

Wang Jianlin

Wanda Group



At the apex of Chinese politics stands a group of elites known as the *hongerdai*, or children or grandchildren of the revolutionary leaders who helped the Communist Party to seize power in 1949. Wang is among the blue bloods (“red bloods” may be politically more appropriate): his father had taken part in and survived the Red Army’s Long March.

Getting started

Wang was born in Sichuan in 1954. Like his father before him, Wang joined the People’s Liberation Army at 15. Demobilised 18 years later he went to Dalian where Wang was asked to take on a failed real estate business. That became Dalian Wanda.

The rise of Wang and Wanda has remarkable overlaps with another important *hongerdai*: Bo Xilai (who was a junior politician in the same city).

Wanda enjoyed something close to *carte blanche* from the local authorities to give Dalian a facelift just as Bo was climbing the ranks to become Dalian’s mayor. The two even shared an interest in football. Bo was known as

the “football mayor” while Dalian Wanda became a household name in China thanks to its all-conquering football team which dominated the Chinese league in the 1990s.

Big break

In 1991, Wanda was one of the state entities picked to become a ‘pilot’ joint stock firm. Wang got the controlling shareholder of Wanda, which then began to expand beyond Liaoning.

Wang came up with the idea of the Wanda Plaza: mega residential and commercial complexes. Local governments welcomed these huge projects with land and other incentives. By late 2015 Wanda had 133 Wanda Plazas and 84 hotels nationwide with total leasable area of 26 million square metres.

Going global

In 2012 Bo Xilai was arrested and lost out to Xi Jinping, another *hongerdai*, in the race to become China’s supreme leader. It didn’t seem to have affected Wang.

Indeed, it was after 2012 that Wang began to spend aggressively overseas. His trophy buys include London properties, UK yacht maker Sunseeker, a Spanish football club as well as a few Picasso paintings for record prices.

After becoming the world’s biggest landlord (thanks to his Chinese malls), Wang has set his sights to oust Walt Disney as the world’s most influential entertainment conglomerate. In 2012 he invested \$2.6 billion to buy AMC Entertainment. The deal turned Wanda into the world’s biggest cinema chain operator. In 2016 Wanda also acquired Hollywood studio Legendary Entertainment for \$3.5 billion, as well as the Odeon & UCI cinema chain in Europe.

And to relax

He loves singing. The video of him singing in Wanda’s annual dinner in January 2016 has attracted 3 billion views online.

“My philosophy is always the same: be close with the government, and distance myself from politics”

Key info

According to Forbes, Wang is China’s richest man with a net worth of \$30 billion.

Year born
1954

Wang Shi

China Vanke



Vanke's founder Wang Shi, despite his standing and influence, is barely a billionaire. That was because the controlling stake in the property giant he built became largely owned by the state.

Getting started

Wang was born in 1951 in Guangxi. His father was an Anhui native and a Red Army soldier who served under Wang Zhen, one of the Party's Eight Immortals. That's why Wang also joined the People's Liberation Army when he was 17.

At 23, after his father became a senior official at the railway bureau, Wang enrolled at the Lanzhou Railway University, and afterwards worked as a railway engineer. In 1980, he joined the foreign trade promotion body in Guangdong – the power base of his father-in-law Wang Ning (who was the province's police chief and deputy Party boss).

Nevertheless Wang's success was also pretty much self-made. He arrived in Shenzhen in the 1980s and made his first money broking corn feed. In 1984 he founded his private firm though its earliest controlling shareholder was still an investment firm under the Shenzhen

municipal government. Wang's start-up was in fact a factory that made anything which would turn a quick profit.

After trying out with garments, watches and beverages, in 1988 Wang changed his company's name to Vanke and began his first real estate project. That quickly brought Vanke into a cash crunch. Wang would load stacks of Vanke's shares onto a bicycle to sell in a wet market at Rmb1 apiece. That marked the beginning of Vanke's fragmented shareholding structure.

Big break

Vanke was finally on the growth track thanks to a property boom in Shenzhen. In 1991 it became the first developer to list in Shenzhen.

By the turn of the century Vanke needed funding again to expand nationwide. Wang had to bring in a new strategic shareholder. He picked state giant China Resources (over Hong Kong's SHK Properties), to which Vanke sold a 15% stake in 1999. With the backing of China Resources, Vanke has grown into China's biggest residential developer in terms of sales, with sales hitting Rmb261 billion in 2015.

Takeover saga

China Resources remained Vanke's biggest single shareholder until 2014 when property-to-insurance conglomerate Baoneng acquired more than 20% in Vanke. The unsolicited investment has stoked arguably China's first hostile takeover war. Wang tried to bring in Shenzhen's state-owned metro firm to help fend off Baoneng but China Resources has opposed the deal. The drama was ongoing as of September 2016 when this book went to press.

And to relax

Wang is a bit like the Chinese Richard Branson. He has skied to the North Pole and is also an avid mountain climber. He was one of the earliest Chinese to summit Everest.

Property

“The wealth I created didn't belong to me. I was only managing money for the country and the people”

Key info

His name won't probably appear on any rich list – he is not among the top 10 shareholders of Vanke – but his legacy goes far beyond personal wealth.

Year born
1951

Photo Source: imagine China

Xu Jiayin

China Evergrande



Born to a poor family in Henan in 1958, Xu Jiayin went on to study at work in a steel factory in Wuhan for 10 years. In 1992, Xu went to Shenzhen to look for opportunities. He tried to look for a job using a painstakingly compiled resume which comprised of 32 pages. Unsurprisingly not many employers were interested.

Getting started

Two years later he decamped to Guangzhou where he helped managed a real estate project. At the time, new residential developments usually consisted of large units, often with three bedrooms. Xu reversed this trend by making sure that his own projects contained more small units. The project sold out quickly.

Big break

In 1996 he established his own company, Guangzhou Evergrande (which was renamed China Evergrande in 2016 to reflect its nationwide presence). Evergrande entered as a

latecomer but at just the right time.

A year later the Asian financial crisis struck. While many bigger more experienced developers went under, Evergrande grew quickly as Xu's "small units, small profits, quick return" strategy paid off.

Since 2004, the company has expanded into a series of second and third-tier cities, which made it something of a pioneer. Previously cities of that rank had been largely ignored by China's other large developers.

That saddled Evergrande's books with lots of debt and unsold inventory. Evergrande nearly went bust in 2008 amid the global financial crisis. Xu survived through financing from some of Hong Kong's most astute real estate tycoons. That was only possible, Sina Finance reports, after Xu spent three months playing cards with the Hong Kong billionaires.

Evergrande went public in Hong Kong in 2009 and survived. Hurun's China Rich List even put him as China's richest man.

Questions on Evergrande's financial health have never died down. In 2013 Citron Research, an American short-seller, alleged that Evergrande was insolvent. Xu fought back by taking legal action against Citron.

Still, as of 2015 Evergrande's gearing ratio stands at 93%. It would have exceeded 300% if its perpetual bond were included as liabilities rather than assets.

Xu is also good at punching above his weight. In 2016, he also brought Evergrande into the takeover battle for control of Vanke, buying a 7% in its bigger rival with financing linked to wealth management products.

Need to know

The company's Guangzhou Evergrande FC has won China's top football league five consecutive times. In 2013 it became the first Chinese team to win the Asia-wide AFC Champions League. The team is now called Evergrande Taobao after Alibaba bought a 50% stake in the football club.

Xu's model can be summarised as "small units, small profits, quick return of funds"

Key info

New Fortune magazine put his net worth at Rmb27 billion.

Year born
1958

Yeung Kwok-keung

Country Garden



Both Forbes and Hurun have ranked Country Garden's controlling shareholder Yang Huiyan as China's richest woman. But it is her father, Yeung Kwok-keung, who has guided the family-run property firm to its huge success.

Getting started

Yeung was born in 1954 to a family in Guangdong's Shunde district. Company folklore claims he didn't get his first pair of shoes until he was 17. With little formal education, he joined a county-level construction firm in his twenties, working his way up to become the general manager in the early 1990s.

Faced with its closure by the local government, Yeung took the firm private. Soon afterwards his major client, a developer, went bankrupt. Yeung had two choices: either his construction firm went under as well, or he took up the residential project himself. He

opted for the latter and the accidental developer founded Country Garden.

Big break

In the 1990s Shunde was a lesser developed part of the Pearl River Delta and Country Garden's residential projects struggled to find buyers. Of its first 4,000 units, only three were sold. Yeung allocated a plot of land to build a high school and packaged it as "a college for the elite". The idea worked, attracting wealthier parents to relocate to Shunde.

The experience came to define Country Garden's philosophy. Yeung would pick up large plots of land that seemed of little value to most property firms. This kept his land costs below his competitors, and meant he was able to "sell luxury mansions at cabbage prices".

In 2007 Country Garden went public in Hong Kong. By then Yeung had transferred his shareholding to his daughter Huiyan, whom he had encouraged to take over his empire. She is still its biggest shareholder with a stake of over 50%, even after the sale of a 9.9% stake last year to Ping An, one of China's biggest insurers.

Forbes estimates Yang [the Pinyin spelling of Yeung] and her family were worth \$5.2 billion as of March 2016.

Need to know

Yeung has close ties to another Shunde native Lee Shau-kee, the chairman of Henderson Land and one of Hong Kong's richest property tycoons. Henderson Land was a major pre-IPO investor in Country Garden.

And in its largest project outside China Country Garden is partnering with a unit of the Malaysian government to develop Forest City, a \$36 billion residential project on four man-made islands near the border with Singapore. Construction began in 2016, and Country Garden has said it expects the project to generate Rmb20 billion of sales by the end of 2016.

Yeung enjoys close ties with Hong Kong tycoon Lee Shau-kee

Key info

Forbes estimates Yang and her family (including her father, Yeung Kwok-keung) were worth \$5.2 billion as of March 2016.

Year born
1954

Photo Source: Imagine China

Xu Rongmao

Shimao Group



Getting started

Xu Rongmao was born in 1950 in Fujian province. His father graduated from a medical college and his mother was an obstetrician. During the Cultural Revolution, Xu was sent to the countryside to be a barefoot doctor. Then he moved to Hong Kong in the 1970s and tried to become a pharmacist, specialising in Chinese traditional medicine. However, Xu spoke only Mandarin and the Minnan dialect, so had problems understanding his Cantonese-speaking clients. He quit, and began working in a textile factory. Xu soon began speculating in Hong Kong stocks, and accumulated savings that allowed him to open a garment business, with his production based in mainland China.

Big Break

According to an interview in the Minnan Economic Weekly, 1989 was a turning point for Xu. He began experimenting with real estate

in his hometown, Shishi.

Unlike the garment business he found it a much more satisfying experience. "My factory made a lot of clothes but at the end someone would stick an American label onto it... Building blocks of magnificent buildings both beautifies the city and improves people's lives. That gives me pleasure and career satisfaction."

He became the owner of China's first privately-owned three star hotel – which until 1988 had been forbidden by government regulations. In 1991 he took his family to Australia and furthered his property experience in Sydney and Darwin. In 1993 he returned to China and built a tourist resort on Wuyi Mountain.

Growth

In 1995 new real estate rules hit Beijing's property developers and led to fragile market conditions. Xu sensed an opportunity and began developing high grade apartments in the capital such as Zhizhu Garden and Scenic Park. He soon accounted for a third of the high grade residential market. And in 2000 he began to replicate his success in Shanghai, and later, elsewhere in China.

Need to know

Shimao is now one of China's most successful property firms. Its Shanghai International Plaza is one of the highest buildings in Shanghai. Shimao Property listed in Hong Kong in 2006 further raising the property group's international profile. It has also become of the most active Chinese developers in Hong Kong.

In recent years the company has copied the strategy of its bigger rival Wanda, and began investing in cinema chains and movies. In 2015 it has even acquired a stake in Wanda's cinema unit.

Hurun China's Rich List estimated his net worth at Rmb35 billion in 2015.

"I just focus more on what I'm doing, and pay more attention to detail"

Key info

Shimao Property's market value was HK\$38 billion as of September 2016.

Year born
1950

Wu Yajun

Longfor Property



Born in Hechuan, a small town within the Chongqing municipality, Wu Yajun got a degree in navigational engineering from the Northwestern Polytechnical University. In 1984 she began work at the state-owned Qianwei Meter Factory. Four years later, she switched paths, spending the next six years as a journalist at China Shirong News Agency, a publication owned by the Ministry of Construction. In 1994 she then set up her own trading company, and soon afterwards established Longfor Properties with her husband, the pair owning a 76% stake.

Getting started

Longhu South Garden, a residential complex in Chongqing, was her first project in 1995. Wu is still proud of it today. She focused her efforts on every detail, including the planting of specific trees and flowers designed to attract more birds. The project proved a success, and a new Longhu West Garden was launched in 1999. Insiders recalled, "Longfor

sold its homes even faster than cabbages sold in the market". Having established Longfor's reputation, Wu wasn't in a rush to expand elsewhere, preferring to focus on Chongqing. By the end of 2005, sales had hit Rmb1.12 billion, making the firm the top property developer in the highly populous city.

Wu then told South Weekend her business secret: "Intense investments in commercial real estate to win the trust of local government."

North Tianjie is one example. Before she moved in, North Tianjie was a remote area in Chongqing. Now it's a vibrant commercial zone covering over 140,000 square metres.

Big break

Wu began to expand elsewhere in 2006. Longfor Properties now has projects in 11 cities, including Beijing, Chengdu, and Xi'an.

Longfor went public in November 2009 in Hong Kong raising \$1 billion, with cornerstone investors including Ping An Insurance and Singapore's Temasek. Shortly afterwards, her husband left the company to focus on his own golf course business and in 2011 Wu also announced that she'd step down as CEO, but remain as chairwoman. She's hired professional management in an attempt to make Longfor less of a family business.

Need to know

She was dubbed as China's richest woman but she lost the title in 2012, when Wu divorced her husband after a 20-year marriage. The couple originally owned 75.6% in Longfor. According to Chinese laws a divorce also means an equal split of the couple's fortune. Wu's husband ended up with a 30% stake in the developer, though the two retain control by voting their stakes together.

As of September 2016, her husband's stake in Longfor was worth \$3 billion. Hurun's China Rich List put Wu's net worth at Rmb27 billion in 2015.

When she divorced her husband he got \$3 billion

Key info

Longfor's market value stood at HK\$73 billion as of September 2016.

Year born
1964

Photo Source: Imagine China

Chen Lihua

Fu Wah International



Born in 1941, Chen Lihua is perhaps unique among tycoons in that she claims to be related to the last Emperor of China, Puyi.

Born to a royal clan of the Manchu ethnic minority that ruled China between 1644 and 1912, Chen also spent a few years of her childhood in Beijing's Summer Palace. On marrying, her dowry consisted of rare antique sandalwood furniture.

Getting started

Chen's noble status was never going to be a big plus for joining Mao Zedong's new ruling class. During the Cultural Revolution she feared her beloved antique sandalwood would be destroyed; so she buried it all.

A decade later, when Mao died, she dug it up to discover it undamaged. Then she set up a shop to repair old furniture herself. Business blossomed and she built a factory.

Big break

In 1981 she moved to Hong Kong and set up Fu Wah International. With money from furniture sales, and from selling family property left to her, she put together enough capital for some successful speculation in Hong Kong's real estate market. Over the coming years she would diversify into trading and investment. In 1989 she returned to Beijing.

Need to know

Chen became one of China's early property tycoons, her first major project being the Chang'an Club – combining an exclusive members-only business club for the elite and an apartment complex. She then continued building in prime sites around Beijing's Wangfujing area. She has so far developed 1.3 million square metres of property in the Chinese capital, and invested more than Rmb10 billion. Such grand redevelopment has not been without controversy, since existing residents had to be relocated. A whole chapter is dedicated to this subject in Philip Pan's book *Out of Mao's Shadow*.

And to relax

Chen has become as well known for her sandalwood as her properties. Soon after making her first fortune, she decided to open the country's first 'private' museum to showcase her growing collection.

It contains around 2,000 antique items, as well as pieces she has designed herself and made in her factories (sourcing expensive and rare sandalwood from places like Myanmar). Chen has spent Rmb200 million on the museum, and describes it as a "cultural investment" not designed to make money. However, the value of her antiques continues to rise, reports the local media.

She says she is related to China's last emperor Puyi

Key info

Hurun's China Rich List reckons Chen made her fortune from real estate and put her net worth at Rmb49 billion.

Year born
1941

Huang Nubo

Zhongkun Real Estate



Huang Nubo spent the early part of his life on the wrong side of politics. When he was only two years old, his father committed suicide after being branded “a rightist”.

To counter the stigma, Huang changed his name from Yuping, which means “jade-peaceful” to Nubo, which means “angry wave” so he could join the Communist Party when he was 16.

Getting started

His fortunes improved further in 1977, when he was enrolled in Peking University. After he graduated, Huang found a job in the Central Propaganda Department of the Communist Party and became department director at the age of 29. Like many other entrepreneurs, Huang left his government position to set up on his own, in his case the property company, Zhongkun Real Estate Group.

Big break

Huang made his first fortune in 1997, when he

signed a deal with the government of Hongcun in Anhui to turn the impoverished village into a tourist attraction. Huang invested Rmb5 million to repair roads and upgrade nearby hotels.

In 2000, the United Nations named Hongcun a World Heritage Site, for its “outstanding example of traditional human settlement”. But the real break came when the village was featured in Lee Ang’s hit film *Crouching Tiger, Hidden Dragon*. Visitors began turning up by the busload.

After success in Hongcun, Huang turned to other tourism projects around the country: stone villages and tombs along the old Silk Road in Xinjiang; hunting and skiing resorts in Inner Mongolia; and temples in Mentougou in western Beijing.

Going global

Soon he was looking abroad. Huang made headlines in 2012 when he offered to buy 300 square metres of Icelandic wilderness and spend \$150 million to develop it – with plans to build a luxury hotel and a golf course. There was a swift backlash in Iceland against the property deal, where a military motive was suspected.

Huang made clear he was “only a businessman” and had no links to the Chinese government. He said he was only interested in Iceland’s pristine landscape and attracting tourists. The Icelandic Interior Ministry vetoed the land sale, but last year Huang said he was able to push ahead with the project using a long lease instead of an outright purchase.

To relax

When he’s not talking about property, the tycoon prefers to discuss poetry. Huang’s verse is composed under the pen name Luo Ying, and has been published in English, French and Japanese. Huang says he is now working on a new poetry collection, as well as studying for a doctoral degree.

He is the tycoon who wanted to buy a large chunk of Iceland

Key info

Hurun’s China Rich List estimated Huang’s net worth at Rmb10 billion in 2015

Year born
1956

Dai Zhikang

Zendai Investment Group



Getting started

Dai Zhikang was born in 1964 to a poor farming family in Jiangsu, the fourth of six children. However, thanks to his excellent performance in the national college entrance exam – 98 out of 100 in mathematics – he was able to enrol at Renmin University's department of international finance, and then read philosophy at Shanghai's Fudan University. After a brief stint as a journalist for the Financial News, he joined Citic Industrial Bank.

Big break

In 1988 he moved to Hainan where he founded the International Finance Company. But it wasn't a success and Dai returned to Beijing to work with a German bank. In 1990 one of his university classmates invited him back to Hainan. They soon set up one of China's earliest fund management companies. Their fund raised Rmb60 million

for stock and real estate investment and by the age of 28 Dai was well known in investment circles.

Then, disaster. In the 1993 stock market crash he was all but wiped out. He bounced back, repaid his debtors and in 1998 he founded Zendai Investment Group, with his focus now on property development.

In 2010 Dai captured headlines as Shanghai's 'land king' when Zendai paid a record Rmb9.2 billion for a large parcel of land close to the city's iconic riverside Bund. This led the media to speculate on Zendai's potential cashflow problems, since the land cost 15 times the cash Zendai had on hand. The sceptics were vindicated a year later as Zendai, cash-strapped, was forced to reshuffle the ownership of the Bund site, which was eventually acquired by a consortium led by Fosun.

The setback didn't deter Dai from punching above his weight again. In late 2013 he announced an even more ambitious project. This time, as much as \$7.8 billion would be spent over the next 15 years to transform a suburb of Johannesburg into the "New York of Africa".

However, in mid-2016 he told the South China Morning Post he'd tired of property development and wanted to refocus on investment and finance – having launched a fund to invest in the art market. In 2015 he sold his family's 42% stake in Hong Kong-listed Shanghai Zendai Property for HK\$1.25 billion. "Land prices became too expensive," he told the SCMP of his decision.

And to relax

"I have never been a pure businessman," Dai commented to China Youth Daily, and he has become a major patron of Shanghai's contemporary art scene. In 2009, Dai opened the Shanghai Zendai Himalayas Centre which houses an art museum, a performance hall as well as five-star hotels and offices.

Dai has switched his interest from real estate in the past 12 months to finance and investment claiming land prices are too high

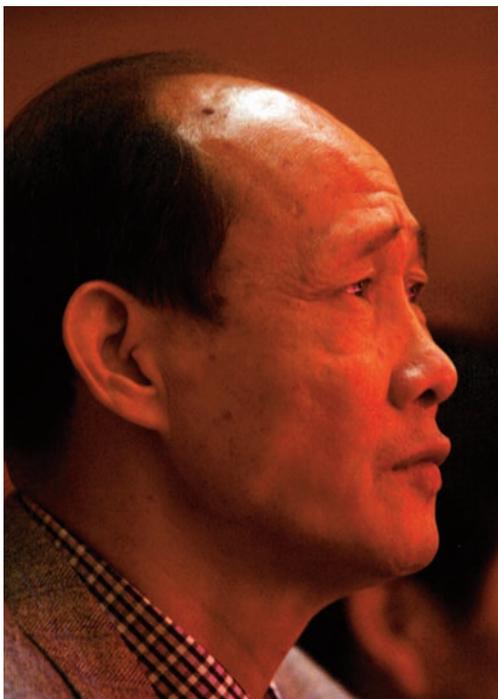
Key info

Dai was worth Rmb5 billion according to Hurun's 2015 China Rich List.

Year born
1964

Huang Rulun

Century Golden Resources



Born in a poor family in the countryside outside Lianjiang, a small town in Fujian province, Huang Rulun started out as a street vendor when China's reform period began.

Manila move

In 1986 Huang moved to the Philippines where he became a successful trader (fuller details of this period are sketchy). Returning to China at 40, he set up Fuzhou Golden Resource Property Corporation.

His first project, Guotai Tower, built in cooperation with the Fuzhou local government was a hit, and coincided nicely with southern China's commercial property boom in the early 1990s.

In the next three years, Huang built more commercial properties but started projects in the residential market too. Again it was a timely strategy, as new restrictions on commercial development began to bite in 1994.

Unlike some of his rivals, Huang was more conservative in his borrowing. "Use your own capital, don't use too much outside financing – it can make you greedy and aggressive," he told staff.

Expanding to Beijing

In 1998 Huang shifted focus to Beijing, having become the largest private developer in Fuzhou. After testing the market with his Century Garden housing development, he caused a stir with his Century City project, investing Rmb17 billion (it featured more than 3 million square metres of floorspace).

From 2000 to 2003, Century City ranked as Beijing's top property project by sales. But Huang kept to his old mantra on financing, telling *Global Entrepreneur* in 2003 that he "didn't borrow even one penny from the banks".

Another reason for his success? Century City targeted the middle market at a time when Beijing's middle-class was starting to enjoy greater consumption power.

Back to the office

Recalling his time in the Philippines, Huang was struck that Manila had more than 10 shopping malls. He wanted to build similar complexes in Beijing too, and in 2004 he completed Beijing Golden Resource Shopping Mall, one of the biggest new shopping venues in China. It was built next to Century City, bringing in more than 20,000 residents as potential shoppers.

Huang has replicated the model in Kunming, Changsha, Guiyang and Hefei.

Philanthropist

Huang is said to have donated more than Rmb4 billion to charities and good causes in the past 20 years. He once quipped: "Rmb18,000 a month is more than enough for me."

"Rmb18,000 a month is more than enough for me"

Key info

Huang was worth Rmb23 billion according to the 2015 Hurun Rich List.

Year born
1951

Sun Hongbin

Sunac China



Sun used to be known as “the maddest developer” in China. Prior to that he was the brightest young manager at Lenovo.

Getting started

Sun Hongbin was born in 1963 in Linyi, Shanxi province. He graduated from Tsinghua University with a master's degree in hydraulics.

In 1985 when Lenovo put up a public recruitment ad, some of the country's brightest young talents flocked to join Liu Chuanzhi's firm. Sun joined in the same year as Yang Yuanqing (now CEO of Lenovo) and even outperformed Yang at the time.

At 26, Sun was promoted to become Lenovo's corporate development manager. Things then went awry. Sun's division grew too quickly. Too young, too ambitious, Sun became uncontrollable and earned himself many enemies. In 1990, Sun was sent to jail for five years for embezzlement, an accusation he has never confessed to (a Chinese court overturned the verdict in 2003 and said Sun was actually innocent).

Prodigal son

Sun was released early, in 1994. One of the first things he did was to see Liu and apologise. “That will be meaningless if I grab a knife and wait outside Liu's home,” Sun told reporters. “Liu is my mentor. In a sense he made me.” Liu didn't bear a grudge either. He lent Sun Rmb500,000 (lining up other banking financing as well) to set up Shunchi, a Tianjin-based property firm.

Determined to make up for lost time, Shunchi embarked on breakneck growth. In 2003, the company outbid its competitors for some of the best sites available in 10 major cities including Beijing.

Sun's strategy looks to be the industry norm now. But back in 2003 he was considered a rule-breaker. Without the blessing of local governments and banks, Shunchi's highly leveraged business model began to crack.

Doubts were reinforced by further difficulties in 2006: the company was bogged down by nearly Rmb1 billion of debt, and had failed in its attempt to list in Hong Kong. Sun was forced to sell a majority stake for just Rmb100 million to Hong Kong toll road operator Road King. It was a tiny amount considering his firm claimed a land bank exceeding 10 million square metres.

White knight

Sun found salvation in Sunac, a property unit that he had set up in 2003. Sun seems to have learned his lesson too. Sunac only focuses on five cities, avoiding the perils of rapid expansion.

With a prudent approach in place, the next step was to go public. Sun finally succeeded in October 2010 with a Hong Kong listing. More recently Sun has even played white knight to other struggling firms. Since 2014 it has provided funding to cash-strapped real estate counterparts Greentown and Kaisa.

Liu Chuanzhi sent him to jail, then lent him the start-up capital for Sunac

Key info

As of September 2016, Sunac's market value stood at HK\$18 billion.

Year born
1963

Lou Zhongfu

Guangsha Group



For decades Dongyang Zhejiang was mostly renowned for woodcarving and pickling its eggs in schoolboys' urine (no joke – Dongyang government officials are even lobbying for the dish to be included in a list of China's cultural heritage).

But the city also boasts one of the biggest retinues of private sector tycoons. Dongyang natives are now in control of nearly 20 listed Chinese firms. Lou Zhongfu is a key member of the influential Dongyang gang.

Getting started

Born in 1954, the Dongyang native's career began as a construction worker; with gradual promotion seeing him made a section chief, and finally in 1984 the manager of the Dongyang Third Construction Engineering Company.

It was a small township enterprise, but was transformed by Lou when he renegotiated staff contracts in 1987 and refocused the business away from state-owned practices to more profit-centric approaches.

But with revenues of less than Rmb2 million, Lou had bigger ambitions, and changed the company name to Guangsha Group.

Big break

In 1993 Guangsha was restructured into a joint-stock company and in 1997 was listed on the Shanghai Stock Exchange. With access to capital, Lou began looking to grow his empire via acquisition. In 1998 he bought the troubled firm Chongqing First Construction, with the blessing of the local government – bringing with it expertise from construction work on the Three Gorges Dam project.

Over the next four years he bought struggling state-owned construction firms in a host of major cities such as Beijing and Nanjing.

In 2006 he began looking at overseas markets. He focused on the Middle East, taking the view it will “definitely have large development”. He has won projects worth \$500 million in Dubai, and claims to have the biggest market share of any builder in the emirate.

He was particularly proud to complete the Dubai Meydan Racecourse's grandstand project within 18 months – a deadline that was reckoned to be ‘mission impossible’.

Need to know

Other influential Dongyang tycoons include Fosun's Guo Guangchang and Huayi Brothers' Wang brothers.

Aside from being one of China's biggest private construction firms, Lou has moved into energy (hydroelectric dams), as well as hotels, real estate and oil storage. However, there have been reports in Chinese media outlets that Lou has found himself in trouble with anti-graft investigators. At the time this book went to press Lou had not appeared in public in 2016.

Guangsha built the Dubai Meydan Racecourse's grandstand project in 18 months

Key info

Lou's net worth in 2015 was Rmb16 billion according to the Hurun Rich List.

Year born
1954

Yan Zhi

Zall Development



Born in Hubei province, Yan Zhi dropped out of school when he was 17 to take over his father's job as a printer. The following year he published his first poems. In 1992 he became a journalist with a local newspaper before starting his own media agency. In a major coup he bought up space in the provincial papers and then persuaded 50 home appliance brands to market their products through him.

Getting started

It wasn't until 2003 that Yan made his first move into property, following his difficulties finding a new headquarters. As far as he knew a lot of his friends were facing the same problem. So in 2005 he embarked on Zall Development's first project, No. 1 Enterprise Community in Wuhan. It was designed to house HQs for small and medium-sized enterprises and within two years more than 100 companies had moved in.

Watch out Yiwu

Yan's dream is to build China's biggest wholesale trading centre, returning Wuhan – capital of Hubei – to its role of 500 years ago. North Hankou is his flagship project.

Back in 2007 it was a rubbish dump in Wuhan's northern suburbs but Yan has invested Rmb6 billion to build North Hankou International Trading Centre, covering 3 million square metres (for perspective, the vast Venetian Macau resort is a third of its size). He has focused on wholesale markets for items like shoes and clothes, and many firms have moved out of Wuhan's old commercial centre Hanzhengjie to Yan's new facility.

In Yan's view, Wuhan is well-positioned as China's manufacturing heartland moves from the coast to the west. His prediction is that the Yangtze river will become an even more crucial artery and he has acquired a port operator to accompany his other investments in Wuhan.

Yan is now diversifying into civil aviation. In 2013, his company unveiled a plan to invest Rmb10 billion in Wuhan to build an aviation centre that would manufacture civil aircraft as well as train pilots.

In 2016 Zall also took its expansion online by acquiring a 30% strategic stake in NASDAQ-listed Chinese e-commerce firm Lightinthebox for about \$70 million.

The Hurun Rich List put Yan's net worth at Rmb13 billion as of 2015.

And to relax

"Some people like to go to the spa, or do their nails. I enjoy poems, that's my hobby." So far Yan has published 18 books that feature his poetry.

Yan has published 18 books that feature his poetry

Key info

Zall's market value stood at HK\$45 billion as of September 2016.

Year born
1972

Kong Jianmin

KWG Property



KWG Property looks like just another Chinese property firm. But one way that it stands out is its similarity to the world's biggest developer by market value – Hong Kong's SHK Properties (which is worth round \$41 billion).

Like the billionaire Kwok brothers of SHK Properties in the 1990s, KWG Property is run by its chairman Kong Jianmin and his two brothers. (Jianmin is the second eldest). Even KWG Property's business motto – Build Homes with Heart – is a carbon-copy of the Hong Kong giant. KWG is also an ally of SHK for its growing mainland operations.

Getting started

Kong Jianmin was born in 1969 in Guangdong. He obtained a degree in computer science in 1989 and worked first as a loan officer at state bank ICBC.

After witnessing firsthand how his lending was multiplying the fortunes of Guangzhou

developers, Kong decided to start his own property venture.

Big break

Kong founded KWG in 1995 with his brothers, operating as a residential developer in their hometown. Early-stage projects were financed by his former employer ICBC but like many latecomers to Guangzhou's overcrowded real estate market, KWG began to rely more on private equity investments to fund nationwide expansion.

In 2006, Kong sold a 7.5% stake to a real estate fund run by Morgan Stanley. The deal brought timely capital as well as important connections and the US bank would sponsor KWG's Hong Kong listing in July 2007 (just three months before the city's key index hit its historic high). Adam Kwok, son of SHK's co-chairman Thomas, helped orchestrate the highly successful pre-IPO investment.

The acquaintance served as good due diligence and KWG is now a joint venture partner in several major real estate projects for SHK in China, providing much-needed local knowledge for the cash-rich Hong Kong firm.

KWG's market value stood at HK\$15 billion as of September 2016. The Hurun Rich List estimated the Kong brothers' net worth at Rmb8.5 billion.

Need to know

Kong keeps one of the lowest profiles among Chinese property tycoons. An exception was made in 2007 at a global truffle auction. Two white truffles weighing 750 grams went under the hammer for \$193,000, and Kong and two other Guangzhou property tycoons bought them both.

Presumably he didn't mind spending a few months in the public eye after his company had gone public, but Kong has rarely ventured into the media limelight again.

KWG is run by the three Kong brothers

Key info

The Hurun Rich List put the Kong brothers' net worth at Rmb8.5 billion in 2015.

Year born
1969

Photo Source: Imagine China

Wei Shaojun

Longjietaihe



Baoding means “stable protection” in Chinese, which explains why it has traditionally been a military city. It is home to an elite section of the People’s Liberation Army guarding the southern gateway to Beijing. Its economic history has been less storied until recently, thanks to Xi Jinping’s plan to integrate the Chinese capital with its surrounding area.

One big beneficiary of the Jing-Jin-Ji project is Wei Shaojun, a developer with a 15% market share in Baoding.

Getting started

Wei was born in 1963 to a rural family in Hebei’s Gaobeidian county. Deprived of a formal education, he was required to help his father to sell rakes when he was a kid. Wei’s dream at the time: to become a bricklaying mason so that he could find a wife.

When Wei was 17 he moved to the outskirts of Beijing, and found himself a lot closer to fulfilling his dream. He began working as an apprentice at a small state firm, helping bricklayers to prepare their building materials.

Wei would start work an hour earlier everyday in order to get things well prepared. In this way, he won over his mentors, and mastered the techniques himself.

By early 1980s the construction industry became one of the earliest sectors to be opened for private sector companies. Wei formed a company with 10 other Baoding natives, bidding for construction contracts that were coming thick and fast following Deng Xiaoping’s economic reform. Wei’s team quickly grew to one with more than 1,000 employees.

The survival rate for similar start-ups was low. Demand for infrastructure was booming but most contractors wouldn’t be paid till long after the construction was completed. According to his own accounts, Wei suffered “five years of bitter living” before 1995, when Wei founded Longjietaihe.

Big break

Wei had a new gameplan, going after much bigger construction projects. In 2000 Longjietaihe built the first commercial mall in Baigou, which at the time was an undeveloped district about 90 minutes drive from Baoding. Eight of the 10 earliest shopping malls in Baigou were constructed by Longjietaihe. His strategy was timely – the urbanisation drive of the Chinese capital was spilling over to its surrounding area. Wei successfully grew Longjietaihe into a construction-to-property conglomerate that is deemed too big to fail for local governments. In 2008 Longjietaihe even became one of the contractors for the Beijing Olympics. In the same year the company expanded into making solar cells.

Need to know

Wei is known locally as “the richest man of Baoding”. In 2008 Wei also became the first Hebei native to feature in state broadcaster CCTV’s show *My Experience*, a documentary which pays tribute to prominent figures.

Wei is Baoding’s richest man

Key info

In 2015 the Hurun Rich List estimated that Wei’s net worth was Rmb28 billion.

Year born
1963

Property

Pan Sutong

Goldin Properties



The title of China's tallest building changes hands quite frequently these days. But according to the People's Daily, Tianjin's Goldin Finance 117 took top spot in September 2015. At 597 metres of structural height, Tianjin's new giant claims to have overtaken Shanghai Tower (which stands at 632 metres, but with a main structure of only 580 metres) and now trails only Dubai's Burj Khalifa in the global skyscraper stakes.

Goldin Finance 117 is the iconic heart of the new business district Pan Sutong is building on the outskirts of Tianjin. Its towering presence looks to have kept its owner close to the peak of the wealth pyramid.

Getting started

Born in Guangdong in 1963, Pan was initially raised by his grandmother, but she died when he was 13. He was sent to California to live with his step-grandmother, returning to China four years later. As a high-school dropout, Pan

worked as the driver of a Party official in his hometown Shaoguan. In 1993 he started his own business, making MP3 products and karaoke equipment under the Matsunichi brand. To promote his company he acquired a football team in 1996 and named it Matsunichi. He sold the club six years later but took his company public in Hong Kong via a backdoor listing, also using the faux-Japanese brand.

Big break

Pan's consumer electronics business was successful, but not enough to make him mega rich. Things began to change in 2007, when his company acquired the property project in Tianjin where Goldin Finance 117 now stands. A year later he renamed his company Goldin Property to reflect the change in his core business.

Pan soon gained the image of a property tycoon who liked to flaunt his wealth. For instance, he is keen on horse racing in Hong Kong, an expensive hobby that allows him to rub shoulders with the territory's high society. He invests in Chinese art and enjoys fine wine (launching a glossy magazine about the industry called Le Pan). British princes William and Harry have faced off at Goldin's charity polo matches in Gloucestershire, while Pan has built a vast new polo club of his own as part of a new business district outside Tianjin and holds a high-profile international snow polo tournament each winter, which is televised.

Need to know

The year 2015 was a rollercoaster for the tycoon. The share price of Goldin Property went on a spectacular rise, spiking 400% in the three months to May, with Goldin's market value touching HK\$100 billion (\$12.8 billion). It then began a steep fall, dropping 70%. It had dwindled to HK\$27 billion by September 2016.

His Tianjin skyscraper was ranked as China's tallest when it opened in September 2015

Key info

Goldin Properties' market value reached HK\$100 billion in 2015. It has dipped nearly 70% since.

Year born
1963

Photo Source: Imagine China

Pan Shiyi

SOHO China



Born in Gansu in 1963, Pan was initially disadvantaged by his family background – his father was labelled a ‘rightist’. Pan later enrolled in Lanzhou’s Polytechnic School and was then accepted by Hebei Petrol Pipeline College.

Getting started

On graduation, Pan was assigned a job with the Ministry of Petroleum’s Economic Reform Research Bureau. In 1987 he made a trip to Guangzhou and Shenzhen. Coming from the ice and snow of the north to the south’s “singing birds and fragrant flowers” was a revelation. He thought it was “paradise”.

Big break

Pan quit his job, sold all he had and decided to try his luck in the south. He arrived with just Rmb80, and had to spend Rmb50 of that to pay someone to help him find a way through the fence surrounding the Shenzhen Special Economic Zone. He joined a consulting company but soon discovered Shenzhen wasn’t exactly the paradise he’d believed it to

be, and became depressed. So when a chance arose to leave for the island of Hainan, he grabbed it. There he first found work as boss of a brick factory, but it wasn’t long before he co-founded the real estate developer Vantone.

Growth

Hainan was enjoying a real estate boom and Pan took advantage, but later figured Beijing would offer more sustainable growth, so he moved there in 1992. In 1994 he met his wife and business partner, an ex-investment banker called Zhang Xin. He left Vantone to set up SOHO China with her. The vision for their business was to collaborate with internationally-recognised architects to produce stylish, modern apartment buildings for Beijing’s urban professionals.

Aside from cool high-rises in Beijing it also worked on groundbreaking projects such as the Commune by the Great Wall to polish its brand for cutting edge design. Later it focused on developing office complexes. Its 2007 Hong Kong IPO – which raised \$1.9 billion – gave it the funds to expand. However, it has largely restricted its development footprint to Beijing and Shanghai (though it has also bought a couple of buildings in New York).

Need to know

In 2012 SOHO China made a major strategic shift: instead of selling office premises, the company announced that its new goal was to become a big commercial landlord. Pan wants rental incomes to reach Rmb4 billion by 2017.

However, the transformation has not been a great success. SOHO only got Rmb1 billion in rental income in 2015. In the same year it changed tack again, this time refocusing its strategy to leasing its properties for office-sharing entrepreneurs. It is also selling “non-core” property projects outright to raise fund. SOHO’s market value stands at HK\$24 billion as of September 2016, or 50% lower since 2012.

He has 18 million weibo followers

Key info

Pan and his wife Zhang Xin were worth Rmb19.5 billion as of September 2016, according to the Hurun Rich List.

Year born
1963

Photo Source: Imagine China