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## DEFINITIONS

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*In this document, unless the context otherwise requires, the following terms shall have the following meanings.*

“affiliate”	person or entity directly or indirectly controlled by, or under the direct or indirect common control of, one person or entity
“Articles of Association” or “Articles”	our articles of association, adopted on October 14, 2009 and as amended from time to time
“associates”	has the same meaning ascribed thereto under the Listing Rules
“Beijing Hengyin”	Beijing Hengyin Real Estate Development Co., Ltd. (北京恒銀房地產開發有限公司), a company established in China with limited liability and our 60%-owned subsidiary with 30% and 10% owned by Chen Hua (陳華) and Xiaoyinhu Investment Co., Ltd. (小銀狐投資有限公司), respectively
“Best Group”	Best Group Enterprises Development Limited (合眾企業發展有限公司), a company incorporated in Hong Kong with limited liability and wholly owned by Merry Wave
“Board of Directors” or “Board”	our board of Directors
“Broad Ocean”	Broad Ocean Investment Group Limited, a company incorporated in the British Virgin Islands wholly owned by Li Xiaoping (李曉平)
“CBD”	central business district
“CBRC”	China Banking Regulatory Commission (中國銀行業監督管理委員會)
“certificate of completion”	construction project inspection and examination certificate (竣工驗收備案表/合格證) issued by local construction committees or equivalent authorities with respect to the completion of property projects subsequent to their on-site examination and inspection
“Changsha Excellence”	Changsha Excellence Real Estate Development Co., Ltd. (長沙市卓越置業發展有限公司), a company established in China with limited liability and our wholly owned subsidiary
“China” or “PRC”	the People’s Republic of China and, except where the context requires, geographical or statistical references in this document to China or the PRC exclude Hong Kong, Macau and Taiwan

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## DEFINITIONS

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“China Index Research Institute”	China Index Research Institute (中國指數研究院), an independent PRC real estate research organization established by the Development and Research Center of the State Council, Tsinghua University Institute of Real Estate Studies and China Index Academy, whose references are made in this document on a non-commission basis
“Chongqing Wanshang”	Chongqing Wanshang Real Estate Co., Ltd. (重慶市萬商置業有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Companies Law”	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Connected Person”	has the same meaning ascribed to it in the Listing Rules
“construction land planning permit”	construction land planning permit (建設用地規劃許可證) issued by local urban zoning and planning bureaus or equivalent authorities in China
“construction permit”	construction works commencement permit (建築工程施工許可證) issued by local construction committees or equivalent authorities in China
“construction works planning permit”	construction works planning permit (建設工程規劃許可證), issued by local urban zoning and planning bureaus or equivalent authorities in China
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Deed of Non-competition”	a deed of non-competition, dated <u>October 20</u> , 2009, given by our Original Shareholders in favor of us
“Director(s)”	our director(s)
“Dongguan Zhongtian”	Dongguan Zhongtian Plaza Development Co., Ltd. (東莞市中天廣場建造有限公司), a company established in China with limited liability and our 80%-owned subsidiary with the remaining 20% owned by Dongguan Xinghui Industry Co., Ltd. (東莞市星匯實業有限公司), an independent third party

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## DEFINITIONS

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“Early State”	Early State Group Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Excellence BVI”	Excellence Holdings Investment Limited, formerly known as Pendleton Systems Limited, our wholly owned subsidiary incorporated in the British Virgin Islands
“Excellence Century City”	Shenzhen Excellence Century City Real Estate Development Co., Ltd. (深圳卓越世紀城房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Excellence Chengdu”	Excellence Real Estate Chengdu Co., Ltd. (卓越置業成都有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Excellence China”	Excellence Real Estate Holdings Co., Ltd. (卓越置業集團有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Excellence Commercial”	Shenzhen Excellence Commercial Real Estate Co., Ltd. (深圳卓越商業置業有限公司), a company established in China with limited liability and our wholly owned subsidiary after the completion of the Reorganization
“Excellence Eastern”	Huizhou Excellence Eastern Real Estate Development Co., Ltd. (惠州市卓越東部房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Excellence Effort BVI”	Excellence Effort Property Development Limited, a company incorporated in the British Virgin Islands with limited liability and 50%-owned by us and 50%-owned by Deng Jia Gui (鄧家貴), an independent third party
“Excellence Effort HK”	Excellence Effort Property Development Limited (卓越通力地產發展有限公司), a company incorporated in Hong Kong with limited liability and wholly owned by Excellence Effort BVI
“Excellence Hong Kong”	Excellence Holdings Investment Limited (卓越集團投資有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“Excellence Property Management”	Shenzhen Excellence Property Management Co., Ltd. (深圳市卓越物業管理有限公司), a company established in China with limited liability and our wholly owned subsidiary

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## DEFINITIONS

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“Excellence Qingdao”	Excellence Real Estate (Qingdao) Co., Ltd. (卓越置業集團(青島)有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Excellence Qingdao Real Property”	Excellence Qingdao Real Property Limited (卓越集團(青島)置地有限公司), a company incorporated in China with limited liability and our wholly owned subsidiary
“Excellence Real Estate”	Excellence Real Estate Investment Limited (卓越置業投資有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“Excellence Weigang”	Shenzhen Excellence Weigang Real Estate Development Co., Ltd. (深圳市卓越維港房地產開發有限公司), a company established in China with limited liability and our 99.25%-owned subsidiary with the remaining 0.75% owned by Shenzhen Shekou Nanshui Industrial Co., Ltd. (深圳市蛇口南水實業股份有限公司), an independent third party
“GDP”	gross domestic product
“GFA”	gross floor area
“Grade A”	rating accorded to office buildings and spaces based on criteria formulated by DTZ Debenham Tie Leung Limited
“Grand Way”	Grand Way Real Estate Investment Limited (盛達置業投資有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“Guangzhou Guixin”	Guangzhou Guixin Industrial Co., Ltd. (廣州桂鑫實業有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Hangzhou Hengxing”	Hangzhou Hengxing Real Estate Co., Ltd. (杭州恒興置業有限公司), a company established in China with limited liability and our 70%-owned subsidiary with the remaining 30% owned by Chen Qishui (陳其水), an independent third party
“HK\$” or “H.K. dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of China
“Huizhou Baisheng”	Huizhou Baisheng Real Estate Co., Ltd. (惠州市柏盛房地產有限公司), a company established in China with limited liability and our wholly owned subsidiary

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## DEFINITIONS

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“Huizhou Luofu Shan”	Huizhou Luofu Shan Excellence Real Estate Co., Ltd. (惠州羅浮山卓越置業有限公司), a company established in China with limited liability and our 70%-owned subsidiary with 15% owned by Huizhou Luofu Shan Jiabaotian Country Club Company Limited (惠州市羅浮山嘉寶田鄉村俱樂部有限公司), an independent third party, and the remaining 15% owned by Liao Qiang (廖強), an independent third party
“Hunan Kaida”	Hunan Kaida Finance and Investment Co., Ltd. (湖南凱達財信投資有限責任公司), a company established in China with limited liability and an independent third party
“Hunan Lushan”	Hunan Lushan Villas Investment & Development Co., Ltd. (湖南麓山別墅投資開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Jindi Dabaihui”	Shenzhen Jindi Dabaihui Property Development Co., Ltd. (深圳市金地大百匯房地產開發有限公司), a company established in China with limited liability and owned as to 35% by Shenzhen Jindi Old City Redevelopment Co., Ltd. (深圳市金地舊城改造開發有限公司), as to 33% by Shenzhen Dabaihui and as to 32% by Shenzhen Pengrun
“Jolly Park”	Jolly Park Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Joyrun”	Joyrun Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“land grant contract”	state-owned land use rights grant contract (國有土地使用權出讓合同) entered into between a developer and the relevant PRC government land administrative authorities, typically the local state-owned land bureaus
“land use rights certificate”	state-owned land use rights certificate (土地使用權證) issued by a local real estate and land resources bureau with respect to the land use rights
“LAT”	land appreciation tax (土地增值稅) as defined in the PRC Provisional Regulations on Land Appreciation Tax of 1994 and its implementation rules, as described in Appendix VI to this document
“Latest Practicable Date”	October 14, 2009, being the latest practicable date for ascertaining certain information in this document prior to its publication

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## DEFINITIONS

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“Lianyungang Jiatai”	Lianyungang Jiatai City Development Co., Ltd. (連雲港嘉泰城市發展有限公司), a company established in China with limited liability, an independent third party
“Lianyungang Ruihao”	Lianyungang Ruihao Real Estate Co., Ltd. (連雲港瑞豪置地有限公司), a company established in China with limited liability and wholly owned by Shenzhen Pengyue
“Lianyungang Tianjun”	Lianyungang Tianjun Real Estate Co., Ltd. (連雲港天峻置地有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Lianyungang Tianqian”	Lianyungang Tianqian Real Estate Development Co., Ltd. (連雲港天乾房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Lianyungang Tianxingjian”	Lianyungang Tianxingjian Real Estate Development Co., Ltd. (連雲港天行健房地產開發有限公司), a company established in China with limited liability and wholly owned by Shenzhen Pengyue
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Luck Sea”	Luck Sea International Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Macau”	the Macau Special Administrative Region of China
“Meisha Seaview”	Shenzhen Meisha Seaview Golf Resort Co., Ltd. (深圳市梅沙海景高爾夫渡假村有限公司), a company established in China with limited liability and our 51%-owned subsidiary with the remaining 49% owned by Shenzhen Sanjiu Dalong Healthy City Company Limited (深圳三九大龍健康城有限公司), an independent third party
“Memorandum and Articles”	our memorandum of association and our Articles, conditionally approved and adopted on October 14, 2009 and to become effective on the [●], as amended, supplemented or otherwise modified from time to time
“Merry Wave”	Merry Wave Group Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Ministry of Finance”	PRC Ministry of Finance (中華人民共和國財政部)

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## DEFINITIONS

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“Ministry of Land and Resources”	PRC Ministry of Land and Resources (中華人民共和國國土資源部)
“MOFCOM”	PRC Ministry of Commerce (中華人民共和國商務部)
“MOHURD”	PRC Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部) or its predecessor, PRC Ministry of Construction (中華人民共和國建設部)
“National Bureau of Statistics”	National Bureau of Statistics of China (中華人民共和國國家統計局)
“NDRC”	PRC National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
“NPC” or “National People’s Congress”	PRC National People’s Congress (中華人民共和國全國人民代表大會) and its Standing Committee
“Oriental Rich”	Oriental Rich Holdings Group Limited (東潤控股集團有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“Original Shareholder”	each of Li Wa, including his wholly owned holding company, Sparkle Century, and Li Xiaoping, including his wholly owned holding company, Broad Ocean
“PBOC”	People’s Bank of China (中國人民銀行), the central bank of China
“PBOC Rate”	the exchange rate for foreign exchange transactions published daily by PBOC
“PRC Company Law”	PRC Company Law (中華人民共和國公司法), as enacted by the NPC on December 29, 1993 and effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time
“PRC government”	the central government of China and its political subdivisions, including provincial, municipal and other regional or local government bodies or, as the context requires, any of them

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## DEFINITIONS

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“pre-sale permit”	commodity property pre-sale permit (商品房預售許可證) issued by local housing and building administrative bureaus or equivalent authorities with respect to pre-sale of the relevant properties
“property ownership certificate”	<u>property ownership certificate (房屋所有權證) issued by relevant PRC government authorities with respect to the ownership rights of buildings</u>
“Property Valuation Report”	property valuation report prepared by DTZ Debenham Tie Leung Limited, independent property valuer, and included as Appendix IV to this document
“Qingdao Excellence Industrial”	Qingdao Excellence Industrial Development Co., Ltd. (卓越集團(青島)實業有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Qingdao Excellence Real Estate”	Qingdao Excellence Construction Real Estate Development Co., Ltd. (青島卓越建業房地產開發有限公司), a company established in China with limited liability and our 60%-owned subsidiary with the remaining 40% owned by Qingdao Construction Investment Holding Co., Ltd. (青島政建投資集團有限公司), an independent third party
“Reorganization”	the reorganization of our assets and liabilities, including assets and liabilities of our subsidiaries and associated companies, as described in the section entitled “Corporate History — Reorganization” in this document and in “Appendix VIII — Statutory and General Information — Further Information About Us — Corporate history and reorganization” to this document
“Rmb” or “Renminbi”	Renminbi yuan, the lawful currency of China
“SAFE”	PRC State Administration of Foreign Exchange (中華人民共和國國家外匯管理局)
“SAIC”	PRC State Administration for Industry and Commerce (中華人民共和國國家工商行管理總局)
“Sapphire Nature”	Sapphire Nature International Limited (蔚然國際有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“SFC”	the Securities and Futures Commission of Hong Kong



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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shandong Excellence”	Shandong Excellence Real Estate Development Co., Ltd. (山東卓越房地產開發有限公司), a company established in China with limited liability and our 61%-owned subsidiary with the remaining 39% owned by Yantai Riying Huayuan Real Estate Development Company Limited (煙台日櫻花園房地產開發有限公司), an independent third party
“Shanghai Detian”	Shanghai Detian Real Estate Co., Ltd. (上海德天置業有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Share Option Scheme”	the share option scheme conditionally adopted by the written resolutions of the shareholders of our company passed on October 14, 2009, the principal terms of which are summarized in the <u>section entitled “Statutory and General Information — D. Other Information — 2. Share Option Scheme”</u> in Appendix VIII to this document
“Shares”	ordinary shares in our capital with par value of HK\$0.01 each
“Shenzhen and Neighboring Area”	including Shenzhen, Dongguan and Huizhou
“Shenzhen Bangye”	Shenzhen Bangye Hotel Management Co., Ltd. (深圳邦業酒店經營管理有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Dabaihui”	Shenzhen Dabaihui Property Development Co., Ltd. (深圳市大百匯房地產有限公司), a company established in China with limited liability and our 51%-owned subsidiary with the remaining 49% owned by Dabaihui Industrial Group Co., Ltd. (大百匯實業集團有限公司)
“Shenzhen Dongrunze”	Shenzhen Dongrunze Investment Consultancy Co., Ltd. (深圳東潤澤投資顧問有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Excellence”	Shenzhen Excellence Real Estate Development Co., Ltd. (深圳卓越房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Excellence Property Consultancy”	Shenzhen Excellence Property Consultancy Co., Ltd. (深圳市卓越地產顧問有限公司), a company established in China with limited liability owned as to 25% by Excellence China and as to 22% by Excellence Property Management on trust for Li Wa prior to our Reorganization

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## DEFINITIONS

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“Shenzhen Jinliju”	Shenzhen Jinliju Real Estate Development Co. Ltd. (深圳市金利居房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Kangyue”	Shenzhen Kangyue Design and Consultancy Co., Ltd. (深圳市康越策劃顧問有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Pengrun”	Shenzhen Pengrun Property Development Co., Ltd. (深圳市鵬潤房地產開發有限公司), a company established in China with limited liability and wholly owned by Shenzhen Dabaihui
“Shenzhen Pengyue”	Shenzhen Pengyue Investment Co., Ltd. (深圳市鵬躍投資發展有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Property Guaranty”	Shenzhen Property Guaranty Holdings Co., Ltd. (深圳市不動產擔保股份有限公司), a company established in China with limited liability owned as to 35% by Excellence China on trust for Li Wa prior to our Reorganization
“Shenzhen Qi’nian”	Shenzhen Qi’nian Industrial Development Co., Ltd. (深圳市祈年建業投資有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Shekou”	Shenzhen Shekou Nanshui Industrial Holding Co., Ltd. (深圳市蛇口南水實業股份有限公司), a company established in China with limited liability, an independent third party
“Shenzhen Shengce”	Shenzhen Shengce Investment Co., Ltd. (深圳市勝策投資有限公司), a company established in China with limited liability which is owned as to 10% by Hainan Zhongyin Industrial Co., Ltd. (海南中銀實業有限公司), an independent third party and as to 90% by Shenzhen Pingsheng Investment Consultants Co., Ltd. (深圳市平勝投資諮詢有限公司), a company owned as to 50% by Xiao Xingping, the wife of Li Xiaoping and as to 50% by Li Xiaoping.
“Shenzhen Xianghua”	Shenzhen Xianghua Real Estate Development Co., Ltd. (深圳市祥華置業發展有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Xinjinze”	Shenzhen Xinjinze Marketing Co., Ltd. (深圳新錦澤市場營銷策劃有限公司), a company established in China with limited liability and our wholly owned subsidiary

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## DEFINITIONS

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“Shenzhen Xinweiran”	Shenzhen Xinweiran Investment Consultancy Co., Ltd. (深圳馨蔚然投資顧問有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Shenzhen Yuelang”	Shenzhen Yuelang Science & Technology Co., Ltd. (深圳市月朗科技有限公司), a company established in China with limited liability, an independent third party
“Shenzhen Zhaohe”	Shenzhen Zhaohe Real Estate Development Co., Ltd. (深圳市兆和房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“South Smart”	South Smart Investment Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Sparkle Century”	Sparkle Century Holdings Development Limited, a company established in the British Virgin Islands with limited liability and wholly owned by Li Wa
“Splendid Profit”	Splendid Profit Holdings Limited (錦澤集團有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“State Administration of Taxation”	State Administration of Taxation of China (中華人民共和國國家稅務總局)
“State Council”	State Council of China (中華人民共和國國務院)
“subsidiary”	has the meaning ascribed to it in section 2 of the Companies Ordinance, pursuant to which, among other things, a company will be deemed to be a subsidiary of another company if (a) that other company (i) controls the composition of the board of directors of the first-mentioned company, or (ii) controls more than half of the voting power of the first-mentioned company, or (iii) holds more than half of the issued share capital of the first-mentioned company (excluding any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital); or (b) the first-mentioned company is a subsidiary of any company which is that other company’s subsidiary
“Success State”	Success State Hotel Management Limited (邦業酒店經營管理有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary

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## DEFINITIONS

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“Success State International”	Success State International Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“tender-auction-listing”	public tender, auction and listing-for-sale, procedures as required by the PRC rules for the grant of state-owned land use rights
“Top Gate”	Top Gate Investment Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and our wholly owned subsidiary
“Track Record Period”	the three years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009
“United States” or “U.S.”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“Universe Asia”	Universe Asia Int’l Enterprises Limited (環亞國際企業有限公司), a company incorporated in Hong Kong with limited liability and our wholly owned subsidiary
“urbanization rate”	the proportion of urban or non-agricultural population to the total population within a specific geographic region
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“Wanshang Marketing”	Chongqing Wanshang Marketing Management Co., Ltd. (重慶市萬商市場經營管理有限公司), a company established in China with limited liability and our 99%-owned subsidiary with the remaining 1% by Li Xiaohong (李小紅), the sister of Li Wa and Li Xiaoping
“we,” “us,” “our,” “our company” or “our group”	Excellence Real Estate Group Limited (卓越置業集團有限公司), a company incorporated in the Cayman Islands with limited liability on June 4, 2007 and, unless the context otherwise requires, all of its subsidiaries, or, where the context refers to any time prior to its incorporation, the businesses which the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by such subsidiaries pursuant to the Reorganization
“Wellto Investment”	Wellto Investment Development Limited (佳濤投資發展有限公司), a company incorporated in Hong Kong with limited liability, our wholly owned subsidiary prior to the Reorganization, and disposed of in August 2009 pursuant to the Reorganization

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## DEFINITIONS

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“Wuhan Huayuan”	Wuhan Huayuan Yaguang Electric Co., Ltd. (武漢華源亞光電力有限公司), a company established in China with limited liability, an independent third party
“Wuhan Excellence”	Wuhan Excellence Real Estate Development Co., Ltd. (武漢卓越房地產開發有限公司), a company established in China with limited liability and our wholly owned subsidiary
“Wuhan Zhenghe”	Wuhan Zhenghe Real Estate Co., Ltd. (武漢正和置業有限公司), a company established in China with limited liability and our wholly owned subsidiary

Unless the context otherwise requires, references to “2006”, “2007 and 2008” in this document are years ended December 31, 2006, 2007 and 2008, respectively.

References to “m<sup>2</sup>” are to square meters.