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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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### DIRECTORS AND SENIOR MANAGEMENT

#### Directors

Our Board of Directors consists of nine Directors, three of whom are independent non-executive Directors. The powers and duties of our Board of Directors include: convening shareholders’ meetings and reporting the Board’s work at the shareholders’ meetings, implementing the resolutions passed at the shareholders’ meetings, formulating our business plans and investment plans, reviewing our annual budget and financial statements, formulating proposals for profit distributions and for the increase or reduction of registered capital as well as exercising other powers, functions and duties as conferred by our Memorandum and Articles of Association. We have entered into service contracts with each of our executive Directors and independent non-executive Directors.

The following table sets forth certain information concerning our Directors.

| <u>Name</u>                    | <u>Age</u> | <u>Position</u>  |
|--------------------------------|------------|--|
| Li Wa . . . . .                | 43         | Executive Director and Chairman of the Board                 |
| Li Xiaoping . . . . .          | 51         | Executive Director, Vice Chairman of the Board and President |
| Tam Lai Ling . . . . .         | 45         | Executive Director and Chief Financial Officer               |
| Wang Dou . . . . .             | 42         | Executive Director   |
| Xie Limin . . . . .            | 45         | Executive Director   |
| Duan Shijun . . . . .          | 46         | Executive Director   |
| Zhang Yuan . . . . .           | 49         | Executive Director   |
| Ho Chi Ping Patrick . . . . .  | 60         | Independent Non-executive Director                           |
| Shek Lai Him Abraham . . . . . | 64         | Independent Non-executive Director                           |
| Kenny Tam King Ching . . . . . | 60         | Independent Non-executive Director                           |

#### Executive Directors

*Li Wa* (李華), aged 43, was appointed as our executive Director in June 2007 and is the Chairman of our Board. He is our founder and primarily responsible for the formulation of our overall business strategies and planning, as well as supervising our project planning, design and sales strategies since the inception of our business. He also oversees the operation of our real properties and land acquisitions. Mr. Li founded our group in 1996 and has had over 16 years of experience in real estate investment, property development and corporate management. Under Mr. Li’s corporate leadership, we started our property development business and commenced the development of our property projects in Shenzhen including Shenzhen Cote d’Azur, Shenzhen Times Plaza (Phase 1), Shenzhen Repulse Bay, Shenzhen Times Plaza (Phase 2) and Shenzhen Victoria Harbour. In 2004, pursuant to the business strategies formulated by Mr. Li, we expanded our property development operations outside Shenzhen and developed a number of property development projects such as Wuhan Cote d’Azur, Changsha Cote d’Azur and Dongguan Azure Polis in various cities in China.

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He graduated from South China University of Technology (華南理工大學) with a bachelor’s degree in mechanical automation in 1984. Prior to founding our company, he had been the chairman of Shenzhen Yonggao Enterprise Limited (深圳永高實業有限公司). Currently, Mr. Li also serves as a committee member of the Chinese People’s Political Consultative Conference of Shenzhen (深圳市政協委員會) and vice-president of Shenzhen General Chamber of Commerce (深圳市總商會(工商聯)). He is also a committee member of All-China Youth Federation (中華全國青年聯合會). From 1985 to 1989, Mr. Li worked as the Secretary to the affiliated departments of Communist Youth League Shenzhen Committee. Mr. Li was named as “2006 Most Influential Persons in China Real Estate Sector” (2006年度中國房地產界最具影響力人物) by the China Index Research Institute and “Youth Leader in China Real Estate Sector” (中國房地產青年領袖) at the 2006 Bo’ao 21st Century Real Estate Forum Annual Conference (二十一世紀房地產論壇2006屆年會). In January 2008, Mr. Li was named as one of the “Top 20 Individuals in China Real Estate Over 20 Years” (中國房地產20年20人) by China Real Estate News (中國房地產報) and Sina.com (新浪網) at the China Real Estate Annual Conference 2007-2008 (中國房地產年會). Mr. Li is the younger brother of Li Xiaoping, an executive Director of our company. Mr. Li has not been a director of any listed company in the three years immediately preceding the date of this document.

**Li Xiaoping** (李曉平), aged 51, was appointed as our executive Director in June 2007 and is the Vice Chairman of the Board and President of our group. Mr. Li joined our group in 1996. He is primarily responsible for the overall management of our business operations. He is also responsible for monitoring the operation and management of our property projects outside Shenzhen. He has participated in the development of our property projects in Shenzhen as well as property projects outside Shenzhen including Shenzhen Cote d’Azur, Shenzhen Times Plaza (Phase 1), Shenzhen Repulse Bay, Shenzhen Times Plaza (Phase 2), Shenzhen Victoria Harbour, Wuhan Cote d’Azur, Changsha Valley Villa and Changsha Cote d’Azur since he joined our group. In all of the projects mentioned above, Mr. Li actively participated in overseeing the operation and progress of our property development projects. Mr. Li has over 13 years of experience in real estate investment, property development and corporate management.

He graduated with a bachelor’s degree in applied mathematics from the University of Electronic Science and Technology of China (電子科技大學) in 1982 and later obtained his master’s degree in applied mathematics from Xidian University (西安電子科技大學) in 1988. Prior to joining us, Mr. Li taught at Guilin University of Electronic Technology (桂林電子科技大學) during the period from 1982 to 1985 and worked in the Shenzhen municipal government from 1989 to 1993. From 1994 to 1996, Mr. Li was the general manager of Shenzhen Yonggao Enterprise Limited (深圳永高實業有限公司). He is a committee member of the Chinese People’s Political Consultative Conference of Guangdong Province (廣東省政協委員會) and the vice-president of Shenzhen General Chamber of Commerce (深圳市商業聯合會). In addition, Mr. Li was recognized as one of the “Ten Outstanding Persons of 2004 in China’s Real Estate” (2004年中國房地產十大傑出人物) by sohu.com (搜狐網), focus.cn (焦點房地產網), China Real Estate Institute and the Market Research Center of China Central Television. Mr. Li is the elder brother of Li Wa, our founder and the Chairman of our company. Mr. Li has not been a director of any listed company in the three years immediately preceding the date of this document.

Immediately after the completion of the [●] and [●] and assuming the [●] is not exercised, Li Xiaoping will be interested in 3.75% in our issued share capital within the meaning of Part XV of the Securities and Futures Ordinance, the details of which have been disclosed in the section entitled “Corporate History, Reorganization and Group Structure” in this document.

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**Tam Lai Ling** (譚禮寧), aged 46, was appointed as our executive Director in September 2009 and is our Chief Financial Officer. Mr. Tam joined our group in September 2009. Mr. Tam received his bachelor’s degree of Science in engineering with First Class Honors from University College London, University of London, and a PhD degree from University of Cambridge. Mr. Tam is a holder of Chartered Financial Analyst. Prior to joining us, Mr. Tam was an executive director of SPG Land (Holdings) Limited, a company listed on the main board of the Stock Exchange, during the period from December 2007 to November 2008, where he was responsible for corporate finance activities and investor relations. Mr. Tam was the deputy managing director and the chief financial officer of Hopson Development Holdings Ltd., a company listed on the main board of the Stock Exchange, where he was responsible for formulating financing strategy of the group, as well as the execution of financial plans. Mr. Tam also served as an independent non-executive director of Tsingtao Brewery Company Limited, a company listed on the main board of the Stock Exchange. Mr. Tam worked for ICEA Capital Limited in March 1998 and was appointed as its managing director (investment banking division) in May 2002. During his employment with ICEA Capital Limited from March 1998 to April 2005, Mr. Tam executed a wide variety of corporate finance transactions, including mergers and acquisitions, debt and equity financings. Prior to that, Mr. Tam also worked for major international investment banks in the area of corporate finance, and a multi-national oil company in the area of business development. Saved as disclosed above, Mr. Tam has not been a director of any listed company in the three years immediately preceding the date of this document.

**Wang Dou** (王斗), aged 42, was appointed as our executive Director in October 2009 and is a vice-president of our group. Mr. Wang joined our group in 1996. Mr. Wang has over 17 years of experience in financial management in property industry. He is primarily responsible for our financial and accounting operations and cost management. Mr. Wang has participated in the capital planning and management, capital operational budgets and balances of our property projects such as Shenzhen Cote d’Azur, Shenzhen Times Plaza (Phase 1), Shenzhen Repulse Bay, Shenzhen Excellence Century Center, Dongguan Azure Polis, Shenzhen Times Plaza (Phase 2), Shenzhen Victoria Harbour, Wuhan Cote d’Azur, Changsha Cote d’Azur and Dongguan Azure Polis since he joined our group. Mr. Wang graduated with a bachelor’s degree in economics from Southwest University of Finance and Economics (西南財經大學) in 1990. Prior to joining us, he had worked as an accounting supervisor at the First Pharmaceutical Factory of Chinese PLA Chengdu Command (成都軍區制藥一廠), China Vanke Enterprise Limited Company (萬科企業股份有限公司) and Shenzhen Yonggao Enterprise Limited (深圳永高實業有限公司) from 1990 to 1996. Mr. Wang has not been a director of any listed company in the three years immediately preceding the date of this document.

**Xie Limin** (謝利民), aged 45, was appointed as our executive Director in October 2009 and is a vice-president of our group. Mr. Xie joined our group in 2000. Mr. Xie was registered as a certified engineer with The Anhui Provincial Bureau of Construction (安徽省建設廳) in November 1994. He has over 20 years experience in construction, property design and project management. He graduated with a bachelor’s degree in engineering in 1988, and a master’s degree in architectural engineering, both from Hefei University of Technology (合肥工業大學) in 1999. He has been responsible for the design and management of the development of all our large scale residential projects since 2000 and is the vice president and managing deputy general manager of Excellence China. Prior to joining us, Mr. Xie was engaged in architectural design at Anhui Provincial Institute of Architectural Design

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(安徽省建築科學研究設計院) and had been a deputy dean at the Institute of Design of Anhui Provincial Foreign Economic Construction Group (安徽省外經建設集團設計院). Mr. Xie has not been a director of any listed company in the three years immediately preceding the date of this document.

**Duan Shijun** (段世軍), aged 46, was appointed as our executive Director in October 2009 and is the general manager of Excellence Qingdao. Mr. Duan joined our group in 2002. He was the general manager of the Excellence City Garden from 2002 to 2003 responsible for construction management and supervision of our Excellence Central City Garden. From 2003 to 2005, he was also our group’s engineering director and general manager of the development department. He became the general manager of Excellence Qingdao since 2006 responsible for construction management and supervision of our property development projects in Qingdao. He has over 10 years of experience in the real estate development industry in China. Mr. Duan obtained his bachelor’s degree in engineering from Lanzhou Jiaotong University (formerly known as Lanzhou Railway University) (蘭州交通大學(前稱蘭州鐵道學院)) in July 1983. Prior to joining us, Mr. Duan worked at Shenzhen International Economic & Technology Cooperation Group Limited (中國深圳國際經濟技術合作(集團)股份有限公司), and was engaged in project contracting and supervision, as well as real estate development. Mr. Duan has not been a director of any listed company in the three years immediately preceding the date of this document.

**Zhang Yuan** (張遠), aged 49, was appointed as our executive Director in October 2009 and is the vice-president of our group. Mr. Zhang joined our group in 2006. He has over 16 years experience in business management and corporate finance and is highly accomplished in quantitative and technical economics as well as information economics. Mr. Zhang received his Ph.D degree in economics from the Institute of Quantitative and Technical Economics of Chinese Academy of Social Sciences in 1990 and received his MBA degree from New York University’s Leonard N. Stern School of Business in 1994. From 1991 to 1992, he was a post-doctor visiting scholar at the department of economics of University of Pennsylvania. From 2001 to 2004, Mr. Zhang was a visiting professor at the School of Economics and Management of Beihang University. Prior to joining us, Mr. Zhang had been the CEO of Beijing Yingpin Digital Technology Co., Ltd. (北京盈頻數碼科技有限公司) since 2000. Mr. Zhang was also the CEO of Huayi Business Co., Ltd. (華怡商務有限責任公司) from 1995 to 2000. He has been a committee member of the Chinese People’s Political Consultative Conference of Chongqing Wanzhou District (重慶市萬州區政協委員) since 2007. Mr. Zhang has not been a director of any listed company in the three years immediately preceding the date of this document.

### Independent non-executive Directors

**Shek Lai Him Abraham** (石禮謙), aged 64, was appointed as our independent non-executive Director in October 2009. Mr. Shek graduated from University of Sydney with a Bachelor Degree in Arts in 1969 and a Diploma in Education in 1970. He was a chief executive of Land Development Corporation from 1987 to 2000. Mr. Shek served as a member of the managing board of Kowloon-Canton Railway Corporation from February 2004 to December 2007. He is currently the vice-chairman of the Independent Police Complaints Council, a member of the Legislative Council, Hong Kong (Real Estate & Construction Functional Constituency), the Council of The Hong Kong

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University of Science and Technology and the Court of The University of Hong Kong. Mr. Shek was appointed as Justice of the Peace in 1995 and was awarded the Silver Bauhinia Star in 2007. He has been a member of the Fourth Shenzhen Municipal Committee of the Chinese People’s Political Consultative Conference since 2005.

Mr. Shek is an independent non-executive director and an audit committee member of 15 other companies listed on the Main Board of the Stock Exchange:

- Midas International Holdings Limited<sup>(1)</sup>
- Paliburg Holdings Limited<sup>(1)</sup>
- Lifestyle International Holdings Limited<sup>(1)</sup>
- Chuang’s Consortium International Limited<sup>(1)</sup>
- NWS Holdings Limited<sup>(1)</sup>
- Regal Portfolio Management Limited<sup>(1)</sup>
- Titan Petrochemicals Group Limited<sup>(1)</sup>
- Eagle Asset Management (CP) Limited<sup>(1)</sup>
- ITC Corporation Limited<sup>(1)</sup>
- Country Garden Holdings Company Limited<sup>(1)</sup>
- SJM Holdings Limited<sup>(1)</sup>
- Chuang’s China Investments Limited<sup>(2)</sup>
- MTR Corporation Limited
- Hop Hing Group Holdings Limited
- Hsin Chong Construction Group Limited

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(1) Mr. Shek is also the an audit committee member of these companies.

(2) Mr. Shek is also the Chairman of this company.

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Mr. Shek is both the Chairman and an independent non-executive director of Chuang’s China Investments Limited. Mr. Shek served as an independent non-executive director, a member of the audit committee and the remuneration committee of See Corporation Limited, a company listed on the main board of the Stock Exchange but he resigned such posts with effect from 1 October 2008. Mr. Shek also holds directorships in several property-related private companies. He is a director of the Hong Kong Mortgage Corporation Limited.

Although Mr. Shek is also a director of 15 other companies listed on the Stock Exchange, Mr. Shek expects that he will devote not less than 10 hours every month to our company’s affairs if required and he will also make himself available to discuss any matters amongst the directors on matters relating to our company on an ad hoc basis. Mr. Shek considers that would be sufficient for him to discharge his duties as a director of our company.

Save as disclosed above, Mr. Shek has not been a director of any other listed company in the three years immediately preceding the date of this document.

**Ho Chi Ping Patrick** (何志平), aged 60, was appointed as our independent non-executive Director in October 2009. Dr. Ho is a practising ophthalmologist. He completed his Doctor of Medicine degree in the United States. Dr. Ho started teaching the subject of eye surgery in the Chinese University of Hong Kong in 1984 and was promoted to Professor of Surgery (Ophthalmology) in 1988. He has held clinical and honorary appointments at many universities and hospitals in the Mainland. Dr. Ho was the chairman of the Hong Kong Ophthalmological Society between 1986 and 1991 and is also a fellow of Hong Kong Academy of Medicine (Ophthalmology), Hong Kong College of Ophthalmologist, Hong Kong College of Surgeons, and a diplomate of American Board of Ophthalmology.

Dr. Ho has been appointed as a member of the Chinese People’s Political Consultative Conference since 1993, a member of the Preparatory Committee of the Hong Kong and the Selection Committee of the First Government in 1996 and a member of the Provisional Urban Council and Chairman of the General Committee of the Hong Kong Philharmonic Orchestra. Dr. Ho has also been the vice-chairman of the Hong Kong Policy Research Institute. In 2000, he was appointed as the chairman of the Hong Kong Arts Development Council. Dr. Ho took up the post of Secretary for Home Affairs of the Hong Kong Special Administrative Region Government from July 2002 to July 2007. Dr. Ho has not been a director of any other listed company in the three years immediately preceding the date of this document.

**Kenny Tam King Ching** (譚競正), aged 60, was appointed as our independent non-executive Director in October 2009. Mr. Tam graduated from the Concordia University in Montreal with a Bachelor Degree in Commerce in 1975. He is a member of the Canadian Institute of Chartered Accountants of Ontario (加拿大安大略省特許會計師公會) and the Hong Kong Institute of Certified Public Accountants (香港會計師公會). Mr. Tam is a Certified Public Accountant and past president of the Society of Chinese Accountants & Auditors (香港華人會計師公會) in Hong Kong. Mr. Tam is serving as a member of the Ethics Committee and Practice Review Committee in the Hong Kong Institute of Certified Public Accountants. He also serves as an independent non-executive director of five other listed companies on the main board of the Stock Exchange, namely, Kingmaker Footwear Holdings Limited, CCT Telecom Holdings Limited, Shougang Concord Grand (Group) Limited,

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Starlite Holdings Limited and Van Shung Chong Holdings Limited, and a listed company on the GEM board of the Stock Exchange, namely, North Asia Strategic Holdings Limited. He was also an independent non-executive director of Yun Sky Chemical (International) Holdings Limited (formerly known as Swank International Manufacturing Company Limited), a listed company on the main board of the Stock Exchange, during the period from August 2005 to September 2008. Save as disclosed above, Mr. Tam has not been a director of any other listed company in the three years immediately preceding the date of this document.

### SENIOR MANAGEMENT

**Wu Fengbai** (鄔風柏), aged 47, has served as deputy general manager and financing officer of our group since he joined us in 2005. Mr. Wu graduated from the Shenzhen Radio and TV University (深圳廣播電視大學) in July 1986, and he has over 20 years of experience in capital management and risk management. Prior to joining us, he had worked as the general manager of capital planning department and the general manager of credit loan department at Shenzhen Development Bank, and had worked in capital planning department of Shenzhen branch of PBOC.

**Xu Xiaojie** (徐曉傑), aged 45, has served as deputy general manager of our group since joining us in 2006. Mr. Xu has over 15 years of experience in capital investment and corporate management. He graduated with a bachelor’s degree in English from the University of International Relations of Beijing (國際關係學院) in 1987. Prior to joining us, Mr. Xu was the Chairman and the general manager of Hainan Dian Hai Industrial Development Co., Ltd., a private company, and engaged in management and project development of several private companies.

**Liu Xibo** (劉西伯), aged 66, is the chief officer at the project management center of our group. He joined us in 2007. Mr. Liu has over 30 years of experience in construction and 16 years experience in real estate development. He graduated with a bachelor’s degree in industrial and civil architecture from the Tongji University. Prior to joining us, Mr. Liu worked for Shenzhen Shipeng Guangda Industrial Co., Ltd. (深圳市鵬廣達實業有限公司) as the deputy general manager and chief engineer from 2001 to 2007. He had also work for Shenzhen Baishida Industrial Co., Ltd. (深圳百仕達實業有限公司) as the chief engineer.

**Ying Ligui** (英立閏), aged 52, is the auditing officer of our group. She joined us in 1996. Ms. Ying has over 30 years of experience in corporate finance, auditing and internal control. She graduated with a diploma in business management from Jiangxi Radio & TV University. Prior to joining us, Ms. Ying worked for Shenzhen Hualong Import and Export Company (深圳華隆進出口公司) as the manager of its finance department from 1994 to 1996.

**Leung Yau-Bong** (梁有邦), aged 31, is our Company Secretary. He joined us in December 2007. He graduated with a bachelor’s degree in Business Administration with a major in accounting, from Lingnan University (嶺南大學) in 2000. Prior to joining us, Mr. Leung served as the Finance Manager

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in Nam Hing Holdings Limited, a company listed on the main Board of the Stock Exchange, from 2006 to 2007. Prior to his role at Nam Hing Holdings Limited, Mr. Leung was a Senior Accountant in the Assurance & Advisory Services Department of Deloitte Touche Tohmatsu from 2004 to 2006. From July 2000 to February 2004, he was an auditor at Chang Leung Hui & Li C.P.A. Limited. Mr. Leung is a member of Hong Kong Institute of Certified Public Accountants.

### COMPANY SECRETARY

**Leung Yau-Bong** (梁有邦), aged 31, is our Company Secretary. He joined us in December 2007 on a full-time basis. For details regarding Mr. Leung’s experience, please refer to the section entitled “— Senior Management” above.

### MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our company must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive directors must be ordinarily resident in Hong Kong. The business and operation of our group are primarily located, managed and conducted in China. Li Wa is a Hong Kong resident, but owing to our business and operations being based in China, Li Wa is not ordinarily based in Hong Kong. Our company does not and, in the foreseeable future, will not have any management presence in Hong Kong.

Accordingly, our company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and our company:

- (a) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our company’s principal channel of communication with the Stock Exchange and ensure that we comply with the Listing Rules at all times. The two authorized representatives are Tam Lai Ling, an executive Director, and Leung Yau Bong, our company secretary. Mr. Leung is ordinarily resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone and facsimile. Each of the two authorized representatives is authorized to communicate on behalf of our company with the Stock Exchange. Mr. Leung will also be authorized to accept service of legal process and notices in Hong Kong on behalf of our company.
- (b) Each of the authorized representatives has means to contact all members of the board of Directors (including the independent non-executive Directors) and of the senior management team promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters. To enhance the communication between the Stock Exchange/the authorized representatives and the Directors, we will implement a policy that (a) each executive Director and independent non-executive Director will have to provide their respective mobile and office phone numbers, residential phone numbers and fax numbers and email addresses, if applicable, to the authorized representatives and his or her alternates; (b) in the event that an executive Director or independent non-executive Director

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expects to travel and be out of office, he/she will have to provide the phone number of the place of his/her accommodation to the authorized representatives; and (c) all the executive Directors, independent non-executive Directors and authorized representatives will provide their mobile phone numbers, residential phone numbers, office phone numbers and fax numbers and email addresses, if applicable to the Stock Exchange. We will promptly notify the Stock Exchange and our compliance advisor should there be any change to the contact information of our authorized representatives, Directors and/or their respective alternates.

- (c) In addition, all executive Directors, who are not ordinarily resident in Hong Kong have confirmed that they possess valid travel documents to visit Hong Kong for business purpose and would be able to come to Hong Kong and meet the Stock Exchange within a reasonable period of time, when required.

In compliance with Rule 3A.19 of the Listing Rules, we have appointed Anglo Chinese Corporate Finance, Limited as the compliance advisor of our company.

### AUDIT COMMITTEE

We have established a Board audit committee in compliance with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process and internal controls. The audit committee currently consists of our independent non-executive Directors, Kenny Tam King Ching, who serves as its chairman, Shek Lai Him Abraham and Ho Chi Ping.

The responsibilities of our audit committee after the completion of the [●] will include, among others:

- appointing and overseeing the work of our independent auditors and pre-approving all non-audit services to be provided by our independent auditors;
- reviewing our annual and interim financial statements, earnings releases, critical accounting policies and practices used to prepare financial statements, alternative treatments of financial information, the effectiveness of our disclosure controls and procedures and important trends and developments in financial reporting practices and requirements;
- reviewing the planning and staffing of internal audits, the organization, responsibilities, plans, results budgets and staffing of our internal audit team and the quality and effectiveness of our internal controls;

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- reviewing our risk assessment and management policies; and
- establishing procedures for the treatment of complaints received by us regarding accounting, internal accounting controls, auditing matters, potential violations of law and questionable accounting or auditing matters.

We believe that the composition and functioning of our audit committee following the completion of the [●] will comply with the applicable requirements of the Stock Exchange. We intend to comply with future requirements to the extent they become applicable to us.

### **REMUNERATION COMMITTEE**

We have established a Board remuneration committee in compliance with the Corporate Code on Corporate Governance Practices as set out in Appendix 14 to the Hong Kong Listing Rules. The primary duties of the remuneration committee are to formulate the training and compensation policies and to determine and manage the compensation of our senior management. The remuneration committee currently consists of three members, Li Wa, who serves as its chairman, and Shek Lai Him Abraham and Kenny Tam King Ching. The responsibilities of our remuneration committee include, among others:

- approving and overseeing the total compensation package for our executive officers, evaluating the performance of and determining and approving the compensation to be paid to our senior management;
- reviewing and making recommendations to our Board of Directors with respect to Director compensation, including equity-based compensation;
- administering and periodically reviewing and making recommendations to our Board of Directors regarding the long-term incentive compensation or equity plans made available to our Directors, employees and consultants; and
- reviewing and making recommendations to our Board of Directors regarding executive compensation policies, strategy and principles and preparing annual reports on the compensation of our senior management.

### **NOMINATION COMMITTEE**

We have established a Board nomination committee following the recommended best practices set out in the Code on Corporate Governance Practices as set out in Appendix 14 to the Hong Kong Listing Rules. The primary duties of the nomination committee are to establish, or recommend to the Board, criteria for identifying appropriate director candidates and to approve and select, or recommend that the Board select, director nominees. The nomination committee currently consists of three members, Li Wa, who serves as its chairman, Shek Lai Him Abraham and Kenny Tam King Ching. The other responsibilities of our nomination committee include, among others:

- reviewing the structure, size and composition of our Board on a regular basis;

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- making recommendations to the Board regarding the responsibilities, organization and membership of all Board committees;
- making recommendations to the Board a successor to the President in the event of retirement or termination of service, and reviewing and approving proposed changes in other senior management positions;
- developing, recommending to the Board and monitoring a statement of corporate governance principles or guidelines;
- evaluating the effectiveness of the Board, Board committees and senior management.

## **COMPENSATION OF DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**

We reimburse our Directors for expenses which are necessarily and reasonably incurred for providing services to us or executing their functions in relation to our operations. Our executive Directors are also our employees and receive, in their capacity as our employees, compensation in the form of salaries and other allowances and benefits in kind.

Our remuneration committee reviews and recommends the terms of remuneration packages, including bonuses and other compensation payable to our Directors to ensure that it is in line with our Directors' performance and also in compliance with the relevant regulations, which will then be required to be approved by the Board and at our Shareholders' meeting.

The aggregate amount of salaries and other allowances and benefits in kind paid by us to our five highest paid individuals during the years ended December 31, 2006, 2007 and 2008 was approximately Rmb 2.2 million, Rmb 2.0 million and Rmb 8.7 million, respectively. Approximately Rmb 92,000, Rmb 102,000 and Rmb 99,000 were paid by us as our contribution to the retirement schemes in respect of such individuals for the same respective periods. The aggregate amount of salaries and other allowances, retirement scheme contributions and benefits-in-kind paid by us to or on behalf of all of our Directors was Rmb 2.5 million, Rmb 2.3 million and Rmb 10.1 million for the same respective periods.

Except as disclosed above, no other payments have been made or are payable, in respect of the years ended December 31, 2006, 2007 and 2008, by us or any of our subsidiaries to or on behalf of any of our Directors.

Under the arrangements currently in force, we estimate the aggregate remuneration, excluding discretionary bonus, of our Directors payable for the year ending December 31, 2009 will be approximately Rmb 10 million.

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### EMPLOYEES

As of June 30, 2009, we had 1,563 employees. The table below sets forth the number of our employees by their functions:

|  | Number of<br>employees | Percentage<br>of total |
|--|------------------------|------------------------|
| Management . . . . .                         | 28                     | 1.8%                   |
| Administration and human resources . . . . . | 74                     | 4.7                    |
| Design . . . . .                             | 39                     | 2.5                    |
| Finance and auditing . . . . .               | 56                     | 3.6                    |
| Construction . . . . .                       | 62                     | 4.0                    |
| Cost management . . . . .                    | 48                     | 3.1                    |
| Sales and Marketing . . . . .                | 69                     | 4.4                    |
| Customer relations . . . . .                 | 28                     | 1.8                    |
| Project development . . . . .                | 13                     | 0.8                    |
| Property management . . . . .                | 1,146                  | 73.3                   |
| Total . . . . .                              | 1,563                  | 100.0%                 |

We recruit our employees from reputable universities in China, vocational schools and the public. As of June 30, 2009, over 80% of our full-time employees in property development had college or associate college degrees. For our specialized professional positions, such as designer, project planner, project manager, project cost appraiser, accountant, auditor, human resource manager and legal manager, we require them to be filled only by qualified employees/candidates with the requisite professional qualification or certification. We have implemented training programs for different job requirements. We believe that these initiatives have contributed to increased employee productivity.

The remuneration package of our employees includes salary, bonus and other cash subsidies. In general, we determine employee salaries based on each employee’s qualifications, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis for determining salary raise, bonus and promotion. As required by PRC regulations, we participate in various defined retirement contribution plans administered by the PRC provincial and municipal governments for our employees. 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 security premium covering pension insurance, medical insurance, unemployment insurance and housing reserve fund. We believe the salaries and benefits that our employees receive are competitive.

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We believe we have amicable relationship with our employees. As of the Latest Practicable Date, no significant labor disputes occurred which adversely affected or were likely to have an adverse effect on the operations of our business.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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We have adopted a stock option scheme for our senior management and employees.

### COMPLIANCE ADVISOR

We have appointed Anglo Chinese Corporate Finance, Limited (“Anglo Chinese”) as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules. We have entered into a compliance advisor’s agreement with Anglo Chinese, the material terms of which are summarized as follows:

- (a) we have appointed Anglo Chinese as our compliance advisor for the purpose of Rule 3A.19 of the Listing Rules for a period commencing on [●] and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after [●], or until the agreement is terminated, whichever is earlier;
- (b) Anglo Chinese will provide us with services, including guidance and advice as to compliance with the requirements under the Listing Rules and applicable laws, rules, codes and guidelines, and to act as one of our principal channels of communication with the Stock Exchange; and
- (c) we may terminate the appointment of Anglo Chinese as our compliance advisor only if its work is of an unacceptable standard as determined under the Listing Rules and the relevant laws and regulations or if there is a material dispute (which cannot be resolved within 30 days) over fees payable to it as permitted by Rule 3A.26 of the Listing Rules. Anglo Chinese will have the right to resign or terminate its appointment by service of a two-month notice to us. In such event, we will appoint a replacement compliance advisor within three months of the effective date of its resignation or termination in compliance with Rule 3A.27 of the Listing Rules.