property development
Rugao Country Garden Property Development Co., Ltd 如皋市碧桂園房地產開發有限公司	February 19, 2013	RMB150,000,000	100%	-	Property development
Yongchun Country Garden Property Development Co., Ltd 永春碧桂園房地產開發有限公司	February 21, 2013	RMB200,000,000	70%	30%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Lanzhou Country Garden Property Development Co., Ltd 蘭州碧桂園房地產開發有限公司	February 1, 2013	RMB450,000,000	100%	-	Property development
Yunfu Xijiang new city Country Garden Property Development Co., Ltd 雲浮市西江新城碧桂園房地產開發有限公司	April 1, 2013	RMB100,000,000	100%	-	Property development
Haiyang Honghui Property Development Co., Ltd 海陽鴻輝發展有限公司	March 19, 2010	RMB107,700,000	90%	10%	Property development
Guangzhou Anhua logistics Co., Ltd 廣州安華物流有限公司	August 13, 2003	RMB140,000,000	100%	-	Logistics
Heshan Gonghe Country Garden Property Development Co., Ltd 鶴山市共和碧桂園房地產開發有限公司	April 8, 2013	RMB260,000,000	100%	-	Property development
Quzhou Country Garden Property Development Co., Ltd 衢州碧桂園房地產開發有限公司	April 7, 2013	RMB200,000,000	100%	-	Property development
Guangyuan Country Garden Property Development Co., Ltd 廣元碧桂園投資有限公司	April 15, 2013	RMB200,000,000	100%	-	Property development
Gaozhou Country Garden Property Development Co., Ltd 高州市碧桂園房地產開發有限公司	April 15, 2013	RMB120,000,000	100%	-	Property development
Nanan Country Garden Property Development Co., Ltd 南安碧桂園房地產開發有限公司	June 5, 2013	RMB150,000,000	80%	20%	Property development
Zibo Country Garden Property Development Co., Ltd 淄博市碧桂園房地產開發有限公司	June 17, 2013	RMB100,000,000	100%	-	Property development
Pingxiang Country Garden Property Development Co., Ltd 萍鄉市碧桂園物業發展有限公司	July 3, 2013	RMB100,000,000	100%	-	Property development
Zhuji Country Garden Property Development Co., Ltd 諸暨碧桂園房地產開發有限公司	July 5, 2013	RMB100,000,000	100%	-	Property development
Chongqing Bishan Country Garden Property Development Co., Ltd 重慶市璧山碧桂園房地產開發有限公司	August 2, 2013	RMB300,000,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Lu'an Country Garden Property Development Co., Ltd 六安碧桂園房地產開發有限公司	August 6, 2013	RMB210,000,000	100%	-	Property development
Sanming Country Garden Property Development Co., Ltd 三明市碧桂園房地產開發有限公司	August 26, 2013	RMB100,000,000	100%	-	Property development
Nantong Country Garden Property Development Co., Ltd 南通市碧桂園房地產開發有限公司	September 4, 2013	RMB265,650,717	100%	-	Property development
Cixi Country Garden Property Development Co., Ltd 慈溪市碧桂園房地產開發有限公司	September 27, 2013	RMB200,000,000	100%	-	Property development
Zoucheng Country Garden Property Development Co., Ltd 鄒城市碧桂園房地產開發有限公司	September 22, 2013	RMB100,000,000	100%	-	Property development
Wuzhou Hefu Country Garden Property Development Co., Ltd 梧州市合富房地產開發有限公司	July 8, 2011	RMB100,000,000	80%	20%	Property development
Wuyishan Country Garden Property Development Co., Ltd 武夷山市碧桂園房地產開發有限公司	October 28, 2013	RMB100,000,000	60%	40%	Property development
Haining Country Garden Property Development Co., Ltd 海寧碧桂園房地產開發有限公司	October 29, 2013	RMB100,000,000	100%	-	Property development
Nantong Tongzhou Country Garden Property Development Co., Ltd 南通市通州區碧桂園房地產開發有限公司	November 8, 2013	RMB200,000,000	100%	-	Property development
Pinghu Country Garden Property Development Co., Ltd 平湖碧桂園深商投商用置業有限公司	November 6, 2013	RMB100,000,000	100%	-	Property development
Qingdao Chengyang Country Garden Property Development Co., Ltd 青島城陽碧桂園房地產開發有限公司	December 11, 2013	USD41,200,000	100%	-	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Proportion of equity interest held by the Group	Proportion of ordinary shares held by non-controlling interests	Principal activities
Dongguan river bank garden Property Development Co., Ltd 東莞江畔花園建造有限公司	December 23, 1992	RMB100,000,000	99.9%	0.1%	Property development
Wuxi Xinbi Country Garden Property Development Co., Ltd 無錫市新碧房地產開發有限公司	August 20, 2013	USD98,000,000	100%	-	Property development
Haiyang Bihang Development Co., Ltd 海陽碧航發展有限公司	September 29, 2013	USD20,000,000	100%	-	Houseboat
Established and operate in the Malaysia:					
Vibrant Corridor SDN. BHD.	November 6, 2012	RM2,500,000	55%	45%	Property development
Mayland Venue SDN. BHD.	November 23, 2012	RM2,500,000	55%	45%	Property development
Country Garden Danga Bay Sdn Bhd	October 16, 2012	RM100,000,000	100%	-	Property development
Country Garden Properties (Malaysia) Sdn Bhd	January 1, 2012	RM500,000	55%	45%	Property development
Country Garden Real Estate Sdn. Bhd.	May 10, 2012	RM499,998	100%	-	Property development
Established and operate in the Singapore:					
Country Garden (Singapore) LTD	March 1, 2013	SGD1	100%	-	Advertisement
Established and operate in the Australia:					
Country Garden (Australia) LTD	July 29, 2013	AUD1	100%	-	Property development

The English names of the PRC companies referred to above in this note represent management's best efforts in translating the Chinese names of those companies as no English names haven been registered or available.

Independent auditor's report

羅兵咸永道

To the shareholders of Country Garden Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Country Garden Holdings Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 51 to 141, which comprise the consolidated and company balance sheets as at December 31, 2012, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

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opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2012, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 19, 2013

Consolidated balance sheet

	Note	As at December 31, 2012 RMB'000	2011 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	**11,613,913**	8,055,297
Investment property	7	**118,329**	125,963
Intangible assets	8	**22,632**	18,496
Land use rights	9	**1,390,218**	1,326,078
Properties under development	10	**25,700,500**	26,551,380
Investment in an associate	11	**114,351**	204,762
Deferred income tax assets	26	**1,449,327**	1,299,297
Other non-current assets	12	**201,722**	-
		40,610,992	37,581,273
Current assets			
Properties under development	10	**39,155,431**	28,370,042
Completed properties held for sale	14	**18,497,241**	12,876,349
Inventories	15	**347,514**	248,795
Trade and other receivables	16	**17,123,921**	12,535,495
Prepaid taxes		**3,927,083**	3,305,092
Restricted cash	17	**5,050,935**	4,649,017
Cash and cash equivalents	18	**11,809,031**	7,744,362
		95,911,156	69,729,152
Total assets		**136,522,148**	107,310,425
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital and premium	19	**19,368,755**	15,382,196
Other reserves	21	**1,901,964**	1,367,898
Retained earnings			
—proposed final dividend	33	**2,527,303**	2,163,450
—others	21	**13,779,127**	10,076,693
		37,577,149	28,990,237
Non-controlling interests		**1,307,259**	1,077,027
Total equity		**38,884,408**	30,067,264

	Note	As at December 31, 2012 RMB'000	2011 RMB'000
LIABILITIES			
Non-current liabilities			
Bank borrowings	22	**13,603,287**	7,408,301
Senior notes	24	**14,213,224**	14,204,447
Convertible bond	23	**-**	884,128
Deferred government grants		**189,520**	189,520
Deferred income tax liabilities	26	**924,381**	785,163
		28,930,412	23,471,559
Current liabilities			
Advanced proceeds received from customers		**33,353,645**	27,865,011
Trade and other payables	27	**19,030,298**	12,810,345
Income taxes payable		**7,227,236**	5,707,482
Bank borrowings	22	**8,152,283**	6,468,990
Derivative financial instruments	25	**-**	919,774
Convertible bond	23	**943,866**	-
		68,707,328	53,771,602
Total liabilities		**97,637,740**	77,243,161
Total equity and liabilities		**136,522,148**	107,310,425
Net current assets		**27,203,828**	15,957,550
Total assets less current liabilities		**67,814,820**	53,538,823

The notes on pages 59 to 141 are an integral part of these consolidated financial statements.

The financial statements on pages 51 to 141 were approved by the Board of Directors on March 19, 2013 and were signed on its behalf.

Mo Bin
Director

Yang Erzhu
Director

Balance sheet

	Note	As at December 31, 2012 RMB'000	2011 RMB'000
ASSETS			
Non-current assets			
Investments in subsidiaries	13	**25,973,294**	22,046,832
Current assets			
Amounts due from subsidiaries	13	**13,868,726**	10,257,913
Restricted cash	17	**34,054**	1,575,225
Cash and cash equivalents	18	**81,123**	493,384
		13,983,903	12,326,522
Total assets		**39,957,197**	34,373,354
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital and premium	19	**19,748,991**	15,762,432
Other reserves	21	**32,801**	29,801
Retained earnings			
—proposed final dividend	33	**2,527,303**	2,163,450
—others	21	**343,607**	245,825
Total equity		**22,652,702**	18,201,508
LIABILITIES			
Non-current liabilities			
Bank borrowings	22	**893,755**	-
Senior notes	24	**14,213,224**	14,204,447
Convertible bond	23	**-**	884,128
		15,106,979	15,088,575
Current liabilities			
Amounts due to subsidiaries	13	**673,500**	1,357
Bank borrowings	22	**580,150**	162,140
Derivative financial instruments	25	**-**	919,774
Convertible bond	23	**943,866**	-
		2,197,516	1,083,271
Total liabilities		**17,304,495**	16,171,846
Total equity and liabilities		**39,957,197**	34,373,354
Net current assets		**11,786,387**	11,243,251
Total assets less current liabilities		**37,759,681**	33,290,083

The notes on pages 59 to 141 are an integral part of these consolidated financial statements.

The financial statements on pages 51 to 141 were approved by the Board of Directors on March 19, 2013 and were signed on its behalf.

Mo Bin
Director

Yang Erzhu
Director

Consolidated statement of comprehensive income

	Note	Year ended December 31, 2012	2011
		RMB'000	RMB'000
Revenue	5	**41,890,984**	34,748,305
Cost of sales	29	**(26,551,479)**	(22,752,634)
Gross profit		**15,339,505**	11,995,671
Other gains—net	28	**103,293**	43,115
Selling and marketing costs	29	**(2,186,059)**	(1,128,443)
Administrative expenses	29	**(1,568,279)**	(1,319,473)
Operating profit		**11,688,460**	9,590,870
Finance income		**132,382**	101,318
Finance costs		**(258,825)**	221,564
Finance costs—net	31	**(126,443)**	(120,246)
Share of (loss)/profit of an associate and a jointly controlled entity	11,12	**(93,689)**	120,937
Fair value changes on derivative financial instruments		**73,585**	15,174
Profit before income tax		**11,541,913**	9,606,735
Income tax expenses	32	**(4,657,351)**	(3,768,582)
Profit for the year		**6,884,562**	5,838,153
Other comprehensive income			
Currency translation differences		**(6,028)**	-
Total comprehensive income for the year		**6,878,534**	5,838,153
Profit attributable to:			
Owners of the Company		**6,852,651**	5,813,180
Non-controlling interests		**31,911**	24,973
		6,884,562	5,838,153
Total comprehensive income attributable to:			
Owners of the Company		**6,849,323**	5,813,180
Non-controlling interests		**29,211**	24,973
		6,878,534	5,838,153
Earnings per share attributable to owners of the Company (expressed in RMB cents per share)			
Basic	36	**38.06**	33.30
Diluted	36	**37.96**	33.30

The notes on pages 59 to 141 are an integral part of these consolidated financial statements.

	Note	Year ended December 31, 2012	2011
		RMB'000	RMB'000
Dividends	33	**2,527,303**	2,163,450

Consolidated statement of changes in equity

	Share capital and premium	Other reserves and retained earnings	Non-controlling interests	Total
	RMB'000 (note 19)	RMB'000 (note 21)	RMB'000	RMB'000
Balance at January 1, 2011	15,392,104	9,429,317	596,654	25,418,075
Total comprehensive income for the year	-	5,813,180	24,973	5,838,153
Transactions with owners in their capacity as owners:				
Capital injections	-	-	455,400	455,400
Purchase of treasury shares	(9,908)	-	-	(9,908)
2010 final dividends	-	(1,604,790)	-	(1,604,790)
Effect of redemption of convertible bond	-	(29,666)	-	(29,666)
Total transactions with owners	(9,908)	(1,634,456)	455,400	(1,188,964)
Balance at December 31, 2011	15,382,196	13,608,041	1,077,027	30,067,264
Balance at January 1, 2012	**15,382,196**	**13,608,041**	**1,077,027**	**30,067,264**
Total comprehensive income for the year	**-**	**6,849,323**	**29,211**	**6,878,534**
Transactions with owners in their capacity as owners:				
Capital injections	**-**	**-**	**281,611**	**281,611**
2011 final dividends (note 33)	**-**	**(2,251,970)**	**(80,590)**	**(2,332,560)**
Issue of shares as a result of placing (note 19(a))	**1,734,589**	**-**	**-**	**1,734,589**
Issue of shares as a result of the scrip dividend scheme (note 19(b))	**2,251,970**	**-**	**-**	**2,251,970**
Employee share option scheme:				
—Value of employee services (note 20)	**-**	**3,000**	**-**	**3,000**
Total transactions with owners	**3,986,559**	**(2,248,970)**	**201,021**	**1,938,610**
Balance at December 31, 2012	**19,368,755**	**18,208,394**	**1,307,259**	**38,884,408**

The notes on pages 59 to 141 are an integral part of these consolidated financial statements.

Consolidated cash flow statement

	Note	Year ended December 31, 2012	2011
		RMB'000	RMB'000
Cash flows from operating activities			
Cash generated from operations	34	**3,994,913**	2,485,896
Income tax paid		**(3,466,061)**	(2,867,997)
Interest paid		**(3,012,054)**	(2,104,761)
Net cash used in operating activities		**(2,483,202)**	(2,486,862)
Cash flows from investing activities			
Purchases of property, plant and equipment		**(3,894,485)**	(2,783,362)
Purchases of intangible assets	8	**(10,190)**	(4,591)
Purchases of land use rights		**(1,679)**	(34,930)
Prepayment for an investment	12	**(200,000)**	-
Investment in a jointly controlled entity	12	**(5,000)**	-
Proceeds from disposal of property, plant and equipment	34	**10,289**	10,335
Government grants received		**-**	81,740
Interest received	31	**132,382**	101,318
Net cash used in investing activities		**(3,968,683)**	(2,629,490)
Cash flows from financing activities			
Capital contributions from non-controlling interests		**281,611**	455,400
Issue of shares as a result of placing	19	**1,734,589**	-
Net proceeds from termination of equity swap	25	**713,046**	-
Purchase of treasury shares		**-**	(9,908)
Redemption of convertible bond		**-**	(585,296)
Net proceeds from the issuance of senior notes	24	**-**	5,770,437
Proceeds from bank borrowings		**16,921,991**	10,586,922
Repayments of bank borrowings		**(9,043,712)**	(6,619,458)
Dividends paid to the Company's shareholders		**-**	(1,604,790)
Dividends paid to non-controlling interests		**(80,590)**	-
Net cash generated from financing activities		**10,526,935**	7,993,307
Net increase in cash and cash equivalents		**4,075,050**	2,876,955
Cash and cash equivalents at the beginning of the year		**7,744,362**	5,094,298
Exchange losses on cash and cash equivalents		**(10,381)**	(226,891)
Cash and cash equivalents at the end of the year	18	**11,809,031**	7,744,362

The notes on pages 59 to 141 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

Country Garden Holdings Company Limited (the "Company") was incorporated in the Cayman Islands on November 10, 2006 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company's registered office is Cricket Square, P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively the "Group") are principally engaged in the property development, construction, fitting and decoration, property management and hotel operation.

The shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

These financial statements are presented in Renminbi ("RMB"), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on March 19, 2013.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments.

The preparation of financial statements in conformity with the HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

(i) The following new and revised standards and amendments to existing standards are mandatory for the first time for the financial year beginning January 1, 2012:

- HKAS 12 (Amendment) 'Deferred tax: Recovery of underlying assets' introduces an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after January 1, 2012 with early adoption permitted. This amendment had no impact on the Group's financial statements as the Group's investment property was stated at cost.

- HKFRS 7 (Amendment) 'Disclosures—Transfers of financial assets' introduces new disclosure requirement on transfers of financial assets. Disclosure is required by class of asset of the nature, carrying amount and a description of the risks and rewards of financial assets that have been transferred to another party yet remain on the entity's balance sheet. The gain or loss on the transferred assets and any retained interest in those assets must be given. In addition, other disclosures must enable users to understand the amount of any associated liabilities, and the relationship between the financial assets and associated liabilities. The disclosures must be presented by type of ongoing involvement. The amendment is applicable to annual periods beginning on or after July 1, 2011 with early adoption permitted. This amendment did not have a material impact on the Group's financial statements.

(ii) New and revised standards and amendments to existing standards have been issued but are not effective for the financial year beginning January 1, 2012 and have not been early adopted:

- Amendment to HKAS 1, 'Financial statements presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The above amendment is effective for annual periods beginning on or after January 1, 2013. The adoption of this amendment does not have a material impact on the Group's consolidated financial statements.

- HKFRS 10 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The above new standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this new standard does not have a material impact on the Group's consolidated financial statements.

- HKAS 27 (revised 2011) 'Separate financial statements' includes the provisions on separate financial statements that are left after the control provisions of HKAS 27 have been included in the new HKFRS 10. The above revised standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this revised standard does not have a material impact on the Group's consolidated financial statements.

- HKFRS 11 'Joint arrangements' is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The above new standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this new standard does not have a material impact on the Group's consolidated financial statements.

• HKAS 28 (revised 2011) 'Associates and joint ventures' includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of HKFRS 11. The above revised standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this revised standard does not have a material impact on the Group's consolidated financial statements.

• HKFRS 12 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The above new standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this new standard does not have a material impact on the Group's consolidated financial statements.

• Amendments to HKFRSs 10, 11 and 12 on transition guidance. These amendments provide additional transition relief to HKFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before HKFRS 12 is first applied. The above amendments are effective for annual periods beginning on or after January 1, 2013. The adoption of these amendments does not have a material impact on the Group's consolidated financial statements.

• HKFRS 13 'Fair value measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs. The above new standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this new standard does not have a material impact on the Group's consolidated financial statements.

• Amendment to HKFRS 7 'Financial instruments: Disclosures' on asset and liability offsetting. The amendments also require new disclosure requirements which focus on quantitative information about recognized financial instruments that are offset in the statement of financial position, as well as those recognized financial instruments that are subject to master netting or similar arrangements irrespective of whether they are offset. The above amendment is effective for annual periods beginning on or after January 1, 2013. The adoption of this amendment does not have a material impact on the Group's consolidated financial statements.

• Amendment to HKAS 32 'Financial instruments: Presentation' on asset and liability offsetting. These amendments are to the application guidance in HKAS 32, 'Financial instruments: Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. The above amendment will be effective for annual periods beginning on or after January 1, 2014, and the Group is yet to assess the impact of this amendment on the Group's consolidated financial statements.

• HKFRS 9, 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. HKFRS 9 was issued in November 2009 and October 2010. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch. The above new standard will be effective for annual periods beginning on or after January 1, 2015 and the Group is yet to assess the impact of this new standard on the Group's consolidated financial statements.

• HKFRS 7 and HKFRS 9 (Amendments) "Mandatory effective date and transition disclosures" delay the effective date to annual periods beginning on or after January 1, 2015, and also modify the relief from restating prior periods. As part of this relief, additional disclosures on transition from HKAS 39 to HKFRS 9 are required. The above amendments will be effective for annual periods beginning on or after January 1, 2015 and the Group is yet to assess the impact of these amendments on the Group's consolidated financial statements.

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control.

De-facto control may arise from circumstances where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of profit/(loss) of an associate' in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognized in profit or loss.

2.4 Joint ventures

The Group's interests in jointly controlled entities are accounted for using the equity method, which is similar to that for associates in note 2.3 above. The Group's share of its jointly controlled entities' post-acquisition profits or losses is recognized in the statements of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of loss in a jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

The Group determines at each reporting date whether there is any objective evidence that the investment in jointly controlled entities is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the jointly controlled entities and its carrying value and recognizes the amount adjacent to "share of profit/(loss) of a jointly controlled entity" in profit or loss.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company (the "ED") that makes strategic decisions.

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional currency and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss, except when defined in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other gains—net'.

Translation difference on non-monetary financial assets and liabilities are recognized in profit or loss as part of the fair value gain or loss.

(iii) Group companies

The results and financial positions of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

- Income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognized in other comprehensive income.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20–39 years
Motor vehicles	5–10 years
Machinery	5–10 years
Furniture, fitting and equipment	5–8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.10).

Construction in progress represents the direct costs of construction incurred of property, plant and equipment less any impairment losses. No provision for depreciation is made on construction in progress until such time the relevant assets are completed and put into use. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized within 'other gains-net' in the consolidated statement of comprehensive income.

2.8 Investment property

Property that is held for long-term rental yields, and that is not occupied by the Group, is classified as investment property.

Investment property is stated at historical cost less accumulated depreciation and impairment loss, if any. It is depreciated using the straight line method over its estimated useful life of 20 years. Subsequent expenditure is charged to the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance costs are expensed in profit or loss during the financial period in which they are incurred.

Property that is being constructed or developed for future use as investment property is classified as investment properties and carried at cost.

2.9 Intangible assets

Acquired computer software programs are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over the estimated useful lives of 5 to 10 years on a straight-line basis.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life—for example, goodwill or intangible assets not ready to use—are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' in the balance sheet (note 2.18).

2.11.2 Recognition and measurement

Regular way purchases and sales of investments are recognized on trade-date—the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortized cost using the effective interest method.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.13 Impairment of financial assets carried at amortized cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred 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 (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors 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 where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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 been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognized in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated income statement.

2.14 Properties under development

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Development cost of property comprises cost of land use rights, construction costs, depreciation of machinery and equipment, borrowing costs capitalized for qualifying assets and professional fees incurred during the development period. On completion, the properties are transferred to completed properties held for sale.

Properties under development are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

2.15 Completed properties held for sale

Completed properties remaining unsold at year ended are stated at the lower of cost and net realisable value.

Cost comprises development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

2.16 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 Construction contracts

A construction contract is defined by HKAS 11 as a contract specifically negotiated for the construction of an asset.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract by reference to the stage of completion. Contract costs are recognized as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group uses the "percentage of completion method" to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within "trade and other receivables".

The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

2.18 Trade and other receivables

Trade receivables are amounts due from customers for properties sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.19 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and at banks, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.20 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes,) is deducted from equity attributable to the Company's owners until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's owners.

2.21 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to construction of hotel properties are included in non-current liabilities as deferred government grants and are credited to profit or loss on a straight-line basis over the expected lives of the related assets when they are completed and ready for use.

2.22 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.23 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.24 Borrowing costs

General and specific 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 get ready for their intended use or sale, are added to the cost of those assets, until such time as 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 eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.25 Senior notes

Senior notes issued by the Company that contain both liability and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability and early redemption option components are recognized at fair value.

In subsequent periods, the liability component of the senior notes is carried at amortized cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognized in profit or loss.

Transaction costs that relate to the issue of the senior notes are allocated to the liability and early redemption option components in proportion to their relative fair values. Transaction costs relating to the early redemption option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortized over the period of the senior notes using the effective interest method.

2.26 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bond that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry or when the Company redeems some or all of the convertible bond upon exercise of the put option by the bond holders (note 23).

2.27 Derivative financial instruments

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

For derivative financial instruments do not qualify for hedge accounting, changes in fair value are recognized immediately in profit or loss.

2.28 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statement of comprehensive income.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Inside basis differences

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using the tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Outside basis differences

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.29 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

(ii) Retirement benefits

In accordance with the rules and regulations in the People's Republic of China (the "PRC"), the PRC based employees of the Group participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the governments.

The Group also participates in a retirement benefit scheme under the rules and regulations of the Mandatory Provident Fund Scheme Ordinance ("MPF Scheme") for all employees in Hong Kong. The contributions to the MPF Scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income. The assets of this MPF Scheme are held separately from those of the Group in independently administered funds.

The Group's contributions to the defined contribution retirement schemes are expensed as incurred.

2.30 Share-based payments

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);

- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and

- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date.

At the end of each reporting period, the group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.31 Provisions and contingent liabilities

Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as a provision.

2.32 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown, net of discounts and after eliminating sales with the Group companies. Revenue is recognized as follows:

(i) Sales of properties

Revenue from sales of properties is recognized when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectibility of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated balance sheet as advanced proceeds received from customers under current liabilities.

(ii) Construction services

Revenue arising from construction services is recognized in the accounting period in which the services is rendered, by reference to completion of the specific transaction assessed on the basis of the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract (note 2.17).

(iii) Hotel operation

Revenue from hotel operation is recognized in the accounting period in which the services are rendered.

(iv) Property management

Revenue arising from property management is recognized in the accounting period in which the services are rendered.

(v) Decoration services

Revenue from decoration services is recognized in the accounting period in which the services are rendered.

(vi) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method.

(vii) Rental income

Rental income from properties letting under operating leases is recognized on a straight line basis over the lease terms.

2.33 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) The Group is the lessee

(a) The Group is the lessee other than operating lease of land use rights

Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

(b) The Group is the lessee under operating lease of land use rights

The Group made upfront payments to obtain operating leases of land use rights. The upfront payments of the land use rights are recorded as assets. The amortization of land use rights is recognized as an expense on a straight-line basis over the unexpired period of the land use rights.

(ii) The Group is the lessor

Assets leased out under operating leases are included in property, plant and equipment and completed properties held for sale in the consolidated balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment.

2.34 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.35 Insurance contracts

An insurance contract is a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk is a pre-existing risk transferred from the policyholder to the insurer, and is significant only if an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance (i.e. have no discernible effect on the economics of the transaction).

The Group assesses at each reporting date whether its recognized insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognized in the consolidated statement of comprehensive income.

The Group regards its financial guarantee contracts provided in respect of mortgage facilities for certain property purchasers and financial guarantee contracts provided to its related parties as insurance contracts.

3 Financial risk management

The Group conducts its operations in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The property industry is highly sensitive to the economic environment in the PRC, which will affect the volumes of property transactions and selling prices. The Group mainly relies on sales of properties and borrowings to fund its operations. All borrowings due for repayment in 2013 are anticipated to be repaid according to the terms of the loan agreements as the Group considers no renewal is necessary given its sufficient cash to finance its obligation. The Group has alternative plans (refer to note 3(a)(iv)) to monitor liquidity risk should there be significant adverse changes on the Group's cash flow projections.

(a) Financial risk factors

(i) Foreign exchange risk

The Group's businesses are principally conducted in RMB. The majority of assets is denominated in RMB, The majority of non-RMB assets and liabilities are bank deposits and borrowings denominated in Hong Kong Dollar ("HKD") and the United States dollar ("USD"). The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognized assets and liabilities which are denominated in non-RMB. The majority of the Group's foreign currency transactions and balances are denominated in USD. The Group currently does not have a foreign currency hedging policy. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the respective balance sheet dates are as follows:

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
HKD	**193,345**	57,215	**37,106**	3,041
USD	**665,580**	2,615,856	**77,954**	1,972,165
	858,925	2,673,071	**115,060**	1,975,206
Liabilities				
HKD	**162,160**	162,140	**162,160**	162,140
USD	**15,524,969**	14,204,447	**15,524,969**	14,204,447
	15,687,129	14,366,587	**15,687,129**	14,366,587

The following table shows the sensitivity analysis of a 5% change in RMB against the relevant foreign currencies. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. If there was a 5% increase in RMB against the relevant currencies, the effect on the post-tax profit for the year would be as follows:

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
HKD				
(Decrease)/Increase in profit for the year	**(1,559)**	5,246	**6,253**	7,955
USD				
Increase in profit for the year	**742,969**	579,430	**772,351**	611,614

(ii) Cash flow and fair value interest rate risk

The Group

The Group's interest rate risk arises from interest bearing bank deposits, bank borrowings, convertible bond and senior notes. Bank deposits and bank borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Convertible bond and senior notes issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group currently does not use any interest rate swaps to hedge its exposure to interest rate risk. However, the Group will consider hedging significant interest rate exposure should the need arise.

The directors of the Company consider that the fluctuation in interest rate has no material impact on the Group's post-tax profit for years 2012 and 2011 as most of interest expenses were capitalized.

The Company

The Company's interest rate risk arises from interest bearing bank deposits and borrowings. Bank deposits and borrowings issued at variable rates expose the Company to cash flow interest-rate risk.

As at December 31, 2012 and 2011, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, profit for the current/prior year would have been RMB14,739,000 and RMB1,621,000 lower/higher respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(iii) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, and cash deposits with banks.

The carrying amounts of trade and other receivables, restricted cash, cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk, deposits are mainly placed with state-owned financial institutions and reputable banks which are all high-credit-quality financial institutions. The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counter parties and customers.

For prepayments in respect of acquisition of land use rights, the Group considers the risk is minimal as these prepayments were paid to the PRC government and will transfer to land use rights upon obtaining certificates from the PRC government. The Group has policies in place to monitor the issuance status of land use rights certificates.

For properties that are still under construction, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of the guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount under the loan and any accrued interest thereon. Under such circumstances, the Group is able to retain the customer's deposits and sell the property to recover any amounts paid by the Group to the bank. Unless the selling price would drop by no less than 30%, which is remote, the Group would not be in a loss position in selling those properties out. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced (refer to note 4(b) for more information).

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. Detailed disclosure of these guarantees is made in note 37.

No credit limits were exceeded during the year, and management does not expect any losses from non-performance by these counter parties.

(iv) Liquidity risk

Management aims to maintain sufficient cash to meet funding requirement for operations and monitors rolling forecasts of the Group's cash on the basis of expected cash flow. The directors of the Company have prepared cash flow projections for the year ending December 31, 2013. Key assumptions used in the preparation of the cash flow projections for the year ending December 31, 2013 include: (1) proceeds from pre-sales in 2013 is expected to be higher than that of 2012; (2) construction payments match receipt of the relevant proceeds from pre-sales; (3) available project loan facility is expected to be no less than that of 2012 and (4) no breach of debt covenants is anticipated in 2013.

The Group has a number of alternative plans to mitigate the potential impacts on anticipated cash flows should there be significant adverse changes in economic environment. These include adjusting and further slowing down the construction progress as appropriate to ensure available resources for the development of properties for sale, implementing cost control measures, accelerating sales with more flexible pricing and issuing senior notes. The Group, will base on its assessment of the relevant future costs and benefits, pursue such options as are appropriate. The directors consider that the Group will be able to maintain sufficient financial resources to meet its operation needs.

The table below analyses the Group's and the Company's non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At December 31, 2012					
Bank borrowings (principal amount plus interest)	**9,598,727**	**7,271,074**	**6,799,625**	**997,103**	**24,666,529**
Convertible bond (principal amount plus interest)	**957,163**	**-**	**-**	**-**	**957,163**
Senior notes (principal amount plus interest)	**1,559,197**	**3,916,259**	**9,095,511**	**5,971,618**	**20,542,585**
Trade and other payables (excluding other taxes payable and salaries payable)	**16,699,531**	**-**	**-**	**-**	**16,699,531**
Total	**28,814,618**	**11,187,333**	**15,895,136**	**6,968,721**	**62,865,808**

Company

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At December 31, 2012					
Bank borrowings (principal amount plus interest)	**630,203**	**770,938**	**125,904**	**-**	**1,527,045**
Convertible bond (principal amount plus interest)	**957,163**	**-**	**-**	**-**	**957,163**
Senior notes (principal amount plus interest)	**1,559,197**	**3,916,259**	**9,095,511**	**5,971,618**	**20,542,585**
Total	**3,146,563**	**4,687,197**	**9,221,415**	**5,971,618**	**23,026,793**

Group

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2011					
Bank borrowings (principal amount plus interest)	7,236,140	4,726,019	2,844,227	412,551	15,218,937
Convertible bond (principal amount plus interest)	19,525	957,163	-	-	976,688
Senior notes (principal amount plus interest)	1,563,017	1,563,017	8,752,344	10,277,556	22,155,934
Derivative financial instruments	919,774	-	-	-	919,774
Trade and other payables (excluding other taxes payable and salaries payable)	11,287,603	-	-	-	11,287,603
Total	21,026,059	7,246,199	11,596,571	10,690,107	50,558,936

Company

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2011					
Bank borrowings (principal amount plus interest)	164,859	-	-	-	164,859
Convertible bond (principal amount plus interest)	19,525	957,163	-	-	976,688
Senior notes (principal amount plus interest)	1,563,017	1,563,017	8,752,344	10,277,556	22,155,934
Derivative financial instruments	919,774	-	-	-	919,774
Total	2,667,175	2,520,180	8,752,344	10,277,556	24,217,255

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for 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.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including convertible bond and senior notes, as shown in the consolidated balance sheet) less cash and cash equivalents.

The gearing ratios at December 31, 2012 and 2011 were as follows:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Total borrowings including convertible bond and senior notes (notes 22, 23 and 24)	**36,912,660**	28,965,866
Less: cash and cash equivalents (note 18)	**(11,809,031)**	(7,744,362)
Net debt	**25,103,629**	21,221,504
Total equity (excluding non-controlling interests)	**37,577,149**	28,990,237
Gearing ratio	**66.8%**	73.2%

The directors of the Company consider the Group's gearing ratio is healthy.

(c) Fair value estimation

The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At December 31, 2012, the Group had no financial instruments stated at fair value. At December 31, 2011, the Group had no level 1 or level 3 financial instruments; the only level 2 financial instrument represents the derivative financial instruments (note 25).

The fair value of the derivative financial instruments that are not traded in an active market was determined by using valuation techniques. The significant inputs required to fair value the derivative financial instruments represented the quoted market price of the Company's ordinary shares which is observable.

(d) Financial instruments by category

Group:

At December 31, 2012

Assets as per balance sheet	**Loans and receivables**
	RMB'000
Trade and other receivables excluding prepayments	**9,301,135**
Restricted cash	**5,050,935**
Cash and cash equivalents	**11,809,031**
Total	**26,161,101**

Liabilities as per balance sheet	Financial liabilities at amortized cost
	RMB'000
Bank borrowings	**21,755,570**
Convertible bond	**943,866**
Senior notes	**14,213,224**
Trade and other payables (excluding other taxes payable and salaries payable)	**16,699,531**
Total	**53,612,191**

At December 31, 2011

Assets as per balance sheet	Loans and receivables
	RMB'000
Trade and other receivables excluding prepayments	5,786,388
Restricted cash	4,649,017
Cash and cash equivalents	7,744,362
Total	18,179,767

Liabilities as per balance sheet	Financial liabilities at fair value	Other financial liabilities at amortized cost	Total
	RMB'000	RMB'000	RMB'000
Bank borrowings	-	13,877,291	13,877,291
Convertible bond	-	884,128	884,128
Senior notes	-	14,204,447	14,204,447
Derivative financial instruments	919,774	-	919,774
Trade and other payables (excluding other taxes payable and salaries payable)	-	11,287,603	11,287,603
Total	919,774	40,253,469	41,173,243

Company:

Assets as per balance sheet	Loans and receivables	
	2012	**2011**
	RMB'000	**RMB'000**
Amounts due from subsidiaries	**13,868,726**	10,257,913
Restricted cash	**34,054**	1,575,225
Cash and cash equivalents	**81,123**	493,384
Total	**13,983,903**	12,326,522

At December 31, 2012

Liabilities as per balance sheet	Financial liabilities at amortized cost
	RMB'000
Bank borrowings	**1,473,905**
Convertible bond	**943,866**
Senior notes	**14,213,224**
Amounts due to subsidiaries	**673,500**
Total	**17,304,495**

At December 31, 2011

Liabilities as per balance sheet	Financial liabilities at fair value	Other financial liabilities at amortized cost	Total
	RMB'000	**RMB'000**	**RMB'000**
Bank borrowings	-	162,140	162,140
Convertible bond	-	884,128	884,128
Senior notes	-	14,204,447	14,204,447
Derivative financial instruments	919,774	-	919,774
Amounts due to subsidiaries	-	1,357	1,357
Total	919,774	15,252,072	16,171,846

4 Critical accounting estimates and judgements

Estimates and judgements used in preparing the consolidated financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes and deferred taxation

Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognized when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

(b) Revenue recognition

The Group has recognized revenue from the sale of properties held for sale as disclosed in note 5. The assessment of when an entity has transferred the significant risks and rewards of ownership to buyers requires the examination of the circumstances of the transaction. In most cases, the transfer of risks and rewards of ownership coincides with the date when the equitable interest in the property vests with the buyer upon release of the respective property to the buyer.

As disclosed in note 37, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. These guarantees will normally be discharged upon issuance of the real estate ownership certificate which are generally be available within three months after the purchasers take possession of the relevant properties. In order to obtain mortgages, the purchasers would have settled no less than 30% of the total contract amount in accordance with related PRC regulations upon signing the sales contract. The directors of the Company are of the opinion that such settlements provide sufficient evidence of the purchasers' commitment to honor contractual obligation of the bank loans. In addition, based on the past experiences, defaults of mortgage facilities by the purchasers which resulted in the bank guarantees were called upon were rare and the financial impact was immaterial. Further, as disclosed in note 3(a)(iii), the credit risk of the Group under the circumstance that a purchaser defaults on the payment of its mortgage during the term of the guarantee is very low. Accordingly, the directors believe that significant risks and rewards associated to the ownership of the properties have been transferred to the purchasers.

(c) Estimates for net realisable value of properties under development and properties held for sale

As at December 31, 2012, the carrying amounts of properties under development and properties held for sale are RMB64,855,931,000 (2011: RMB54,921,422,000)and RMB18,497,241,000 (2011: RMB12,876,349,000), respectively.

The Group assesses the carrying amounts of properties under development and properties held for sale according to their net realisable value based on the realisability of these properties. Net realisable value for properties under development is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion (including land costs). Net realisable value for properties held for sale is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses. Based on management's best estimates, there is no material impairment for properties under development and properties held for sale at December 31, 2012.

(d) Estimates for impairment of hotel assets

At December 31, 2012, the total carrying amounts of hotel assets (mainly including land use rights, buildings and construction in progress) are RMB9,064,730,000 (2011: RMB7,759,359,000), representing 6.6% (2011: 7.2%) of the total consolidated assets of the Group. Management performs review for impairment of the hotel assets whenever events or changes in circumstances indicate that the carrying amounts of the hotel assets may not be recoverable. In such case, the recoverable amounts of hotel assets have been determined based on value-in-use method. The value-in-use calculations require the use of significant estimates and assumptions on the projections of cash flows from the continuous use of the hotel assets. The key assumptions used in determining the value-in-use of hotel assets mainly include:

- Post-tax discount rate of 12%;
- 4% growth rate after lease-up period;
- Occupancy rates of 60% to 70% after lease-up period; and
- Lease-up period of 6 years.

Based on management's best estimates, there is no material impairment for hotel assets at December 31, 2012.

5 Segment information—Group

The ED reviews the Group's internal reporting in order to assess performance and allocate resources. The ED has determined the operating segments based on these reports.

The ED considers the business from product perspective. From a product perspective, ED assesses the performance of:

- Property development;
- Construction, fitting and decoration;
- Property management; and
- Hotel operation.

The ED assesses the performance of the operating segments based on a measure of operating profit.

Segment assets consist primarily of property, plant and equipment, intangible assets, land use rights, investment property, properties under development, completed properties held for sale, inventories, receivables and operating cash. They exclude deferred income tax assets and collateral for equity swap. Segment liabilities consist primarily of operating liabilities. They exclude bank borrowings, convertible bond, senior notes, derivative financial instruments, deferred income tax liabilities and income taxes payable.

Capital expenditure comprises additions to property, plant and equipment (note 6), investment property (note 7) and intangible assets (note 8).

Revenue consists of the following:

	Year ended December 31, 2012	2011
	RMB'000	**RMB'000**
Sales of properties	**40,011,972**	33,193,982
Rendering of construction, fitting and decoration services	**314,278**	240,881
Rendering of property management services	**592,311**	511,719
Rendering of hotel services	**972,423**	801,723
	41,890,984	34,748,305

Sales between segments are carried out according to the terms and conditions agreed by both parties.

The Group's entire revenue is attributable to the market in Mainland China and over 90% of the Group's non- current assets are located in Mainland China. No geographical information is therefore presented.

The Group has a number of customers, no revenue from a customer exceed 5% or more of the Group's revenue.

The segment information provided to the ED for the reportable segments for the year ended December 31, 2012 is as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel operation	Total Group
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Segment revenue	**40,011,972**	**9,041,654**	**592,377**	**1,113,316**	**50,759,319**
Inter-segment revenue	**-**	**(8,727,376)**	**(66)**	**(140,893)**	**(8,868,335)**
Revenue (from external customers)	**40,011,972**	**314,278**	**592,311**	**972,423**	**41,890,984**
Operating profit/(loss)	**11,667,897**	**30,070**	**47,834**	**(57,341)**	**11,688,460**
At December 31, 2012					
Total segment assets	**120,741,925**	**4,153,938**	**1,112,228**	**9,064,730**	**135,072,821**
Capital expenditure	**779,571**	**6,258**	**12,481**	**3,156,125**	**3,954,435**
Total segment liabilities	**46,380,115**	**3,508,785**	**790,201**	**1,894,362**	**52,573,463**

The segment information provided to the ED for the reportable segments for the year ended December 31, 2011 is as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel operation	Total Group
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Segment revenue	33,193,982	7,825,142	511,870	801,723	42,332,717
Inter-segment revenue	-	(7,584,261)	(151)	-	(7,584,412)
Revenue (from external customers)	33,193,982	240,881	511,719	801,723	34,748,305
Operating profit/(loss)	9,527,525	28,906	69,576	(35,137)	9,590,870
At December 31, 2011					
Total segment assets	93,587,632	2,612,195	476,717	7,759,359	104,435,903
Capital expenditure	655,324	5,006	15,004	2,137,572	2,812,906
Total segment liabilities	37,509,289	2,201,791	490,196	663,600	40,864,876

Reportable operating profits are reconciled to net profit as follows:

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Total operating profit	**11,688,460**	9,590,870
Financial costs—net	**(126,443)**	(120,246)
Share of (loss)/profit of an associate and a jointly controlled entity	**(93,689)**	120,937
Fair value changes on derivative financial instruments	**73,585**	15,174
Profit before income tax	**11,541,913**	9,606,735
Income tax expenses	**(4,657,351)**	(3,768,582)
Profit for the year	**6,884,562**	5,838,153

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Total segment assets	**135,072,821**	104,435,903
Deferred income tax assets	**1,449,327**	1,299,297
Collateral for equity swap (note 17)	**-**	1,575,225
Total assets per consolidated balance sheet	**136,522,148**	107,310,425
Total segment liabilities	**52,573,463**	40,864,876
Deferred income tax liabilities	**924,381**	785,163
Income taxes payable	**7,227,236**	5,707,482
Derivative financial instruments	**-**	919,774
Bank borrowings	**21,755,570**	13,877,291
Convertible bond	**943,866**	884,128
Senior notes	**14,213,224**	14,204,447
Total liabilities per consolidated balance sheet	**97,637,740**	77,243,161

6 Property, plant and equipment—Group

	Buildings	Machinery	Motor vehicles	Furniture, fitting and equipment	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2011						
Cost	3,184,544	222,419	392,434	411,483	2,372,584	6,583,464
Accumulated depreciation	(434,747)	(141,085)	(254,278)	(197,864)	-	(1,027,974)
Accumulated impairment	(3,007)	-	-	-	-	(3,007)
Net book amount	2,746,790	81,334	138,156	213,619	2,372,584	5,552,483
Year ended December 31, 2011						
Opening net book amount	2,746,790	81,334	138,156	213,619	2,372,584	5,552,483
Additions	156,405	101,450	79,925	182,175	2,253,430	2,773,385
Reclassification	2,149,466	-	-	-	(2,149,466)	-
Disposals	(4,981)	(1,497)	(1,269)	(1,692)	-	(9,439)
Depreciation	(122,025)	(15,618)	(53,067)	(70,422)	-	(261,132)
Closing net book amount	4,925,655	165,669	163,745	323,680	2,476,548	8,055,297
At December 31, 2011						
Cost	5,485,094	320,715	501,685	591,165	2,476,548	9,375,207
Accumulated depreciation	(556,432)	(155,046)	(337,940)	(267,485)	-	(1,316,903)
Accumulated impairment	(3,007)	-	-	-	-	(3,007)
Net book amount	4,925,655	165,669	163,745	323,680	2,476,548	8,055,297
Year ended December 31, 2012						
Opening net book amount	**4,925,655**	**165,669**	**163,745**	**323,680**	**2,476,548**	**8,055,297**
Additions	**260,386**	**64,707**	**88,306**	**226,516**	**3,302,651**	**3,942,566**
Reclassification	**1,184,577**	**-**	**-**	**-**	**(1,184,577)**	**-**
Disposals	**(2,150)**	**(419)**	**(1,730)**	**(4,638)**	**-**	**(8,937)**
Depreciation	**(201,524)**	**(25,218)**	**(51,561)**	**(96,710)**	**-**	**(375,013)**
Closing net book amount	**6,166,944**	**204,739**	**198,760**	**448,848**	**4,594,622**	**11,613,913**
At December 31, 2012						
Cost	**6,927,907**	**383,105**	**580,992**	**807,084**	**4,594,622**	**13,293,710**
Accumulated depreciation	**(757,956)**	**(178,366)**	**(382,232)**	**(358,236)**	**-**	**(1,676,790)**
Accumulated impairment	**(3,007)**	**-**	**-**	**-**	**-**	**(3,007)**
Net book amount	**6,166,944**	**204,739**	**198,760**	**448,848**	**4,594,622**	**11,613,913**

Depreciation charge was capitalized or expensed in the following categories in the consolidated balance sheet or the consolidated statement of comprehensive income:

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Properties under development	**25,483**	10,697
Cost of sales	**193,288**	141,841
Selling and marketing costs	**17,696**	11,345
Administrative expenses	**138,546**	97,249
	375,013	261,132

As at December 31, 2012, buildings with net book value of RMB1,969,380,000 (2011: RMB1,118,577,000) were pledged as collateral for the Group's borrowings.

As at December 31, 2012, title certificates of buildings with net book value of RMB2,064,790,000 (2011: RMB1,653,788,000) were still in the progress of being obtained.

Also as at December 31, 2012, included in buildings were the hotels located in the PRC, which were classified as property, plant and equipment, with net book value of RMB6,219,684,000 (2011: RMB4,713,284,000).

7 Investment property—Group

	2012	**2011**
	RMB'000	**RMB'000**
At December 31		
Cost	**152,682**	152,682
Accumulated depreciation	**(34,353)**	(26,719)
Net book amount	**118,329**	125,963

	2012	**2011**
	RMB'000	**RMB'000**
Year ended December 31		
Opening net book amount	**125,963**	133,597
Depreciation	**(7,634)**	(7,634)
Net book amount	**118,329**	125,963

The Group's property interest held under operating leases for the purpose of earning rentals is measured using the cost model and accounted for as investment property. The investment property is located in the PRC.

The fair value of the Group's investment property of approximately RMB190,000,000 as at December 31, 2012 (2011: RMB185,000,000) has been determined by the directors of the Company with reference to the valuation performed by CB Richard Ellis Limited, an independent qualified professional valuer.

The rental income of the investment property in 2012 was RMB5,100,000 (2011: RMB4,214,000).

As at December 31,, investment property with net book value of RMB82,159,000 (2011: nil) were pledged as collateral for the Group's borrowings.

8 Intangible assets—Group

	Computer software	
	As at December 31,	
	2012	2011
	RMB'000	RMB'000
At December 31		
Cost	**45,336**	35,146
Accumulated amortization	**(22,704)**	(16,650)
Net book amount	**22,632**	18,496
Year ended December 31		
Opening net book amount	**18,496**	18,499
Additions	**10,190**	4,591
Amortization	**(6,054)**	(4,594)
Closing net book amount	**22,632**	18,496

9 Land use rights—Group

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Opening net book amount	**1,326,078**	1,095,982
Additions	**1,679**	34,930
Reclassification	**100,631**	234,129
Amortization	**(38,170)**	(38,963)
Closing net book amount	**1,390,218**	1,326,078
Outside Hong Kong, held on leases of:		
Between 10 to 50 years	**1,390,218**	1,326,078

Land use rights are all located in the PRC and for self-use.

As at December 31, 2012, land use rights with net book value of RMB955,734,000 (2011: RMB247,346,000) were pledged as collateral for the Group's borrowings.

10 Properties under development—Group

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Properties under development expected to be completed:		
—Within the normal operating cycle included under current assets	**39,155,431**	28,370,042
—Beyond normal operating cycle included under non-current assets	**25,700,500**	26,551,380
	64,855,931	54,921,422
Amounts comprise:		
—Construction costs	**33,564,122**	26,870,421
—Land use rights	**28,598,537**	26,831,403
—Interest capitalized	**2,693,272**	1,219,598
	64,855,931	54,921,422

The capitalization rate used to determine the amount of interest incurred eligible for capitalization in 2012 was 10.31% (2011: 10.68%). Most of the properties under development are located in the PRC.

As at December 31, 2012, land use rights included in properties under development with net book value of RMB18,857,070,000 (2011: RMB10,742,089,000) were pledged as collateral for the Group's borrowings.

11 Investment in an associate—Group

	2012	**2011**
	RMB'000	**RMB'000**
At January 1	**204,762**	83,825
Share of (loss)/profit	**(90,411)**	120,937
At December 31	**114,351**	204,762

The Group's share of the results of its associate, which is unlisted, and its aggregated assets and liabilities, are as follows:

Name	**Country of incorporation**	**Principal activities**	**Assets**	**Liabilities**	**Revenue**	**Loss**	**% interest held**
			RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	
Guangzhou Li He Property Development Company Limited ("Li He")	PRC	Property Development	4,450,983	4,336,632	291,056	(90,411)	20%

The land of the aforementioned property development project of Li He consists of three phases. According to the agreed payment schedule of land premium, the third phase land premium of RMB10,200,000,000 should be settled in December 2011. As at December 31, 2012, there was an outstanding land premium totaling RMB7,700,000,000 remained unsettled. Management of Li He is in the progress of negotiating with related government authorities about the repayment schedule of this outstanding land premium. Based on the continuing negotiation initiated by the management of Li He and their consultation with external lawyer, the directors of the Company consider that the delayed payment of land premium does not render significant adverse impact on the operating results and financial position of the Group as at December 31, 2012.

12 Other non-current assets—Group

	2012	2011
	RMB'000	RMB'000
Prepayment for an investment (note (a))	200,000	-
Investment in a jointly controlled entity (note (b))	1,722	-
At December 31	201,722	-

Notes:

(a) In November 2012, the Group entered into an investment agreement with certain PRC companies to establish an investment fund company. Pursuant to the investment agreement, the Group made an investment of RMB200,000,000 which accounts for 6.35% of the equity interest in the investment fund company. As of December 31, 2012, the investment fund company was not yet established.

(b) Investment in a jointly controlled entity is analysed as follows:

	2012
	RMB'000
At January 1	-
Capital injection	5,000
Share of loss	(3,278)
At December 31	1,722

In December 2012, the Group completed the acquisition of 50% equity interest in Zhongshan Yahong Property Development Company Limited ("Zhongshan Yahong") from a PRC real estate developer at a consideration of RMB5,000,000. Zhongshan Yahong is incorporated in the PRC and its principle activities are property development.

The Group's share of the results of its jointly controlled entity, which is unlisted, and its aggregated assets and liabilities, are as follows:

	2012
	RMB'000
Non-current assets	49
Current assets	330,584
Total assets	330,633
Non-current liabilities	-
Current liabilities	328,911
Total liabilities	328,911
Revenue	-
Cost and expenses	(3,278)
Loss	(3,278)

As at December 31, 2012, there were no significant contingent liabilities and commitments relating to the Group's interest in the jointly controlled entity and of the jointly controlled entity itself.

13 Investments in subsidiaries, amounts due from/to subsidiaries—Company

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Non-current asset		
—Unlisted investments at cost	**25,973,294**	22,046,832
Current assets		
—Amounts due from subsidiaries	**13,868,726**	10,257,913
Current liabilities		
—Amounts due to subsidiaries	**(673,500)**	(1,357)

Amounts due from/(to) subsidiaries are interest free, unsecured and repayable on demand. Details of the principal subsidiaries as at December 31, 2012 are set out in note 41.

14 Completed properties held for sale—Group

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Completed properties held for sale	**18,497,241**	12,876,349

The completed properties held for sale are located in the PRC.

15 Inventories—Group

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Construction materials	**347,514**	248,795

16 Trade and other receivables—Group

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Trade receivables (note (a))	**2,968,240**	1,181,362
Land auction deposits	**1,360,698**	1,195,382
Other receivables	**2,920,761**	1,865,709
Amounts due from customers for contract work (note (b))	**657,131**	404,190
Prepayments for land (note (c))	**5,212,879**	4,293,512
Amount due from an associate (note 39(d))	**1,139,745**	1,139,745
Amount due from a jointly controlled entity (note 39(d))	**254,560**	-
Other prepayments	**2,609,907**	2,455,595
	17,123,921	12,535,495

As at December 31, 2012, the fair value of trade and other receivables approximates their carrying amounts.

(a) Trade receivables are mainly arisen from sales of properties and rendering of property management services. Property buyers are generally granted credit terms of 1 to 6 months, while there are generally no credits terms available for property management business. The ageing analysis of trade receivables is as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Within 90 days	**2,486,415**	1,009,043
Over 90 days and within 180 days	**188,987**	110,161
Over 180 days and within 365 days	**184,038**	33,920
Over 365 days	**108,800**	28,238
	2,968,240	1,181,362

Trade receivables are analysed as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Fully performing under credit terms	**2,776,224**	1,009,043
Past due but not impaired	**192,016**	172,319
	2,968,240	1,181,362

Past due but not impaired receivables mainly represent receivables from sales of properties and rendering of property management service. The directors consider that these receivables would be recovered and no provision was therefore made against past due receivables as at December 31, 2012 (2011: nil).

The ageing analysis of these trade receivables is as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Over 90 days and within 180 days	**162,990**	110,161
Over 180 days and within 365 days	**14,358**	33,920
Over 365 days	**14,668**	28,238
	192,016	172,319

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

(b) Amounts due from customers for contract work at each of the balance sheet date are as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Cost incurred	**4,184,249**	4,077,952
Recognized profits (less recognized losses)	**1,955,745**	1,747,764
	6,139,994	5,825,716
Less: progress billings	**(5,482,863)**	(5,421,526)
	657,131	404,190
Represented by:		
Amounts due from customers	**657,131**	404,190
Including: Related companies (note 39(d))	**447,124**	381,992
Third parties	**210,007**	22,198

(c) Prepayments for land are related to acquisition of land use rights upon successfully bidding at the land auctions conducted by the PRC government. The relevant land use right certificates have not been obtained at December 31, 2012.

17 Restricted cash

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantee deposits for construction of pre-sale properties (note below)	**4,839,881**	2,871,622	**-**	-
Collateral for equity swap (note 25)	**-**	1,575,225	**-**	1,575,225
Collateral for bank borrowings (note 22)	**211,054**	202,170	**34,054**	-
	5,050,935	4,649,017	**34,054**	1,575,225

Note:

In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amount of pre-sale proceeds of properties as guarantee deposits for constructions of related properties. The deposits can only be used for purchases of construction materials and the payments of construction fee of the relevant property projects when approval from PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after completion of related pre-sold properties or issuance of the real estate ownership certificate, whichever is the earlier.

18 Cash and cash equivalents

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
Cash at bank and in hand:				
Denominated in RMB	**15,992,299**	9,720,308	**117**	93,403
Denominated in HKD	**193,345**	57,215	**37,106**	3,041
Denominated in USD	**665,580**	2,615,856	**77,954**	1,972,165
Denominated in other currencies	**8,742**	-	**-**	-
Less: restricted cash (note 17)	**(5,050,935)**	(4,649,017)	**(34,054)**	(1,575,225)
	11,809,031	7,744,362	**81,123**	493,384

The conversion of Renminbi denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

19 Share capital and premium

	Note	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Treasury shares	Total
							Group
			HKD'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Authorized							
At January 1, 2011, December 31, 2011 and 2012		100,000,000,000	10,000,000	9,905,008	-	-	9,905,008
Issued and fully paid							
At January 1, 2011		16,699,138,043	1,669,914	1,647,530	14,114,902	(370,328)	15,392,104
Treasury shares purchased		-	-	-	-	(9,908)	(9,908)
At December 31, 2011 and January 1, 2012		16,699,138,043	1,669,914	1,647,530	14,114,902	(380,236)	15,382,196
Issue of shares as a result of placing	(a)	677,191,602	67,719	54,895	1,679,694	-	1,734,589
Issue of shares as a result of the scrip dividend scheme	(b)	853,330,509	85,333	69,206	2,182,764	-	2,251,970
At December 31, 2012		**18,229,660,154**	**1,822,966**	**1,771,631**	**17,977,360**	**(380,236)**	**19,368,755**

	Note	Number of ordinary shares	Nominal value of ordinary shares	Equivalent nominal value of ordinary shares	Share premium	Total
						Company
			HKD'000	**RMB'000**	**RMB'000**	**RMB'000**
Authorized						
At January 1, 2011, December 31, 2011 and 2012		100,000,000,000	10,000,000	9,905,008	-	9,905,008
Issued and fully paid						
At January 1, 2011, December 31, 2011 and January 1, 2012		16,699,138,043	1,669,914	1,647,530	14,114,902	15,762,432
Issue of shares as a result of placing	a	677,191,602	67,719	54,895	1,679,694	1,734,589
Issue of shares as a result of the scrip dividend scheme	b	853,330,509	85,333	69,206	2,182,764	2,251,970
At December 31, 2012		**18,229,660,154**	**1,822,966**	**1,771,631**	**17,977,360**	**19,748,991**

Notes:

(a) On February 29, 2012, the Company entered into a placing and subscription agreement with Concrete Win Limited ("Concrete Win"), the holding company of the Company, and certain placing agents (the "Agreement"). Pursuant to the Agreement, the Company conditionally agreed to issue to Concrete Win, and Concrete Win conditionally agreed to subscribe for 677,191,602 new shares of the Company at a price of HKD3.23 per share. On March 8, 2012, 677,191,602 new shares were issued and allotted at a price of HKD3.23 per share. These new shares were entitled to the scrip dividend as described in note (b) below.

(b) On May 18, 2012, a scrip dividend scheme was issued whereby the 2011 final dividend was satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to the shareholders to elect to receive such dividend in cash in lieu of such allotment. On June 15, 2012, 853,330,509 new shares were issued as of result of the above scrip dividend scheme and the placing of new shares (see note (a) above) at a price of HKD3.254 per share representing the average of the closing prices of the Company's ordinary shares for the five consecutive trading days up to and including May 4, 2012.

20 Share option scheme

On November 30, 2012, the Group granted 3,000,000 share options with an exercise price of HKD3.7 per share to three independent non-executive directors (note 30). The options were vested immediately after the grant date and have a contractual option term of 10 years. The Group has no legal or contractual obligation to repurchase or settle the options in cash.

No share options were exercised during the year.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Expiry date	Exercise price in HKD per share	Number of share options in thousands
November 29, 2022	3.7	3,000

The fair value of the share options was determined using the Black-Scholes valuation model. The fair value of the above options on the grant date was HKD3,660,000 (equivalent to approximately RMB3,000,000). The key assumptions used in the valuation are set out below:

Closing share price at grant date (HKD)	3.7
Exercise price per share (HKD)	3.7
Annual risk-free interest rate	0.26%
Expected volatility	55.2%
Dividend yield	4.3%
Expected term (years)	5

21 Other reserves and retained earnings

								Group
	Merger reserve	Statutory reserves	Conversion option reserves	Share option reserve	Translation reserve	Sub-total	Retained earnings	Total
	RMB'000 (note (a))	RMB'000 (note (b))	RMB'000 (note 23)	RMB'000 (note 20)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2011	(149,801)	1,083,346	59,467	-	-	993,012	8,436,305	9,429,317
Redemption of convertible bond	-	-	(29,666)	-	-	(29,666)	-	(29,666)
Profit for the year	-	-	-	-	-	-	5,813,180	5,813,180
Transfer to statutory reserves	-	404,552	-	-	-	404,552	(404,552)	-
Dividends (note 33)	-	-	-	-	-	-	(1,604,790)	(1,604,790)
Balance at December 31, 2011	(149,801)	1,487,898	29,801	-	-	1,367,898	12,240,143	13,608,041
Representing:								
—2011 proposed final dividend							2,163,450	
—Others							10,076,693	
							12,240,143	
Balance at January 1, 2012	**(149,801)**	**1,487,898**	**29,801**	**-**	**-**	**1,367,898**	**12,240,143**	**13,608,041**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**6,852,651**	**6,852,651**
Transfer to statutory reserves	**-**	**534,394**	**-**	**-**	**-**	**534,394**	**(534,394)**	**-**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	**(2,251,970)**	**(2,251,970)**
Currency translation differences	**-**	**-**	**-**	**-**	**(3,328)**	**(3,328)**	**-**	**(3,328)**
Employee share option scheme: —Value of employee service (note 20)	**-**	**-**	**-**	**3,000**	**-**	**3,000**	**-**	**3,000**
Balance at December 31, 2012	**(149,801)**	**2,022,292**	**29,801**	**3,000**	**(3,328)**	**1,901,964**	**16,306,430**	**18,208,394**
Representing:								
2012 proposed final dividend							**2,527,303**	
Others							**13,779,127**	
							16,306,430	

				Company
	Conversion option reserves	Share option reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2011	59,467	-	1,736,208	1,795,675
Redemption of convertible bond	(29,666)	-	-	(29,666)
Profit for the year (note 35)	-	-	2,277,857	2,277,857
Dividend (note 33)	-	-	(1,604,790)	(1,604,790)
Balance at December 31, 2011	29,801	-	2,409,275	2,439,076
Representing:				
—2011 proposed final dividend			2,163,450	
—Others			245,825	
			2,409,275	
Balance at January 1, 2012	**29,801**	**-**	**2,409,275**	**2,439,076**
Profit for the year (note 35)	**-**	**-**	**2,713,605**	**2,713,605**
Dividend	**-**	**-**	**(2,251,970)**	**(2,251,970)**
Employee share option scheme:				
—Value of employee service (note 20)	**-**	**3,000**	**-**	**3,000**
Balance at December 31, 2012	**29,801**	**3,000**	**2,870,910**	**2,903,711**
Representing:				
—2012 proposed final dividend			**2,527,303**	
—Others			**343,607**	
			2,870,910	

Notes:

(a) Merger reserve of the Group represents the difference between the share capital of subsidiaries, acquired pursuant to a group reorganisation undertaken for the listing of company on the main board of the Stock Exchange in 2007, over the nominal value of shares of the Company issue in exchange thereof.

(b) Pursuant to the relevant rules and regulations governing foreign investment enterprise established in the PRC and the articles of association of certain PRC subsidiaries of the Group, the subsidiaries are required to transfer an amount of their profit after taxation to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund may be distributed to equity holders in the form of bonus issue.

The appropriation to the enterprise expansion fund is solely determined by the board of directors of the respective subsidiaries.

22 Bank borrowings

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	**2012**	2011
	RMB'000	RMB'000	**RMB'000**	RMB'000
Bank borrowings included in non-current liabilities:				
—secured	**16,994,036**	9,910,250	**-**	-
—unsecured	**3,444,105**	2,859,501	**1,222,475**	162,140
Less: current portion	**(6,834,854)**	(5,361,450)	**(328,720)**	(162,140)
	13,603,287	7,408,301	**893,755**	-
Bank borrowings included in current liabilities:				
—secured	**438,127**	885,400	**-**	-
—unsecured	**879,302**	222,140	**251,430**	-
Current portion of non-current borrowings	**6,834,854**	5,361,450	**328,720**	162,140
	8,152,283	6,468,990	**580,150**	162,140

The Group's borrowings of RMB16,522,365,000 as at December 31, 2012 (2011: RMB9,122,750,000), were jointly secured by certain properties and land use rights of the Group (notes 6, 7, 9 and 10) with total carrying values of RMB21,864,343,000 as at December 31, 2012 (2011: RMB12,108,012,000). The Group's borrowings of RMB568,800,000 as at December 31, 2012 (2011: RMB1,330,000,000) were guaranteed by the Company and secured by the Group's equity interest in certain subsidiaries. The Group's remaining secured borrowings of RMB340,998,000 at December 31, 2012 (2011: RMB342,900,000) were secured by certain bank deposits of the Group (note 17).

The Company's borrowings of RMB251,430,000 as at December 31, 2012 were guaranteed by its subsidiary.

The exposure of the Group's and Company's borrowings to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

	Group
	6 months or less
	RMB'000
Borrowings included in non-current liabilities:	
At December 31, 2012	**13,603,287**
At December 31, 2011	7,408,301
Borrowings included in current liabilities:	
At December 31, 2012	**8,152,283**
At December 31, 2011	6,468,990

	Company
	6 months or less
	RMB'000
Borrowings included in non-current liabilities:	
At December 31, 2012	**893,755**
At December 31, 2011	-
Borrowings included in current liabilities:	
At December 31, 2012	**580,150**
At December 31, 2011	162,140

The maturity of the borrowings included in non-current liabilities is as follows:

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
Between 1 and 2 years	**6,420,778**	4,348,751	**746,040**	-
Between 2 and 5 years	**6,224,592**	2,661,350	**147,715**	-
Over 5 years	**957,917**	398,200	**-**	-
	13,603,287	7,408,301	**893,755**	-

The weighted average effective interest rates as at December 31, were as follows:

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
—Bank borrowings	**8.18%**	7.21%	**3.19%**	3.08%

The carrying amounts of the borrowings approximate their fair values.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group		Company	
	As at December 31,		As at December 31,	
	2012	2011	2012	2011
	RMB'000	RMB'000	RMB'000	RMB'000
RMB	**20,281,665**	13,715,151	**-**	-
HKD	**162,160**	162,140	**162,160**	162,140
USD	**1,311,745**	-	**1,311,745**	-
	21,755,570	13,877,291	**1,473,905**	162,140

23 Convertible bond

In 2008, the Company issued a RMB denominated USD settled 2.5% convertible bond (the "Bond") due 2013, of an initial principal amount of USD600 million (equivalent to approximately RMB4,314 million). The Bond is listed on the Singapore Exchange Securities Trading Limited. At the option of bond holders, the aggregate amount of RMB4,314 million will be convertible into fully paid shares with a par value of HKD0.1 each of the Company. The value of the liability component of RMB3,781.3 million and the equity conversion component of RMB424.8 million, net of transaction costs of RMB107.9 million, were determined at issuance of the Bond.

The Bond matures in five years (February 2013) from the issue date at 121.306% of the nominal value or can be converted into ordinary shares of the Company on or after April 3, 2009 at contracted price (the initial conversion price is HKD9.05 per share) at a fixed exchange rate of RMB0.922 to HKD1.

The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. The liability component is subsequently stated at amortized cost until extinguished on conversion or maturity of the Bond. The residual amount, representing the value of the equity conversion component, is accounted for as a conversion option reserve included in other reserves.

The total consideration (including transaction costs) paid to redeem the Bond is allocated to liability and equity components at the date of redemption. The difference between the consideration allocated to the liability component and its carrying value at the date of redemption is recognized in profit or loss. The amount of consideration allocated to the equity component is recognized in equity.

The Bond recognized in the balance sheet was calculated as follows:

	Group and Company
	RMB'000
Liability component as at January 1, 2011	1,381,054
Interest expenses (note 31)	84,518
Coupon paid	(26,057)
Redemption	(555,387)
Liability component as at December 31, 2011	884,128
Liability component as at January 1, 2012	**884,128**
Interest expenses (note 31)	**79,264**
Coupon paid	**(19,526)**
Liability component as at December 31, 2012	**943,866**

Interest expenses on the liability component of the Bond are calculated using the effective interest method, applying the effective interest rate of 9.24% per annum to the liability component.

The fair value of the liability component of the Bond at December 31, 2012 amounts to RMB944,690,000. The fair value is calculated using the market price of the Bond on the balance sheet date.

24 Senior notes

The Group issued the following senior notes in the current and prior years:

(i) On September 2, 2009, the Company issued senior notes in an aggregate principal amount of USD300,000,000. On September 16, 2009, the Company made an additional issue of senior notes in an aggregated principal amount of USD75,000,000 (collectively the "2014 Notes"). The 2014

Notes are listed on the Singapore Exchange Securities Trading Limited. The 2014 Notes carry interest at the rate of 11.75% per annum, payable semi-annually on March 10 and September 10 in arrears, and will mature on September 10, 2014, unless redeemed earlier.

At any time, the Company may at its option redeem the 2014 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2014 Notes plus certain premium as of, and accrued and unpaid interest, if any, to the redemption date.

At any time prior to September 10, 2012, the Company may redeem up to 35% of the aggregate principal amount of the 2014 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 111.75% of the principal amount of the 2014 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date.

(ii) On April 15, 2010, the Company issued senior notes in an aggregate principal amount of USD550,000,000 (the "2017 Notes"). The 2017 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2017 Notes carry interest at the rate of 11.25% per annum, payable semi-annually on April 22 and October 22 in arrears, and will mature on April 22, 2017, unless redeemed earlier.

At any time on or after April 22, 2014, the Company may redeem the 2017 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on April 22, of each of the years indicated below.

Period	Redemption price
2014	105.625%
2015	102.8125%
2016 and thereafter	100.00%

At any time prior to April 22, 2014, the Company may at its option redeem the 2017 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2017 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to April 22, 2013, the Company may redeem up to 35% of the aggregate principal amount of the 2017 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 111.25% of the principal amount of the 2017 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2017 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

(iii) On August 4, 2010, the Company issued senior notes in an aggregate principal amount of USD400,000,000 (the "2015 Notes"). The 2015 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2015 Notes carry interest at the rate of 10.50% per annum, payable semi-annually on February 11 and August 11 in arrears, and will mature on August 11, 2015, unless redeemed earlier.

At any time prior to August 11, 2015, the Company may at its option redeem the 2015 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2015 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time prior to August 11, 2013, the Company may redeem up to 35% of the aggregate principal amount of the 2015 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 110.50% of the principal amount of the 2015 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2015 Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

(iv) On February 23, 2011, the Company issued senior notes in an aggregate principal amount of USD900,000,000 (the "2018 Notes"). The 2018 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2018 Notes carry interest at the rate of 11.125% per annum, payable semi-annually on February 23 and August 23 in arrears, and will mature on February 23, 2018, unless redeemed earlier.

At any time and from time to time on or after February 23, 2015, the Company may redeem the 2018 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on February 23, of each of the years indicated below.

	Redemption price
2015	105.5625%
2016	102.7813%
2017 and thereafter	100.0000%

At any time prior to February 23, 2015, the Company may at its option redeem the 2018 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to February 23, 2014, the Company may redeem up to 35% of the aggregate principal amount of the 2018 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 111.125% of the principal amount of the 2018 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2018 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

The 2014 Notes, 2017 Notes, 2015 Notes and 2018 Notes contain a liability component and the above early redemption options:

(i) Liability component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the year is calculated by applying an effective interest rate of approximately 12.11%, 11.81%, 11.23% and 11.69% per annum to the liability component of the 2014 Notes, 2017 Notes, 2015 Notes and 2018 Notes, respectively.

(ii) Early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors consider that the fair value of the above early redemption options is insignificant on initial recognition and at December 31, 2012.

The 2014 Notes, 2017 Notes, 2015 Notes, and 2018 Notes recognized in the balance sheet were calculated as follows:

	Group and Company
	RMB'000
Carrying amount as at January 1, 2011	8,872,270
Additions	5,770,437
Exchange gains	(664,889)
Interest expenses (note 31)	1,503,628
Coupon paid	(1,276,999)
Carrying amount as at December 31, 2011	14,204,447
Exchange gains	(31,276)
Interest expenses (note 31)	1,606,744
Coupon paid	(1,566,691)
Carrying amount as at December 31, 2012	**14,213,224**

The fair value of the senior notes at December 31, 2012 amounts to RMB15,968,438,000 . The fair value is calculated using the market price of the senior notes on the balance sheet date.

25 Derivative financial instruments

Upon the issue of the RMB denominated USD settled 2.5% convertible bond as disclosed in note 23, the Company entered into a cash settled equity swap transaction (the "Equity Swap") for the Company's shares up to a value of USD250 million (equivalent to approximately HKD1,950 million) on February 22, 2008, and as a result, the Company has put up collateral in the amount of USD250 million (equivalent to approximately RMB1,575,225,000 at December 31, 2011) (the "Collateral") to Merrill Lynch International. Under the Equity Swap, the Company will either receive a payment from or settle a payment to Merrill Lynch International if the final price is higher or lower than the initial price upon termination of the Equity Swap. The initial price was determined in accordance with the formula as set out in the Equity Swap contract, and the final price will be determined with reference to the arithmetic mean of the relevant prices of the Company's shares on specified averaging dates upon termination of the Equity Swap. Besides, the termination date of the Equity Swap will be determined based on the earlier of 2013 or a date when certain condition as stipulated in the Equity Swap contract is fulfilled.

According to the Equity Swap transactions entered with Merrill Lynch International, Merrill Lynch International would pay the Company an amount equivalent to the number of shares under the Equity Swap multiplied by the dividend per Company's share as a return of the Equity Swap.

On January 5, 2011, the Company entered into an amendment and restatement agreement with Merrill Lynch International (the "Amendment"). Pursuant to the Amendment, Merrill Lynch International no longer has the above option to early terminate the Equity Swap and only the Company has the option to terminate the Equity Swap early on any scheduled trading day, at its election, prior to the termination of the Equity Swap.

On March 2, 2012, the Company entered into an agreement with Merrill Lynch International to terminate the Equity Swap in whole. As a result of the termination of the Equity Swap, the Company received net cash of approximately USD113 million (equivalent to RMB713,046,000), representing the proceeds from the release of the Collateral net off of the fair value of the Equity Swap on the date of termination and fees charged by Merrill Lynch International.

Derivative financial instruments liabilities as at balance sheet date are as follows:

	Group and Company	
	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Equity Swap	-	919,774

26 Deferred income tax—Group

The analysis of deferred tax assets and liabilities is as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Deferred income tax assets:		
—to be realised after more than 12 months	**950,080**	806,808
—to be realised within 12 months	**499,247**	492,489
	1,449,327	1,299,297
Deferred income tax liabilities:		
—to be settled after more than 12 months	**(924,381)**	(785,163)
	524,946	514,134

The net movement on the deferred income tax account is as follows:

	As at December 31,	
	2012	2011
	RMB'000	RMB'000
Beginning of the year	**514,134**	465,300
Recognized in profit or loss (note 32)	**10,812**	48,834
End of the year	**524,946**	514,134

Movement in deferred tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets:

	Impairment of assets	Recognition of expenses	Elimination of unrealised profits	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2011	536	114,979	659,062	362,626	1,137,203
(Charged)/credited to profit or loss	-	(22,717)	29,633	155,178	162,094
At December 31, 2011	536	92,262	688,695	517,804	1,299,297
At January 1, 2012	**536**	**92,262**	**688,695**	**517,804**	**1,299,297**
(Charged)/credited to profit or loss	**-**	**42,169**	**141,484**	**(33,623)**	**150,030**
At December 31, 2012	**536**	**134,431**	**830,179**	**484,181**	**1,449,327**

Deferred income tax assets are recognized for tax losses carried forward to the extent that the realisation of the related benefit through the future taxable profits is probable. The Group did not recognize deferred income tax assets as at December 31, 2012 of RMB19,370,000 (2011: RMB18,830,000) in respect of accumulated losses amounting to RMB77,479,000 as at December 31, 2012 (2011: RMB75,318,000). Accumulated losses amounting to RMB37,372,000, RMB6,962,000, RMB3,089,000, RMB12,629,000 and RMB17,427,000 as at December 31, 2012 will expire in 2013, 2014, 2015, 2016 and 2017 respectively.

Deferred income tax liabilities:

	Fair value gain on assets acquired	Recognition of construction contract revenue and contract costs	Withholding tax on profit to be distributed in future	Total
	RMB'000	RMB'000	RMB'000 (note)	RMB'000
At January 1, 2011	(49,835)	(386,904)	(235,164)	(671,903)
Credited/(charged) to profit or loss	11,149	117,394	(241,803)	(113,260)
At December 31, 2011	(38,686)	(269,510)	(476,967)	(785,163)
At January 1, 2012	**(38,686)**	**(269,510)**	**(476,967)**	**(785,163)**
Credited/(charged) to profit or loss	**5,678**	**(243,530)**	**98,634**	**(139,218)**
At December 31, 2012	**(33,008)**	**(513,040)**	**(378,333)**	**(924,381)**

Note:

The RMB98,634,000 of withholding tax credited to profit or loss represented the RMB139,850,000 of current year's charge net off of the reversal of RMB238,484,000 of over-provision in prior years (note 32(d)).

The amount of profits on which withholding tax has not been recognized at December 31, 2012 is RMB12,228,683,000 (2011: RMB8,181,859,000).

27 Trade and other payables—Group

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Trade payables	**11,653,984**	8,629,421
Other payables—third parties	**4,215,960**	2,305,622
Other taxes payable	**1,175,651**	604,993
Salaries payable	**1,155,116**	917,749
Accrued expenses	**829,587**	352,560
	19,030,298	12,810,345

The carrying amounts of trade and other payables approximate their fair values.

The aging analysis of trade payables was as follows:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Within 90 days	**10,965,229**	8,115,814
Over 90 days and within 180 days	**332,990**	200,181
Over 180 days and within 365 days	**231,832**	199,549
Over 365 days	**123,933**	113,877
	11,653,984	8,629,421

28 Other gains—net

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Rental income	**29,710**	16,809
Forfeiture income	**26,838**	18,351
Refund of land usage tax	**25,050**	3,375
Gain on disposal of property, plant and equipment (note 34)	**1,352**	896
Others	**20,343**	3,684
	103,293	43,115

29 Expenses by nature

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Auditor's remuneration	**6,500**	6,500
Advertising costs	**1,273,470**	548,517
Amortization of intangible assets (note 8)	**6,054**	4,594
Business taxes and other levies (note below)	**2,656,101**	2,193,236
Costs of completed properties sold	**23,412,588**	20,378,225
Donations	**80,868**	133,547
Depreciation (notes 6 and 7)	**382,647**	268,766
Employee benefit expenses	**1,798,835**	1,245,013
Land use rights amortization (note 9)	**38,170**	38,963
Surveillance charges	**19,355**	39,563
Rental expenses	**49,659**	27,156
Others	**581,570**	316,470
Total cost of sales, selling and marketing costs and administrative expenses	**30,305,817**	25,200,550

Note:

Business tax

The PRC subsidiaries of the Group are subject to business taxes on their revenues at the following rates:

Category	**Rate**
Sale of properties	5%
Property construction, fitting and decoration	3%
Property management	5%
Hotel service	5%

30 Employee benefit expenses (Including Directors' and chief executive's emoluments)

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Wages and salaries	**4,009,043**	3,446,915
Retirement scheme contribution (note a)	**27,490**	23,636
Staff welfare	**62,837**	54,027
Medical benefits	**54,982**	47,273
Share-based compensation expense (note 20)	**3,000**	-
Other allowances and benefits	**15,709**	13,506
	4,173,061	3,585,357

For the year ended Dec 31, 2012, employee benefit expenses of RMB2,374,226,000 (2011: RMB2,340,344,000) was capitalized in properties under development.

(a) Retirement scheme contribution

Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute fund which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees.

(b) Directors' and chief executive's emoluments

The remuneration of every director and chief executive for the year ended December 31, 2012 is set out below:

Name of director	Fees	Salary	Discretionary bonuses	Inducement fees	Other benefits (share options)	Employer's contribution to pension scheme	Compensation for loss of office as director	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Mr. Yeung Kwok Keung	-	3,500	-	-	-	33	-	3,533
Ms. Yang Huiyan	-	1,700	-	-	-	51	-	1,751
Mr. Mo Bin**	-	2,500	-	-	-	54	-	2,554
Ms. Yang Ziying	-	1,300	-	-	-	43	-	1,343
Mr. Yang Erzhu	-	2,000	-	-	-	41	-	2,041
Mr. Su Rubo	-	2,027	-	-	-	53	-	2,080
Mr. Zhang Yaoyuan	-	1,900	-	-	-	41	-	1,941
Mr. Ou Xueming	-	1,800	-	-	-	41	-	1,841
Mr. Yang Zhicheng	-	1,700	-	-	-	29	-	1,729
Mr. Yang Yongchao	-	1,900	-	-	-	64	-	1,964
Mr. Lai Ming, Joseph*	300	-	-	-	1,000	-	-	1,300
Mr. Shek Lai Him, Abraham*	300	-	-	-	1,000	-	-	1,300
Mr. Tong Wui Tung, Ronald*	300	-	-	-	1,000	-	-	1,300
Mr. Huang Hongyan* (appointed on December 20, 2012)	5	-	-	-	-	-	-	5
Ms. Huang Xiao* (appointed on December 20, 2012)	5	-	-	-	-	-	-	5
	910	20,327	-	-	3,000	450	-	24,687

* Independent non-executive directors.

** Chief executive of the Company.

The remuneration of each director and chief executive of the Company for the year ended December 31, 2011 is set out as below:

Name of director	Fees	Salary	Discretionary bonuses	Inducement fees	Other benefits	Employer's contribution to pension scheme	Compensation or loss of office as director	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Mr. Yeung Kwok Keung	-	3,500	-	-	-	32	-	3,532
Ms. Yang Huiyan	-	1,700	-	-	-	41	-	1,741
Mr. Mo Bin**	-	2,500	-	-	-	28	-	2,528
Ms. Yang Ziying	-	852	-	-	-	41	-	893
Mr. Yang Erzhu	-	2,000	-	-	-	24	-	2,024
Mr. Su Rubo	-	2,000	-	-	-	32	-	2,032
Mr. Zhang Yaoyuan . . .	-	1,900	-	-	-	21	-	1,921
Mr. Ou Xueming	-	1,800	-	-	-	21	-	1,821
Mr. Yang Zhicheng	-	1,700	-	-	-	29	-	1,729
Mr. Yang Yongchao . . .	-	1,900	-	-	-	31	-	1,931
Mr. Lai Ming, Joseph*	300	-	-	-	-	-	-	300
Mr. Shek Lai Him, ... Abraham*	300	-	-	-	-	-	-	300
Mr. Tong Wui Tung, . . . Ronald*	300	-	-	-	-	-	-	300
	900	19,852	-	-	-	300	-	21,052

* Independent non-executive directors.

** Chief executive of the Company.

During 2012 and 2011, no directors received any emoluments from the Group as an inducement to join or leave the Group or compensation for loss of office; no directors waived or have agreed to waive any emoluments.

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year including three (2011: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2011: three) individuals during the year are as follows:

	Year ended December 31,	
	2012	2011
	RMB'000	RMB'000
Salaries and other benefits	**8,096**	7,863
Retirement scheme contributions	**460**	177
	8,556	8,040

The emoluments fell within the following bands:

	Number of individuals	
	2012	**2011**
HKD2,000,000 to HKD3,000,000	-	2
HKD3,000,000 to HKD4,000,000	-	1
HKD4,000,000 to HKD5,000,000	**1**	-
HKD5,000,000 to HKD6,000,000	**1**	-

31 Finance costs—net

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Interest expenses:		
—Bank borrowings	**1,411,074**	860,679
—The Bond (note 23)	**79,264**	84,518
—Senior notes (note 24)	**1,606,744**	1,503,628
	3,097,082	2,448,825
Loss on redemption of the Bond	**-**	243
Less:		
—Net foreign exchange gains on financing activities	**(20,895)**	(437,998)
—Amounts capitalized on qualifying assets	**(2,817,362)**	(1,789,506)
Finance costs	**258,825**	221,564
Finance income:		
—Interest income on short-term bank deposits	**(132,382)**	(101,318)
Finance costs—net	**126,443**	120,246

32 Income tax expenses

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Current income tax		
—PRC corporate income tax (note (a))	**2,406,924**	2,368,788
—Hong Kong profits tax (note (b))	**-**	-
—Land appreciation tax (note (c))	**2,261,239**	1,448,628
Deferred income tax (note 26)		
—PRC corporate income tax	**87,822**	(290,637)
—Withholding tax on profit to be distributed in future (note (d))	**(98,634)**	241,803
	4,657,351	3,768,582

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the group companies as follows:

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Profit before income tax	**11,541,913**	9,606,735
Tax calculated at PRC corporate income tax rate of 25% (2011: 25%)	**2,885,478**	2,401,684
Land appreciation tax deductible for calculation of income tax purpose	**(565,310)**	(362,157)
Tax losses not recognized as deferred income tax assets	**19,370**	18,830
Income not subject to tax	**(24,466)**	(118,181)
Expenses not deductible for tax	**179,674**	137,975
	2,494,746	2,078,151
Withholding tax on profit to be distributed in future (note (d))	**(98,634)**	241,803
Land appreciation tax	**2,261,239**	1,448,628
Income tax expenses	**4,657,351**	3,768,582

Notes:

(a) PRC corporate income tax is provided at the rate of 25% (2011: 25%) of the profits for the PRC statutory financial reporting purpose, adjusted for those items, which are not assessable or deductible for the PRC corporate income tax purpose.

(b) No Hong Kong profits tax was provided for the year as the Group did not have any assessable profit in Hong Kong (2011: nil).

(c) PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.

(d) In accordance with the "Corporate Income Tax Law of the People's Republic of China" and the "Implementation Regulations of the Corporate Income Tax Law of the People's Republic of China" promulgated by the State Council on December 6, 2007 and effective on January 1, 2008, an income tax rate of 10% shall be applicable to any dividends payable to non-PRC tax resident enterprises from PRC tax resident Enterprises. In accordance with the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income", if the beneficial owner of the dividends is a company directly owning at least 25% of the capital of the company which pays the dividends, 5% of the gross amount of the dividends is applied.

Withholding tax is provided on the dividends to be distributed by the PRC subsidiaries of the Group. In current year, the relevant group companies successfully obtained endorsement from various PRC tax bureaus to enjoy the treaty benefit of 5% corporate income tax rate on dividends received from the PRC subsidiaries of the Group. Accordingly, the over-provision made in prior years and amounted to approximately RMB238,484,000, was reversed in current year.

33 Dividends

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Proposed final dividend of RMB13.86 cents per share (2011: RMB12.96 cents) (note)	**2,527,303**	2,163,450

Note:

The 2011 final dividend was satisfied wholly in the form of shares as a result of the scrip dividend scheme (note 19(b)). The dividends paid in 2011 were RMB1,604,790,000 (RMB9.61 cents per ordinary share). The directors recommend the payment of a 2012 final dividend of RMB13.86 cents per ordinary share, totaling RMB2,527,303,000. Such dividend is to be approved by the shareholders at the Annual General Meeting on May 9, 2013. These financial statements do not reflect this dividend payable.

34 Cash generated from operations

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Profit for the year	**6,884,562**	5,838,153
Adjustments for:		
Income tax expenses (note 32)	**4,657,351**	3,768,582
Interest income (note 31)	**(132,382)**	(101,318)
Interest expenses (note 31)	**279,720**	659,319
Net foreign exchange gains (note 31)	**(20,895)**	(437,998)
Depreciation (notes 6 and 7)	**382,647**	268,766
Amortization of land use rights (note 9)	**38,170**	38,963
Amortization of intangible assets (note 8)	**6,054**	4,594
Gain on disposal of property, plant and equipment (note 28)	**(1,352)**	(896)
Share of loss/(profit) of an associate and a jointly controlled entity (note 11 and 12)	**93,689**	(120,937)
Fair value changes on derivative financial instruments	**(73,585)**	(15,174)
Loss on redemption of the Bond (note 31)	**-**	243
Share-based compensation expense (note 20)	**3,000**	-
	12,116,979	9,902,297
Changes in working capital:		
Property under development and completed properties held for sale	**(14,182,358)**	(18,363,934)
Inventories	**(98,719)**	(42,785)
Restricted cash	**(1,977,143)**	109,798
Trade and other receivables	**(4,629,917)**	(144,725)
Prepaid taxes	**(304,338)**	(182,005)
Trade and other payables	**7,581,775**	5,071,854
Advanced proceeds received from customers	**5,488,634**	6,135,396
Cash generated from operations	**3,994,913**	2,485,896

Note:

In the statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Net book amount (note 6)	**8,937**	9,439
Gain on disposals	**1,352**	896
Proceeds from disposal of property, plant and equipment	**10,289**	10,335

35 Profit attributable to owners of the company

The profit attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of RMB2,713,605,000 (2011: RMB2,277,857,000).

36 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares (note 19).

	Year ended December 31, 2012	2011
Profit attributable to owners of the Company (RMB'000)	**6,852,651**	5,813,180
Weighted average number of ordinary shares in issue (thousands)	**18,006,527**	17,459,221
Earnings per share—Basic (RMB cents per share)	**38.06**	33.30

Basic earnings per share for the year ended December 31, 2011 was adjusted for the effect of issuance of shares under the scrip dividend scheme in June 2012 (note 19(b)).

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: convertible bond and share options. The Bond is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expenses charged to profit or loss. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Year ended December 31, 2012
Profit attributable to owners of the Company (RMB'000)	**6,852,651**
Interest expense on the Bond (RMB'000)	**18,639**
Profit used to determine diluted earnings per share (RMB'000)	**6,871,290**
Weighted average number of ordinary shares in issue (thousands)	**18,006,527**
Adjustments—conversion of the Bond (thousands)	**93,599**
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**18,100,126**
Diluted (RMB cents per share)	**37.96**

The impact of share options to earnings per share was anti-dilutive for the year ended December 31, 2012.

The impact of conversion of the Bond to earnings per share was anti-dilutive for the year ended December 31, 2011, diluted earnings per share was therefore equal to basic earnings per share for the year ended December 31, 2011.

37 Contingencies

The Group had the following contingent liabilities:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Guarantees in respect of mortgage facilities for certain purchasers (note (a))	**17,776,087**	15,782,991
Guarantee to an associate in respect of borrowings (note (b))	**1,705,491**	1,500,400
	19,481,578	17,283,391

Note:

(a) It represented the guarantees in respect of 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 principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. As at December 31, 2012, the amount of RMB72,222,000 (2011: RMB106,354,000) was to be discharged two years from the day the mortgaged loans become due; and RMB17,703,865,000 (2011: RMB15,676,637,000) was to be discharged upon earlier of (i) issuance of the real estate ownership certificate which are generally be available within three months after the purchasers take possession of the relevant properties; and (ii) the satisfaction of mortgaged loan by the purchasers of properties.

The directors consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty (see note 4(b)) and therefore no provision has been made in the financial statements for the guarantees.

(b) This represents the maximum exposure of the guarantee provided for Li He for its borrowings.

38 Commitments—Group

(a) Commitments for capital and property development expenditures

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Contracted but not provided for:		
—Property, plant and equipment	**12,425**	16,687
—Property development expenditure (including land premium)	**25,471,728**	19,179,413
	25,484,153	19,196,100

(b) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases in respect of buildings are as follows:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Not later than one year	**7,648**	16,414
Later than one year and not later than five years	**14,702**	55,623
Later than five years	**21,154**	134,438
	43,504	206,475

(c) Operating lease rentals receivable

The future aggregate minimum lease rentals receivable under non-cancellable operating leases in respect of buildings are as follows:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Not later than one year	**53,794**	48,113
Later than one year and not later than five years	**213,210**	196,006
Later than five years	**43,972**	42,047
	310,976	286,166

39 Related party transactions

(a) Name and relationship with related parties

Shareholders

Mr. Yang Erzhu, Ms. Yang Huiyan, Mr. Su Rubo, Mr. Zhang Yaoyuan and Mr.Ou Xueming.

Close family members of Shareholders

Mr. Yeung Kwok Keung, Mr. Zhang Chibiao, Ms. Zhang Yingyan, Mr. Yang Minsheng, Mr. Su Zhixian, Mr. Yang Zhicheng, Mr. Yang Zhigang, Ms. Yang Ziying, Ms. Ou Jieping, Ms. Ou Jieling, Mr. Wu Weizhong and Mr. Chen Chong.

Controlled by Shareholders	
Guangdong Elite Architectural Co., Ltd.	廣東博意建築設計院有限公司
Qingyuan Country Garden	清遠碧桂園物業發展有限公司
Controlled by Shareholders and their close family members	
Foshan Shunde Jiangkou Water Plant Co., Ltd.	佛山市順德區江口自來水有限公司
Zengcheng Crystal Water Plant Co., Ltd.	增城市清源自來水廠有限公司
Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pipe")	廣東鴻業管樁有限公司
Guangdong Shenghui Electronics Holdings Limited ("Shenghui Electronics")	廣東昇輝電子控股有限公司
Associate	
Li He	廣州利合房地產開發有限公司

Jointly controlled entity

Zhongshan Yahong Property Development Co., Ltd.	中山市雅鴻房地產開發有限公司

The English names of certain of the companies referred to above in this note represent management's best efforts at translating the Chinese names of these companies as no English names have been registered or available.

(b) Transactions with related parties

During the year, the Group had the following significant transactions with related parties:

	Year ended December 31,	
	2012	2011
	RMB'000	RMB'000
(i) Construction and decoration service income (note (i)):		
Controlled by Shareholders:		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**93,137**	230,495

	Year ended December 31,	
	2012	2011
	RMB'000	RMB'000
(ii) Purchase of design service (note (ii)):		
Controlled by Shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**395,891**	255,511

	Year ended December 31,	
	2012	2011
	RMB'000	RMB'000
(iii) Purchase of construction and decoration materials and water (note (iii)):		
Controlled by Shareholders and their close family members:		
佛山市順德區江口自來水有限公司 Foshan Shunde Jiangkou Water Plant Co., Ltd.	**4,022**	4,379
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	**6,279**	5,666
廣東鴻業管樁有限公司 Grand Pipe	**11,283**	27,243
廣東昇輝電子控股有限公司 Shenghui Electronics	**91,536**	17,440
	113,120	54,728

	Year ended December 31,	
	2012	2011
	RMB'000	RMB'000
(iv) Provide guarantee for borrowings: **Associate:**		
廣州利合房地產開發有限公司 Li He (note 37)	**1,705,491**	1,500,400

(i) Construction and decoration fees were charged in accordance with the terms of the underlying agreements.

(ii) Design service fees were charged in accordance with the terms of the underlying agreements.

(iii) Construction and decoration materials and water charges were charged in accordance with the terms of the underlying agreements.

(c) Key management compensation

	Year ended December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
Salaries and other short-term employee benefits	**32,198**	31,540
Retirement scheme contributions	**963**	494
	33,161	32,034

(d) Balances with related parties

As at December 31, 2012 and 2011, the Group had the following significant balances with related parties:

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
(i) Balances due from related parties		
—included in amounts due from customers for contract work:		
Controlled by Shareholders:		
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**447,124**	381,992
—included in other receivables and prepayments:		
Controlled by Shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**519,826**	53,392
清遠碧桂園物業發展有限公司 Qingyuan Country Garden	**54,086**	-
	573,912	53,392
Controlled by Shareholders and their close family members:		
廣東鴻業管樁有限公司 Grand Pipe	**-**	53,030
廣東昇輝電子控股有限公司 Shenghui Electronics	**621**	-
Associate:		
廣州利合房地產開發有限公司 Li He	**1,139,745**	1,139,745
Jointly controlled entity:		
中山市雅鴻房地產開發有限公司 Zhongshan Yahong Property Development Co., Ltd.	**254,560**	-
	1,968,838	1,246,167

	As at December 31,	
	2012	**2011**
	RMB'000	**RMB'000**
(ii) Balances due to related parties		
—included in trade payables:		
Controlled by Shareholders:		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	**110,899**	75,019
Controlled by Shareholders and their close family members:		
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	**1,282**	-
廣東鴻業管樁有限公司 Grand Pipe	**448**	9,329
廣東昇輝電子控股有限公司 Shenghui Electronics	**51,758**	4,975
	164,387	89,323

Balances due from/to related parties are unsecured, interest-free and settled according to the contract terms.

40 Subsequent events

(a) Issue of senior notes

On January 10, 2013, the Company issued senior notes in an aggregate principal amount of USD750,000,000 (the "2023 Notes"). The 2023 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2023 Notes carry interest at the rate of 7.5% per annum, payable semi-annually on January 10 and July 10 in arrears, and will mature on January 10, 2023, unless redeemed earlier.

At any time and from time to time on or after January 10, 2018, the Company may redeem the 2023 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on January 10, of each of the years indicated below.

Period	Redemption price
2018	103.75%
2019	102.50%
2020	101.25%
2021 and thereafter	100.00%

At any time prior to January 10, 2018, the Company may at its option redeem the 2023 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2023 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to January 10, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2023 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 107.50% of the principal amount of the 2023 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2023 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

(b) Redemption of the Bond upon maturity

In February 2013, the Bond matured and was redeemed in whole at an amount of USD152,405,000 (equivalent to RMB957,162,000), including principle amount of USD150,850,000 and interest amount of USD1,555,000.

41 Particulars of principal subsidiaries

The following is a list of principal subsidiaries at December 31, 2012:

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Incorporated in the BVI, a limited liability company, and directly held by the Company:				
Smart World Development Holdings Ltd	March 28, 2006	USD300	100%	Investment holding
Incorporated in Hong Kong, a limited liability company, operates in Hong Kong and indirectly held by the Company:				
Country Garden (Hong Kong) Development Company Limited	September 21, 2005	HKD1	100%	Investment holding
Incorporated in the BVI, all of which are limited liability companies and indirectly held by the Company:				
Estonia Development Ltd	March 21, 2006	USD200	100%	Investment holding
Falcon Investments Development Ltd	March 21, 2006	USD300	100%	Investment holding
United Gain Group Ltd	March 28, 2006	USD200	100%	Investment holding
Wise Fame Group Ltd	March 28, 2006	USD300	100%	Investment holding
Angel View International Limited	April 7, 2006	USD200	100%	Investment holding
Boavista Investments Limited	April 7, 2006	USD200	100%	Investment holding
Impreza Group Limited	April 7, 2006	USD300	100%	Investment holding
Infiniti Holdings Development Limited	April 7, 2006	USD300	100%	Investment holding
Bright Start Group Limited	July 19, 2011	USD1	100%	Investment holding
Pure Smart Enterprises Limited	July 19, 2011	USD1	100%	Investment holding
Top Favor Holding Limited	July 19, 2011	USD1	100%	Investment holding
Golden Favor Investments Limited	July 19, 2011	USD1	100%	Investment holding
Established and operate in the PRC, and indirectly held by the Company:				
Guangdong Giant Leap Construction Co., Ltd. ("Giant Leap Construction Co.") 廣東騰越建築工程有限公司	March 25, 1997	RMB900,000,000	100%	Construction
Foshan Shunde Country Garden Property Development Co., Ltd. 佛山市順德區碧桂園物業發展有限公司	April 2, 1997	RMB1,387,500,000	100%	Property development
Guangzhou Country Garden Property Development Co., Ltd. 廣州碧桂園物業發展有限公司	July 30, 1998	RMB506,000,000	100%	Property development
Foshan Shunde Finest Decoration & Design Enterprise 佛山市順德區雅駿裝飾設計工程有限公司	August 9, 1999	RMB300,000,000	100%	Decoration and design

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Foshan Shunde Jun'an Country Garden Property Development Co., Ltd. 佛山市順德區均安碧桂園物業發展有限公司	June 28, 2000	RMB10,000,000	90%	Property development
Guangzhou Country Garden Commerce Service Co., Ltd. 廣州市碧桂園商務服務有限公司	September 18, 2000	RMB500,000	100%	Club operation
Zengcheng Country Garden Property Development Co., Ltd. 增城市碧桂園物業發展有限公司	September 22, 2000	RMB1,448,200,000	100%	Property development
Guangzhou Nansha Economic and Technological Development Zone Country Garden Property Development Co., Ltd. 廣州南沙經濟技術開發區碧桂園物業發展有限公司	August 2, 2001	RMB1,764,473,626	100%	Property development
Guangzhou Huadu Country Garden Property Development Co., Ltd. 廣州市花都碧桂園物業發展有限公司	January 24, 2002	RMB462,500,000	100%	Property development
Huizhou Huiyang Qishan Holiday Resorts Development Co., Ltd. 惠州市惠陽區岐山度假村發展有限公司	March 29, 2002	RMB60,000,000	90%	Property development
Heshan Country Garden Property Development Co., Ltd. 鶴山市碧桂園物業發展有限公司	July 9, 2003	RMB963,000,000	100%	Property development
Changsha Venice Palace Property Development Co., Ltd. 長沙威尼斯城房地產開發有限公司	August 1, 2003	RMB233,000,000	100%	Property development
Jiangmen East Coast Country Garden Property Development Co., Ltd. 江門市東岸房地產發展有限公司	August 13, 2003	RMB650,000,000	100%	Property development
Jiangmen Xinhui Country Garden Phoenix Hotel Co., Ltd. 江門市新會碧桂園鳳凰酒店有限公司	August 13, 2003	RMB130,100,000	100%	Hotel Operation
Jiangmen Wuyi Country Garden Property Development Co., Ltd. 江門市五邑碧桂園房地產開發有限公司	September 28, 2003	RMB863,000,000	100%	Property development
Guangzhou Huanan Country Garden Property Development Co., Ltd. ("Huanan Property Development")[1] 廣州華南碧桂園房地產開發有限公司	October 15, 2003	RMB8,000,000	50%	Property development
Heshan Country Garden Phoenix City Hotel Co., Ltd. 鶴山市碧桂園鳳凰酒店有限公司	September 29, 2003	RMB116,300,000	100%	Hotel operation
Foshan Gaoming Country Garden Property Development Co., Ltd. 佛山市高明區碧桂園房地產開發有限公司	January 13, 2004	RMB1,162,500,000	100%	Property development
Zengcheng Country Garden Phoenix City Hotel Co., Ltd. 增城市碧桂園鳳凰城酒店有限公司	January 13, 2004	RMB500,700,000	100%	Hotel operation
Shenyang Hua Rui Real Estate Co., Ltd. 瀋陽華銳置業有限公司	March 25, 2004	RMB580,000,000	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Qingyuan Country Garden Holiday Islands Hotel Co., Ltd. 清遠市碧桂園假日半島酒店有限公司	April 5, 2004	RMB131,300,000	100%	Hotel operation
Guangdong Country Garden Property Services Co., Ltd. 廣東碧桂園物業服務有限公司	April 19, 2004	RMB12,100,000	100%	Property management
Changsha Economic and Technological Development Area Venice Palace Hotel Co., Ltd. 長沙經濟技術開發區威尼斯酒店有限公司	December 6, 2004	RMB110,800,000	100%	Hotel operation
Guangzhou Lychee Cultural Park Co., Ltd. 廣州市紅荔文化村有限公司	December 7, 2004	RMB12,300,000	100%	Theme park operation
Foshan Nanhai Country Garden Property Development Co., Ltd. 佛山市南海區碧桂園房地產開發有限公司	December 24, 2004	RMB365,200,000	100%	Property development
Jiangmen Wuyi Country Garden Phoenix Hotel Co., Ltd. 江門市五邑碧桂園鳳凰酒店有限公司	January 14, 2005	RMB103,800,000	100%	Hotel operation
Phoenix Yangjiang Country Garden Hotel Co., Ltd. 陽江市碧桂園鳳凰酒店有限公司	February 2, 2005	RMB130,750,624	100%	Hotel operation
Yangdong Country Garden Property Development Co., Ltd. 陽東縣碧桂園房地產開發有限公司	February 2, 2005	RMB197,351,958	100%	Property development
Taishan Country Garden Property Development Co., Ltd. 台山市碧桂園房地產開發有限公司	March 21, 2005	RMB322,288,631	100%	Property development
Taishan Country Garden Phoenix Hotel Co., Ltd. 台山市碧桂園鳳凰酒店有限公司	August 4, 2005	RMB87,764,151	100%	Hotel operation
Foshan Gaoming Country Garden Phoenix Hotel Co., Ltd. 佛山市高明區碧桂園鳳凰酒店有限公司	September 30, 2005	RMB163,100,000	100%	Hotel operation
Tianjin Phoenix Investment Development Co., Ltd. 天津鳳凰投資發展有限公司	July 5, 2006	RMB30,000,000	70%	Property development
Zhaoqing Gaoxin Country Garden Property Development Co., Ltd.肇慶市高新區碧桂園房地產開發有限公司	July 10, 2006	RMB5,000,000	100%	Property development
Shaoguan Shunhong Property Development Co., Ltd. 韶關市順宏房地產開發有限公司	July 12, 2006	RMB747,800,000	100%	Property development
Gaoyao Biyi Property Development Co., Ltd. 高要市碧頤房地產開發有限公司	September 15, 2006	RMB20,000,000	51%	Property Development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Manzhouli Country Garden Property Development Co., Ltd. 滿洲里碧桂園房地產開發有限公司	December 12, 2006	RMB357,900,000	100%	Property Development
Chaohu Country Garden Property Development Co., Ltd. 巢湖市碧桂園房地產開發有限公司	December 18, 2006	RMB1,115,200,000	100%	Property Development
Tianjin Country Garden Phoenix Hotel Co., Ltd. 天津碧桂園鳳凰酒店有限公司	December 26, 2006	RMB10,000,000	100%	Hotel operation
Tianjin Country Garden Investment Development Co., Ltd. 天津碧桂園投資發展有限公司	December 26, 2006	RMB10,000,000	100%	Property development
Zhaoqing Gaoyao Country Garden Phoenix Hotel Co., Ltd. 肇慶市高要碧桂園鳳凰酒店有限公司	December 31, 2006	RMB5,000,000	100%	Hotel operation
Taizhou Country Garden Property Development Co., Ltd. 泰州市碧桂園房地產開發有限公司	January 5, 2007	RMB548,300,000	100%	Property development
Shenyang Country Garden Property Development Co., Ltd. 瀋陽市碧桂園房地產開發有限公司	January 11, 2007	RMB1,350,000,000	100%	Property development
Lechang Country Garden Property Development Co., Ltd. 樂昌市碧桂園房地產開發有限公司	February 15, 2007	RMB124,800,000	100%	Property development
Shenyang Hunnan Xincheng Country Garden Property Development Co., Ltd. 瀋陽渾南新城碧桂園房地產開發有限公司	April 25, 2007	RMB1,540,000,000	100%	Property development
Shenyang Yidong Real Estate Co., Ltd. 瀋陽伊東置業有限公司	April 25, 2007	RMB460,512,978	100%	Property development
Enping Country Garden Property Development Co., Ltd. 恩平市碧桂園房地產開發有限公司	April 28, 2007	RMB220,000,000	100%	Property development
Zhangjiajie Country Garden Property Development Co.,Ltd. 張家界碧桂園置業有限公司	May 8, 2007	RMB330,000,000	100%	Property development
Huizhou Huiyang Country Garden Phoenix Hotel Co., Ltd. 惠州市惠陽區碧桂園鳳凰酒店有限公司	May 9, 2007	RMB5,000,000	100%	Hotel operation
Anhui Hexian Country Garden Property Development Co., Ltd. 安徽和縣碧桂園房地產開發有限公司	May 15, 2007	RMB750,000,000	100%	Property development
Anhui Hexian Huarui Real Estate Co., Ltd. 安徽和縣華瑞置業有限公司	May 15, 2007	RMB218,842,923	100%	Property development
Shenyang Shenbei Xincheng Yidong Real Estate Co., Ltd. 瀋陽瀋北新城伊東置業有限公司	May 18, 2007	RMB750,000,000	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Tianjin Xinbi Investment Development Co., Ltd. 天津新碧投資發展有限公司	May 25, 2007	RMB460,000,000	100%	Investment holding
Yangjiang Hengda Real Estate Co., Ltd. 陽江市恒達置業有限公司	May 30, 2007	RMB75,965,094	100%	Property development
Shaoguan Country Garden Property Development Co., Ltd. 韶關市碧桂園房地產開發有限公司	June 5, 2007	RMB750,000,000	100%	Property development
Changsha Ningxiang Country Garden Property Development Co., Ltd. 長沙市寧鄉碧桂園房地產開發有限公司	June 5, 2007	RMB230,000,000	100%	Property development
Shaoguan Country Garden Phoenix Hotel Co., Ltd. 韶關市碧桂園鳳凰酒店有限公司	June 5, 2007	RMB80,000,000	100%	Hotel operation
Anhui Zhongmiao Country Garden Property Development Co., Ltd. 安徽中廟碧桂園房地產開發有限公司	June 8, 2007	RMB420,000,000	100%	Property development
Anhui Hexian Country Garden Phoenix Hotel Co., Ltd. 安徽和縣碧桂園鳳凰酒店有限公司	June 8, 2007	RMB200,000,000	100%	Hotel operation
Shanwei Country Garden Property Development Co., Ltd. 汕尾市碧桂園房地產開發有限公司	June 12, 2007	RMB100,000,000	100%	Property development
Sichuan Rongxin Investment Co., Ltd. 四川榮欣投資有限公司	June 14, 2007	RMB10,000,000	85%	Investment holding
Sihui Country Garden Phoenix Hotel Co., Ltd. 四會市碧桂園鳳凰酒店有限公司	June 21, 2007	RMB29,996,827	100%	Hotel operation
Zhaoqing Sihui Huaping Real Estate Co., Ltd. 肇慶四會華平置業有限公司	June 21, 2007	RMB216,167,341	100%	Property development
Sihui Country Garden Property Development Co., Ltd. 四會市碧桂園房地產開發有限公司	June 22, 2007	RMB150,045,599	100%	Property development
Wuhan Country Garden Property Development Co., Ltd. 武漢市碧桂園房地產開發有限公司	June 26, 2007	RMB97,091,000	100%	Property development
Wuhan Country Garden Phoenix Hotel Co., Ltd. 武漢市碧桂園鳳凰酒店有限公司	June 26, 2007	RMB26,971,140	100%	Hotel operation
Shaoguan Country Garden Fujingwan Hotel Co., Ltd. 韶關市碧桂園芙景灣酒店有限公司	June 28, 2007	RMB30,000,000	100%	Hotel operation
Keyou Qianqi Country Garden Property Development Co., Ltd. 科右前旗碧桂園房地產開發有限公司	July 29, 2007	RMB180,000,000	100%	Property development
Keyou Qianqi Country Garden Phoenix Hotel Co., Ltd. 科右前旗碧桂園鳳凰酒店有限公司	July 29, 2007	RMB10,000,000	100%	Hotel operation

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Chizhou Country Garden Property Development Co., Ltd. 池州市碧桂園房地產開發有限公司	July 30, 2007	RMB251,000,000	100%	Property development
Chizhou Country Garden Phoenix Hotel Co., Ltd. 池州市碧桂園鳳凰酒店有限公司	July 30, 2007	RMB45,000,000	100%	Hotel operation
Chaohu Nan'an Country Garden Phoenix Hotel Co., Ltd. 巢湖南岸碧桂園鳳凰酒店有限公司	July 31, 2007	RMB20,000,000	100%	Hotel operation
Chongqing Country Garden Property Development Co., Ltd. 重慶市碧桂園房地產開發有限公司	August 3, 2007	RMB310,000,000	100%	Property development
Chongqing Country Garden Phoenix Hotel Co., Ltd. 重慶市碧桂園鳳城酒店有限公司	August 3, 2007	RMB100,000,000	100%	Hotel operation
Xianning Country Garden Property Development Co., Ltd. 咸寧碧桂園房地產開發有限公司	August 8, 2007	RMB250,000,000	100%	Property development
Xianning Country Garden Hotsprings Hotel Co., Ltd. 咸寧碧桂園溫泉酒店有限公司	August 8, 2007	RMB20,000,000	100%	Hotel operation
Yiyang Country Garden Property Development Co., Ltd. 益陽市碧桂園房地產開發有限公司	August 10, 2007	RMB150,000,000	100%	Property development
Yiyang Country Garden Phoenix Hotel Co., Ltd. 益陽市碧桂園鳳凰酒店有限公司	August 10, 2007	RMB50,000,000	100%	Hotel operation
Lechang Country Garden Phoenix Hotel Co., Ltd. 樂昌市碧桂園鳳凰酒店有限公司	August 17, 2007	RMB10,000,000	100%	Hotel operation
Shenyang Nanying Country Garden Hotel Co., Ltd. 瀋陽南營碧桂園酒店有限公司	August 21, 2007	RMB8,044,487	100%	Hotel operation
Shenyang Binhe Country Garden Hotel Co., Ltd. 瀋陽濱河碧桂園酒店有限公司	August 21, 2007	RMB34,003,688	100%	Hotel operation
Shenyang Huashan Country Garden Hotel Co., Ltd. 瀋陽花山碧桂園酒店有限公司	August 27, 2007	RMB11,967,102	100%	Hotel operation
Shenyang Daoyi Country Garden Hotel Co., Ltd. 瀋陽道義碧桂園酒店有限公司	August 27, 2007	RMB8,993,110	100%	Hotel operation
Haicheng Country Garden Property Development Co., Ltd. 海城市碧桂園房地產開發有限公司	August 30, 2007	RMB350,000,000	100%	Property development
Lufeng Country Garden Property Development Co., Ltd. 陸豐碧桂園房地產開發有限公司	August 30, 2007	RMB100,000,000	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Haicheng Country Garden Phoenix Hotel Co., Ltd. 海城市碧桂園鳳凰酒店有限公司	August 30, 2007	RMB1,000,000	100%	Hotel operation
Suizhou Country Garden Phoenix Hotel Co., Ltd. 隨州碧桂園鳳凰酒店有限公司	August 30, 2007	RMB40,000,000	100%	Hotel operation
Maoming Country Garden Property Development Co., Ltd. 茂名市碧桂園房地產開發有限公司	August 31, 2007	RMB350,000,000	100%	Property development
Suizhou Country Garden Property Development Co., Ltd. 隨州碧桂園房地產開發有限公司	August 31, 2007	RMB580,000,000	100%	Property development
Ningxiang Country Garden Phoenix Hotel Co., Ltd. 寧鄉碧桂園鳳凰酒店有限公司	September 3, 2007	RMB20,000,000	100%	Hotel operation
Yangshan Country Garden Property Development Co., Ltd. 陽山碧桂園房地產開發有限公司	September 5, 2007	RMB130,000,000	100%	Property development
Chaohu Zhongmiao Binhu City Country Garden Phoenix Hotel Co., Ltd. 巢湖中廟濱湖城碧桂園鳳凰酒店有限公司	September 7, 2007	RMB20,000,000	100%	Hotel operation
Manzhou Country Garden Phoenix Hotel Co., Ltd. 滿洲里碧桂園鳳凰酒店有限公司	September 19, 2007	RMB50,000,000	100%	Hotel operation
Anqing Country Garden Property Development Co., Ltd. 安慶碧桂園房地產開發有限公司	September 27, 2007	RMB740,000,000	100%	Property development
Anqing Country Garden Phoenix Hotel Co., Ltd. 安慶碧桂園鳳凰酒店有限公司	September 29, 2007	RMB150,000,000	100%	Hotel operation
Huangshan Country Garden Property Development Co., Ltd. 黃山碧桂園房地產開發有限公司	September 30, 2007	RMB180,000,000	100%	Property development
Huangshan Country Garden Phoenix Hotel Co., Ltd. 黃山碧桂園鳳凰酒店有限公司	September 30, 2007	RMB40,000,000	100%	Hotel operation
Shenyang Huiying Real Estate Co., Ltd. 瀋陽匯盈置業有限公司	October 9, 2007	RMB358,416,054	100%	Property development
Shenyang Dedi Real Estate Co., Ltd. 瀋陽德地置業有限公司	October 9, 2007	RMB369,851,683	100%	Property development
Tianjin Shunyin Greening Co., Ltd. 天津市順茵綠化工程有限公司	October 10, 2007	RMB500,000	100%	Environmental protection
Tongliao Country Garden Property Development Co., Ltd. 通遼碧桂園房地產開發有限公司	October 15, 2007	RMB500,000,000	100%	Property development
Tongliao Country Garden Hotel Co., Ltd. 通遼碧桂園酒店有限公司	October 15, 2007	RMB30,000,000	100%	Hotel operation

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Wuhu Country Garden Property Development Co., Ltd. 蕪湖晉智房地產開發有限公司	November 5, 2007	RMB800,000,000	100%	Property development
Wuhu Country Garden Maritim Hotel Co., Ltd. 蕪湖碧桂園瑪麗蒂姆酒店有限公司	November 5, 2007	RMB60,000,000	100%	Hotel operation
Guangzhou Country Garden Shuttle Bus Services Co., Ltd. 廣州碧桂園樓巴服務有限公司	November 19, 2007	RMB5,000,000	100%	Transportation
Tianjin Deyu Investment Development Co., Ltd. 天津德域投資發展有限公司	November 28, 2007	RMB30,000,000	100%	Investment holding
Liuyang Country Garden Property Development Co., Ltd. 瀏陽碧桂園房地產開發有限公司	December 4, 2007	RMB150,000,000	100%	Property development
Zhaoqing Deye Construction Co., Ltd. 肇慶德業建築有限公司	December 6, 2007	RMB2,999,172	100%	Construction
Zhaoqing Country Garden Furniture Co., Ltd. 肇慶市碧桂園現代家居有限公司	December 12, 2007	RMB210,376,103	100%	Manufacturing of furniture
Shenyang Bifeng Greening Co., Ltd. 瀋陽市碧豐綠化工程有限公司	December 25, 2007	RMB500,000	100%	Environmental protection
Sichuan Hongyu Real Estate Co., Ltd. 四川弘毓實業發展有限公司	January 11, 2008	RMB15,110,000	85%	Property development
Huidong Country Garden Property Development Co., Ltd. 惠東碧桂園房地產開發有限公司	January 23, 2008	RMB450,000,000	100%	Property development
Taizhou Country Garden Phoenix Hotel Co., Ltd. 泰州市碧桂園鳳凰酒店有限公司	February 19, 2008	RMB50,000,000	100%	Hotel operation
Guangdong Guosheng Project Management Co., Ltd. 廣東國晟建設監理有限公司	March 6, 2008	RMB3,000,000	100%	Construction
Yangjiang Shun'an Construction Co., Ltd. 陽江市順安建築工程有限公司	March 13, 2008	RMB10,000,000	100%	Construction
廣東國良建築工程有限公司				
Yangshan Country Garden Phoenix Hotel Co., Ltd. 陽山碧桂園鳳凰酒店有限公司	April 30, 2008	RMB10,000,000	100%	Hotel operation
Foshan Shunde Biri Safeguard Monitor Engineeing Co., Ltd. 佛山市順德區碧日安防工程有限公司	July 8, 2008	RMB8,000,000	100%	Safegaurd Monitor
Suihua Country Garden Property Development Co., Ltd. 綏化碧桂園房地產開發有限公司	July 17, 2008	RMB100,000,000	100%	Property development
Chaohu Zhongmiao Country Garden Water Service Co., Ltd. 巢湖市中廟碧桂園水務有限公司	August 19, 2008	RMB500,000	100%	Water Service
Jingmen Country Garden Property Development Co., Ltd. 荊門碧桂園房地產開發有限公司	September 10, 2008	RMB130,000,000	100%	Property development
Jingmen Country Garden Phoenix Hotel Co., Ltd. 荊門碧桂園鳳凰酒店有限公司	September 10, 2008	RMB5,000,000	100%	Hotel operation
Tianjin Balizhou_Country Garden Phoenix Hotel Co., Ltd. 天津八里洲碧桂園鳳凰酒店有限公司	September 22, 2008	RMB5,000,000	100%	Hotel operation

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Tianjin Balizhou Country Garden Property Development Co., Ltd. 天津八里洲碧桂園房地產開發有限公司	September 25, 2008	RMB183,000,000	100%	Property development
Hexian Country Garden Water Service Co., Ltd. 和縣碧桂園水務有限公司	October 9, 2008	RMB500,000	100%	Water Service
Foshan Shunde Bijing Electronics Technologic Co., Ltd. 佛山市順德區碧晶電子科技有限公司	November 19, 2008	RMB2,000,000	100%	Technologic development for household appliance
Qingyuan Zhuoyue Hongjian Real Estate Investment Co., Ltd. 清遠市卓越弘建置業投資有限公司	October 27, 2009	RMB130,000,000	100%	Property development
Shenyang Giant Leap Construction Co., Ltd. 瀋陽騰越建築工程有限公司	December 10, 2009	RMB130,000,000	100%	Construction
Jiangmen Xinhui Country Garden Property Development Co., Ltd. 江門市新會區碧桂園房地產開發有限公司	January 12, 2010	RMB180,000,000	100%	Property development
Maoming Shuidongwan Country Garden Property Development Co., Ltd. 茂名市水東灣碧桂園房地產開發有限公司	January 20, 2010	RMB200,000,000	100%	Property development
Jiangmen Jianghai Country Garden Property Development Co., Ltd. 江門市江海區碧桂園房地產開發有限公司	January 13, 2010	RMB120,000,000	100%	Property development
Wuhan Country Garden Lianfa Investment Co., Ltd. 武漢碧桂園聯發投資有限公司	January 21, 2010	RMB151,250,000	52%	Property development
Jurong Country Garden Property Development Co., Ltd. 句容碧桂園房地產開發有限公司	August 12, 2010	RMB2,214,139,137	100%	Property development
Chuzhou Country Garden Property Development Co., Ltd. 滁州碧桂園房地產開發有限公司	August 17, 2010	RMB250,000,000	100%	Property development
Haifeng Country Garden Property Development Co., Ltd. 海豐碧桂園房地產開發有限公司	October 26, 2010	RMB105,000,000	100%	Property development
Heshan Zhishan Country Garden Property Development Co., Ltd. 鶴山市址山碧桂園房地產開發有限公司	November 23, 2010	RMB250,000,000	80%	Property development
Heyuan Country Garden Property Development Co., Ltd. 河源市碧桂園房地產開發有限公司	December 7, 2010	RMB300,000,000	100%	Property development
Dongguan Country Garden Property Development Co., Ltd. 東莞市碧桂園房地產開發有限公司	September 25, 2010	RMB600,000,000	100%	Property development
Foshan Chancheng Country Garden Property Development Co., Ltd. 佛山市禪城區碧桂園房地產開發有限公司	November 13, 2010	RMB1,000,000,000	90%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Shenyang Qipanshan Country Garden Property Development Co., Ltd. 瀋陽市棋盤山碧桂園房地產開發有限公司	September 28, 2010	RMB176,134,163	100%	Property development
Wuhan Eco-city Country Garden Investment Co., Ltd. 武漢生態城碧桂園投資有限公司	December 4, 2010	RMB500,000,000	55%	Property development
Kaiping Xinzhihe Property Development Co., Ltd. 開平市新智合房地產開發有限公司	November 6, 2006	RMB40,000,000	100%	Property development
Foshan Nanhai Shanshuitaoyuan Property Development Co., Ltd. 佛山市南海山水桃園房地產有限公司	March 22, 2004	RMB60,000,000	100%	Property development
Huaiji Country Garden Property Development Co., Ltd. 懷集碧桂園房地產開發有限公司	November 2, 2010	RMB30,000,000	100%	Property development
Zhongshan Country Garden Property Development Co., Ltd. 中山市碧桂園房地產開發有限公司	October 28, 2010	RMB20,000,000	100%	Property development
Deqing Country Garden Property Development Co., Ltd. 德慶碧桂園房地產開發有限公司	November 24, 2010	RMB30,000,000	100%	Property development
Beiliu Property Development Co., Ltd. 北流市房地產開發有限公司	December 1, 2010	RMB50,000,000	100%	Property development
Laian Country Garden Property Development Co., Ltd. 來安碧桂園房地產開發有限公司	December 15, 2010	RMB450,000,000	100%	Property development
Yunfu Country Garden Property Development Co., Ltd. 雲浮市碧桂園房地產開發有限公司	December 18, 2010	RMB50,000,000	100%	Property development
Foshan Shunde Xinbi Trading Co., Ltd. 佛山市順德區新碧貿易有限公司	January 16, 2010	RMB200,000,000	100%	Trading
Foshan Shunde Longjiang Country Garden Phoenix Hotel Co., Ltd. 佛山市順德區龍江鎮碧桂園鳳凰酒店有限公司	November 11, 2010	RMB30,000,000	100%	Hotel operation
Qingyuan Holiday Islands Country Garden Real Estate Development Co., Ltd. 清遠假日半島碧桂園置業發展有限公司	July 7, 2010	RMB120,000,000	100%	Property development
Hubei Lianzhi Country Garden Zishanhu Property Development Co., Ltd. 湖北聯置碧桂園梓山湖房地產開發有限公司	December 29, 2011	RMB225,000,000	51%	Property development
Jiangmen Xinhui Daze Country Garden Property Development Co., Ltd. 江門市新會區大澤碧桂園房地產開發有限公司	December 2, 2011	RMB310,000,000	100%	Property development
Hubei Liantou Country Garden Investment Co., Ltd. 湖北聯投碧桂園投資有限公司	November 23, 2011	RMB141,630,000	51%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Xiangtan Country Garden Property Development Co., Ltd. 湘潭碧桂園房地產開發有限公司	January 12, 2011	RMB200,000,000	100%	Property development
Meizhou Country Garden Property Development Co., Ltd. 梅州市碧桂園房地產開發有限公司	January 4, 2011	RMB200,000,000	100%	Property development
Qingyuan Country Garden Xinya Property Development Co., Ltd. 清遠碧桂園新亞房地產開發有限公司	January 25, 2011	RMB300,000,000	51%	Property development
Wuxi Country Garden Property Development Co., Ltd. 無錫市碧桂園房地產開發有限公司	January 14, 2011	RMB350,000,000	100%	Property development
Guangzhou Shilou Country Garden Property Development Co., Ltd. 廣州市石樓碧桂園物業發展有限公司	April 02, 2011	RMB350,000,000	100%	Property development
Hangzhou Country Garden Property Development Co., Ltd. 杭州碧桂園房地產開發有限公司	April 01, 2011	RMB862,576,465	100%	Property development
Shenzhen Country Garden Property Development Co., Ltd. 深圳碧桂園房地產開發有限公司	March 04, 2011	RMB20,000,000	70%	Property development
Dongguan Dexia Country Garden Property Development Co., Ltd. 東莞市德廈碧桂園房地產開發有限公司	April 13, 2011	RMB250,000,000	100%	Property development
Yingde Country Garden Property Development Co., Ltd. 英德市碧桂園房地產開發有限公司	April 28, 2011	RMB20,000,000	100%	Property development
Sihui Jianggu Country Garden Property Development Co., Ltd. 四會市江谷碧桂園房地產開發有限公司	April 01, 2011	RMB20,000,000	100%	Property development
Kaiping Country Garden Property Development Co., Ltd. 開平市碧桂園房地產開發有限公司	June 09, 2011	RMB300,000,000	100%	Property development
Meizhou Shejiang Country Garden Property Development Co., Ltd. 梅州畲江碧桂園房地產開發有限公司	July 04, 2011	RMB50,000,000	100%	Property development
Chenzhou Country Garden Property Development Co., Ltd. 郴州碧桂園房地產開發有限公司	July 07, 2011	RMB190,000,000	100%	Property development
Hainan Wenchang Country Garden Property Development Co., Ltd. 海南文昌碧桂園房地產開發有限公司	January 17, 1994	RMB50,000,000	100%	Property development
Tianjing Binhai New District Country Garden Property Development Co., Ltd. 天津濱海新區碧桂園房地產開發有限公司	October 19, 2011	RMB30,000,000	100%	Property development
Zhangqiu Country Garden Property Development Co., Ltd. 章丘市碧桂園房地產開發有限公司	August 17, 2011	RMB100,000,000	100%	Property development

Name	Date of incorporation/ establishment	Nominal value of issued and fully paid share capital/ paid-in capital	Percentage of attributable equity interest	Principal activities
Guangxi Pingguo Country Garden Property Development Co., Ltd. 廣西平果碧桂園房地產開發有限公司	January 16, 2012	RMB90,000,000	100%	Property development
Guiyang Deyang Investment Development Co., Ldt. 貴陽德陽投資發展有限公司	February 16, 2012	RMB20,000,000	100%	Property development
Jiaoling Country Garden Property Development Co., Ltd. 蕉嶺碧桂園房地產開發有限公司	June 8, 2012	RMB120,000,000	100%	Property development
Fogang Country Garden Spring City Property Development Co., Ltd. 佛岡碧桂園清泉城物業發展有限公司	June 29, 2012	RMB80,000,000	95%	Property development
Hainan Lingao Country Garden Fineland Property Development Co., Ltd. 海南臨高碧桂園方圓房地產開發有限公司	August 22, 2012	RMB408,163,300	51%	Property development
Rudong Country Garden Property Development Co., Ltd. 如東碧桂園房地產開發有限公司	September 7, 2012	RMB180,000,000	100%	Property development
Yixing Country Garden Property Development Co., Ltd. 宜興市碧桂園房地產開發有限公司	September 25, 2012	RMB315,265,000	100%	Property development
Danyang Country Garden Property Development Co., Ltd. 丹陽碧桂園房地產開發有限公司	October 23, 2012	RMB314,597,768	100%	Property development
Established and operate in the Malaysia, and indirectly heldby the Company:				
Vibrant Corridor Sdn. Bhd.	November 6, 2012	RM2,500,000	55%	Property development
Mayland Venue Sdn. Bhd.	November 23, 2012	RM2,500,000	55%	Property development
Country Garden Danga Bay Sdn Bhd	October 16, 2012	RM100,000	100%	Property development
Country Garden Properties (Malaysia) Sdn Bhd	January 1, 2012	RM500,000	55%	Property development
Country Garden Real Estate Sdn. Bhd.	May 10, 2012	RM499,998	100%	Property development

1 The directors of the Company are of the opinion that the Group has the power to govern the financial and operating policies of Huanan Property Development, therefore, it is regarded as a subsidiary of the Group.

The English names of the PRC companies referred to above in this note represent management's best efforts in translating the Chinese names of those companies as no English names have been registered or available.

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People's Republic of China

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COUNTRY
GARDEN 碧桂園