
DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Executive Directors

Madam Wu Yajun (吳亞軍), aged 45, is our Chairperson and Chief Executive Officer. Madam Wu joined our Group since its inception in 1994. Madam Wu graduated from the Department of Navigation Engineering of the Northwestern Polytechnical University (西北工業大學) in 1984. Madam Wu serves as a member of the National Peoples’ Congress, Vice-Chairperson of the Federation of Industry & Commerce of Chongqing Municipality and Vice-Chairperson of the Real Estate Branch Chamber of the Chongqing General Chamber of Commerce. Between 1984 and 1988, Madam Wu worked at the Qianwei Meter Factory. From 1988 to 1993, Madam Wu worked as a journalist and editor with the China Shirong News Agency. Madam Wu held the posts of Chairperson and General Manager of Chongqing Jiachen Economic and Culture Development Co., Ltd. from 1994 to 1995. Between 1995 and 2000, she was the Managing Director of Chongqing Zhongjian Ke Real Estate Limited, after that she acted as Chairperson and General Manager of Chongqing Longhu Properties and Beijing Longhu Properties. In September 2005, Madam Wu resigned as General Manager of all regional companies, and took position as our Group’s Chairperson and CEO. Madam Wu was appointed as an executive director of the Company in December 2007.

Mr. Lin Chu Chang (林鉅昌), aged 40, is our Chief Financial Officer. Mr. Lin joined our Group in July 2006. Mr. Lin graduated from The University of Hong Kong (香港大學) in 1991 with a Bachelor of Science degree. Mr. Lin began his career as a group management trainee with John Swire & Sons (H.K.) Limited in Hong Kong. Between 1994 and 1996, he was a China business analyst of ChinaVest Limited, a venture capital firm. From 1997 to 2001, Mr. Lin was a Vice President of the research department of Merrill Lynch (Asia-Pacific Region). Prior to joining our Group in July 2006, he was the Chief Financial Officer of China Resources Land Limited, a real estate company listed on the Stock Exchange which focuses on the PRC real estate market. Mr. Lin was appointed as an executive director of the Company in January 2008.

Mr. Fang Shengtao (房晟陶), aged 36, is our Chief Human Resources Officer. Mr. Fang joined our Group in August 2005. Mr. Fang graduated from the Department of Mechanical Engineering of Tsinghua University (清華大學) in 1995 with a Bachelor’s degree in Engineering and obtained a Master of Business Administration degree from INSEAD in 2002. Between 1995 and 2001, he was employed by Procter & Gamble (Guangzhou) Ltd and eventually became a senior human resources manager. In 2003, Mr. Fang co-founded the Shanghai Tuosheng Associates, a human resources consulting company in Shanghai. Prior to joining us in August 2005 as a director of Chongqing Longhu Development, Mr. Fang was a consultant to our Group. Mr. Fang was appointed as an executive director of the Company in January 2008.

Mr. Chen Kai (陳凱), aged 40, is the General Manager of the Operation and Business Development department of our Group. Mr. Chen joined our Group in March 2008. Mr. Chen graduated from the Zhejiang University with a Master’s degree in Engineering in 1995. Prior to joining our Group in March 2008, Mr. Chen worked for the China Resources group from 1995 to 2008. During his employment with the China Resources group, Mr. Chen had taken positions as the executive director and assistant general manager of China Resources Land Limited, the managing director of China Resources Land (Shanghai) Ltd., China Resources Land (Wuhan) Ltd., China Resources Land (Suzhou) Ltd., China Resources Land (Ningbo) Ltd. and China Resources Sun Hung Kai Properties (Wuxi) Ltd. Mr. Chen was appointed as an executive director of the Company in September 2009.

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Mr. Qin Lihong (秦力洪), aged 36, is the General Manager of our Group’s Customer and Corporate Branding Department. Mr. Qin joined our Group in March 2008. Mr. Qin graduated from the School of International Studies of Peking University in 1999 with a Master degree in Law. He further obtained a Master’s degree in Public Policy (MPP) from John Fitzgerald Kennedy School of Government, Harvard University in 2001. Mr. Qin worked in the Marketing Department of Procter & Gamble (Guangzhou) Ltd. as an assistant brand manager from 2001 to 2003 before he joined Roland Berger Strategy Consultants as a senior consultant and project manager in 2003. Mr. Qin joined Anhui Chery Automobile Sales and Service Company (安徽奇瑞汽車銷售有限公司) in 2005 as deputy general manager after he left Roland Berger Strategy Consultants. Mr. Qin was appointed as an executive director of the Company in September 2009.

Independent Non-executive Directors

Mr. Frederick Peter Churchouse, aged 60, is our independent non-executive director. Mr. Churchouse joined the Company in November 1, 2009 and has been an independent non-executive director since then. Since 2005, he has been a director of LIM Advisers Limited and the senior portfolio manager for the LIM Asia Alternative Real Estate Fund. Mr. Churchouse has been a resident of Hong Kong since 1980 and has extensive experience in the Asian property markets. Prior to joining LIM Advisers Limited in 2005, Mr. Churchouse was with the research department of Morgan Stanley for over 15 years where he acted in a variety of roles including executive director, managing director and advisory director. Mr. Churchouse has been a frequent commentator on regional economies, markets and property for TV, radio and print media. Mr. Churchouse earned a Bachelor of Arts degree, and a Master of Social Science degree from the University of Waikato in New Zealand.

Mr. Chan Chi On, Derek (陳志安), aged 46, is our independent non-executive director. Mr. Chan joined the Company in November 1, 2009 and has been an independent non-executive director since then. Mr. Chan is the Managing Director of Taifook Capital Limited, which has successfully sponsored the listing of numerous companies on the Stock Exchange, provided a variety of financial advisory services and assisted listed companies in their fund-raising and merger & acquisition activities.

Mr. Chan is also an executive director of Taifook Securities Group Limited, which is a listed company in Hong Kong. Mr. Chan joined the Taifook Group in 1996 and is in charge of the corporate finance division. Apart from supervising the corporate finance activities, Mr. Chan is also a member of the Executive Committee of the Taifook Group and is involved in managing the day-to-day business of the Taifook Group.

Before joining Taifook in 1996, Mr. Chan had worked for the Stock Exchange for more than 7 years and had experience reviewing various listing applications for initial public offerings and listed companies’ fund-raising and merger & acquisition activities. Mr. Chan has had over 20 years of experience in the industry, and is the co-author of a book on listing procedures and securities rules and regulation in Hong Kong.

Mr. Chan is also an independent non-executive director of two listed companies in Hong Kong, namely GZI REIT Asset Management Limited (越秀房託資產管理有限公司) and GST Holdings Limited (海灣控股有限公司). He is a member of the audit committee of each of the two companies and is responsible for reviewing and analyzing their financial statements so as to monitor their operation and financial performance.

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Mr. Chan obtained a Master of Business Administration degree from the Hong Kong University of Science and Technology in 1994 and a Bachelor’s degree in Social Sciences from The University of Hong Kong in 1985. He is currently an Adjunct Professor at the School of Accounting and Finance at the Hong Kong Polytechnic University.

Our directors are of the view that Mr. Chan’s extensive experience with reviewing and analyzing audited financial statements of a public company gained whilst serving as a member of the audit committee of GZI REIT Asset Management Limited and GST Holdings Limited enables him to meet the requirements of Rule 3.10(2) of the Listing Rules. With reference to the above and the note to Rule 3.10(2), our directors are of the view that Mr. Chan has the requisite qualifications and experience under Rule 3.10(2) of the Listing Rules.

Dr. Xiang Bing (項兵), aged 47, is our independent non-executive director. Mr. Xiang joined the Company in November 1, 2009 and has been an independent non-executive director since then. Dr. Xiang obtained a Doctoral degree in accounting from the University of Alberta in Canada. He has over 11 years of teaching experience in the academic field. Dr. Xiang is currently the founding dean and professor of the Cheung Kong Graduate School of Business (長江商學院). He is an independent non-executive director and committee member of the audit committee and remuneration committee of Dan Form Holdings Company Limited (丹楓控股有限公司), HC International, Inc. (慧聰網有限公司), Enerchina Holdings Limited (威華達控股有限公司), Sinolink Worldwide Holdings Limited (百仕達控股有限公司) and China Dongxiang (Group) Co., Ltd (中國動向集團有限公司). He is an independent non-executive director and committee member of remuneration committee of Little Sheep Group Limited (小肥羊集團有限公司). He is also an independent non-executive director and committee member of the audit committee, remuneration committee and nomination committee of Peak Sport Products Co., Limited (匹克體育用品有限公司). All of the companies mentioned in this paragraph are listed on Hong Kong Stock Exchange. Dr. Xiang was an independent non-executive director and a committee member of the audit committee of Jutal Offshore Oil Services Limited (巨濤海洋石油服務有限公司), a company listed on Hong Kong Stock Exchange.

Dr. Xiang currently serves as independent non-executive director and committee member of audit committee, compensation committee and corporate governance and nominating committee of LDK Solar Co., Ltd. (江西賽維LDK 太陽能高科技有限公司). Dr. Xiang also serves as independent non-executive director and committee member of audit committee and compensation committee of Perfect World Co., Ltd. (完美時空網絡技術有限公司). Dr. Xiang also serves as independent non-executive director and committee member of audit committee of E-House (China) Holdings Limited (易居(中國)控股有限公司). All of the companies mentioned in this paragraph are listed in the U.S.

Between 2001 and 2007, Dr. Xiang was an independent director of Shaanxi Qinchuan Machinery Development Co., Ltd. (陝西秦川機械發展股份有限公司), Guangdong Midea Electric Appliances Co., Ltd. (廣東美的電器股份有限公司). Between 2004 and 2008, Dr. Xiang was an independent director of TCL Corporation (TCL集團股份有限公司). Between 2006 and 2008, Dr. Xiang was an independent director of Shenzhen Terca Technology Co., Ltd. (深圳市特爾佳科技股份有限公司). All of these companies are listed on Shenzhen Stock Exchange. Between 2004 and 2006, Dr. Xiang was a director of Wuhan Jianmin Pharmaceutical Groups Co., Ltd. (武漢健民藥業集團股份有限公司) which is listed on the Shanghai Stock Exchange.

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Senior Management

Ms. Fan Qi (樊琦), aged 42, is the General Manager in charge of our Chengdu business operations. Ms. Fan joined our Group in August 1997. Ms. Fan graduated from the Department of Management Engineering of the Sichuan Institute of Light Industry and Chemical Technology (四川輕化工學院) in 1988. Prior to joining our Group, Ms. Fan had worked for the Chongqing City Jiangbei District Shimen Tax Office (重慶市江北區石門稅務所). Ms. Fan has held various positions with us since joining our Group. She became the General Manager of Chengdu Longhu Jinhua in September 2005.

Mr. Zhao Nannan (趙男男), aged 33, is the General Manager in charge of our Shanghai and Xi’an business operations. Mr. Zhao joined our Group in June 2001. Mr. Zhao graduated from Chongqing Jianzhu University (重慶建築大學) in 1999 majoring in Management Engineering. Mr. Zhao joined Chongqing Longhu Properties in 2001 and has since held the positions of Manager of the sales department and manager of the cost assessment department. During the period between 2005 and 2007, he was the General Manager of Chongqing Longhu Properties. Mr. Zhao is currently the General Manager of Shanghai Longhu Properties and Xian Longhu Properties. Prior to joining our Group, between 1999 and 2001, he worked at the Chongqing Residential Construction Limited (重慶住宅建設有限公司).

Mr. Shao Mingxiao (邵明曉), aged 43, is the General Manager in charge of our Beijing business operations. Mr. Shao joined our Group in March 2006. Mr. Shao graduated from Renmin University of China (中國人民大學) with a Master of Economics degree in 1992. Mr. Shao joined our Group as a General Manager of Beijing Longhu Properties in March 2006. Prior to joining our Group, during 1995 and 1996, Mr. Shao was employed as the Deputy General Manager of Hangyu Economic Development Company, a subsidiary of the Beijing Capital Group, and later, between 1998 and 2000, he was the Deputy General Manager of Beijing Xinlian Xiechuang Real Estate Development Limited. Between 2001 and 2003, he was the General Manager of Beijing Zhongjing Yiyuan Real Estate Development Limited. From 2003 to 2006, Mr. Shao was the director of real estate development division of the Beijing Hualian Group.

Mr. Zhou Dekang (周德康), aged 42, is the General Manager in charge of our Chongqing business operations. Mr. Zhou joined our Group in July 2005. Mr. Zhou graduated from the Architecture Institute of Chongqing Jianzhu University (重慶建築大學) and obtained a bachelor’s degree majoring in Architecture in 1989. Mr. Zhou joined Chongqing Longhu Properties in 2005 and became the director of the research and development department in 2005 and then became the Deputy General Manager in 2006. Prior to joining our Group, Mr. Zhou had been the head of the construction division of the Chongqing City Planning and Design Research Institute (重慶市規劃設計研究院) between 1989 and 2002. Between 2002 and 2004 he worked as a director in charge of design at Chengdu Bo Rui Real Estate Development Limited.

Mr. Li Jun (李軍), aged 37, is the General Manager in charge of our Shenyang business operations. Mr. Li graduated from Beijing University of Technology with a bachelor’s degree in Engineering in 1996 majoring in civil engineering. He was a project manager and assistant manager of the engineering department of Beijing Beichen Innovation Hi-tech Development Limited (北京北辰創新高科技發展有限公司) from May 1999 to December 2002. Mr. Li was a senior project manager of Markgold International Housing and Land Consulting (Beijing) Co., Ltd. (麥格金國際地產諮詢(北京)有限公司), a wholly-owned subsidiary of First China Property Management Co., Ltd (第一中國房地產管理有限公司) from December 2002 to October 2005. Mr. Li was a manager of the development department of Beichen Property Development

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Company (北辰房地產開發公司) from October 2005 to June 2006. Mr. Li joined Beijing Longhu Properties Co., Ltd. in June 2006 as the deputy general manager of investment development and operations until about September 2009. In September 2009, Mr. Li became the General Manager in charge of our Shenyang business operations.

Mr. Feng Jinyi (馮勁義), aged 38, is the General Manager in charge of our Wuxi and Changzhou business operations. Mr. Feng joined our Group in June 2008 as deputy general manager in charge of operations and strategic development of Shanghai Longhu Properties until he took up the position of the General Manager of Wuxi Longhu in August 2009. Mr. Feng graduated from Changsha Communication College (currently known as Changsha University of Science & Technology) in 1994 with a bachelor’s degree in engineering. Mr. Feng worked in No. 3 Aviation Engineering Design Institute Co., Ltd. (中交第三航務工程勘察設計院有限公司) as professional designer and project leader from August 1994 to November 2000. Mr. Feng had worked for Shanghai Kangqiao Bandao (Group) Co., Ltd. (上海康橋半島(集團)有限公司) from November 2000 to February 2005. Mr. Feng was a managing director of Zhejiang Jubao Real Estate Co., Ltd. (浙江聚寶置業有限公司) from February 2005 to September 2007.

Ms. She Yuen Lin, Vivian (佘遠蓮), aged 35, is our Group Financial Controller, Qualified Accountant and a member of our senior management. Ms. She joined our Group in March 2008. Ms. She graduated from The Chinese University of Hong Kong (香港中文大學) in 1996 with a Bachelor of Business Administration degree. Ms. She has been a Fellow Member of The Association of Chartered Certified Accountants since 2004 and of the Hong Kong Institute of Certified Public Accountants since 2008 and has more than 10 years of working experience as an accountant. Between 1998 and 2005, Ms. She worked for Hutchison Whampoa Properties Limited and was the Deputy Financial Controller of Hutchison Whampoa Properties (Shanghai) Limited (和記黃埔地產(上海)有限公司), between 2001 and 2005. Prior to joining our Group, Ms. She acted as the Head of Finance of Reemtsma International Asia Services Limited, a wholly owned subsidiary of the Imperial Tobacco Group Plc, in charge of its financial operations in Hong Kong, Macau and China.

Company Secretary

Mr. Lo Chi Lik, Peter (羅志力), aged 59, is our Company Secretary. He qualified as a solicitor in Hong Kong in 1976 and has been in continuous practice since qualification. He is currently a partner of Messrs. Woo, Kwan, Lee & Lo. Mr. Lo is also the Company Secretary of China Resources Land Limited (stock code: 01109) (華潤置地有限公司) and China Resources Cement Holdings Limited (華潤水泥控股有限公司) (stock code: 1313) which are listed on the Stock Exchange.

Compliance Adviser

We have appointed Guotai Junan Capital Limited as our compliance adviser in compliance with Rule 3A.19 of the [●]. Guotai Junan Capital Limited will ensure that our Group is properly guided and advised as to compliance with the [●], the Takeovers Code, including:

- the publication of regulatory announcements, circulars or financial reports and the entry into notifiable or connected transactions; and

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- where the [●] makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

Guotai Junan Capital Limited as our compliance adviser, undertakes to the [●] that it will comply with the [●] applicable to compliance advisers and cooperate in any investigation conducted by the [●] and/or the [●].

The term of the appointment shall commence on the [●] and end on the date on which we comply with Rule 13.46 of the [●] in respect of our financial results for the first full financial year after the [●]. Such appointment may be extended by mutual agreement.

Audit Committee

We have established an audit committee on November 1, 2009 in compliance with Rules 3.21 and 3.23 of the Listing Rules. The audit committee comprises three independent non-executive directors, Mr. Chan Chi On, Derek, Mr. Frederick Peter Churchouse, and Dr. Xiang Bing. Mr. Chan is the Chairman of the audit committee. The primary duties of the audit committee are to review and supervise the financial reporting process and the internal control procedures of our Group and nominate and monitor external auditors.

Remuneration Committee

We have established a remuneration committee on November 1, 2009 in compliance with Appendix 14 to the Listing Rules. The remuneration committee comprises two independent non-executive directors, Dr. Xiang Bing and Mr. Chan Chi On, Derek and Mr. Fang Shengtao, who is an executive director. Mr. Fang Shengtao is the Chairman of the remuneration committee. Primary functions of the remuneration committee are to make recommendations to the Board on the remuneration of our directors and senior management and determine on behalf of the Board specific remuneration packages and conditions of employment for the directors and senior management and evaluate and make recommendations on employee benefit arrangements.

Management Committee

We have established a management committee consisting of our executive directors and the General Managers of the regional companies. Led by the Chief Executive Officer, the committee is responsible for discussing and approving corporate policies and key management issues of our Group in the areas of strategy, operation, finance and human resources.

Investment Decision Committee

We have established an investment decision committee consisting of the Chairperson and Chief Executive Officer, the Chief Financial Officer, the General Managers of the regional companies, the General Manager of the Business Development Department and the General Manager of the Customer and Corporate Branding Department of the headquarters of our Group. The investment decision committee reports directly to the Board and is responsible for appraising land acquisition proposals submitted by our regional companies and the business development department of our headquarters as well as making land purchase decisions. When there is conflict of interest with any member of the investment decision committee in respect of any matter to be transacted at the committee meeting, the relevant member is required to abstain from voting on such matter of the meeting.

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Compensation of Directors

The aggregate amount of salaries, housing allowances, pension scheme contributions, other allowances, benefits-in-kind and bonuses received by the directors during each of the three financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 were approximately RMB6.4 million, RMB16.6 million, RMB20.9 million and RMB7.7 million, respectively.

During the three financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009:

- no remuneration was paid by us to, or receivable by, our directors as an inducement to join or upon joining us.
- no compensation was paid by us to, or receivable by, our directors or past directors for each of the last three years for the loss of office as a director or for loss of any other office in connection with the management of the affairs of any member of our Group; and
- none of our directors waived any emoluments.

Save as disclosed above, no other payments have been paid or are payable, in respect of the three financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009, by us to the directors.

We estimate that the aggregate amount of remuneration paid and benefits in kind (excluding Shares granted under the Pre-[●] Share Award Schemes, any Pre-[●] Options, any Pre-[●] Options and any discretionary bonus) receivable by directors for the year ending December 31, 2009 for services to be performed will be approximately RMB11.4 million. We have entered into service agreements with Madam Wu, Mr. Lin Chu Chang, Mr. Fang Shengtao, Mr. Chen Kai and Mr. Qin Lihong for an initial period of 3 years commencing on the [●], which will continue thereafter unless and until terminated by either party by serving not less than 3 months written notice to the other. These agreements set out the terms on which we employ each of these individuals. Each of them will receive a base salary and a director’s allowance and will be eligible for a discretionary bonus of such amount as the Board may determine, calculated with reference to the guidelines approved by our Remuneration Committee as well as reimbursement of all out of pocket expenses properly and reasonably incurred in the course of his/her employment.

In consideration of, among other things, their respective employment and compensation arrangements under their respective employment agreements, each of those individuals are bound by certain restrictive covenants, including a covenant which restricts their ability to compete with our Group both during their employment with us and for a period of 12 months thereafter. Madam Wu is further bound by the terms of the Non-competition Deed which was entered into on November 1, 2009.

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Employees

We had a total of 4,485 employees as at the Latest Practicable Date. The following table sets out the number of our employees categorised by function as at that date:

<u>Department</u>	<u>No. of employees</u>
Marketing and Sales	245
Engineering	233
Cost and Procurement	110
Finance & Accounting	104
R&D and Design	75
Public Affairs and Administration	54
Investment and Business Development	38
Operation Management & IT	35
Human Resources	22
Customer and Corporate Branding	31
Sub-total for Property Development & Headquarters	<u>947</u>
Property Management Services	3,477
Commercial Real Estate and Related Services	<u>61</u>
Total	<u>4,485</u>

All of our employees are employed under employment contracts. We review the performance of our employees twice a year, the results of which are used in his or her annual salary review and promotion appraisal.

All of our employees are considered for an annual bonus based on various performance criteria and their assessment results.

We review our staff remuneration packages semi-annually. We conduct research on remuneration packages offered to similar positions in our industry which we believe allows us to remain competitive in the labor market.

We incurred staff costs (including directors' emoluments) of approximately RMB100.3 million, RMB282.7 million, RMB457.5 million and RMB154.3 million for the three financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 representing 4.8%, 8.1%, 10.6% and 2.6% of our sales for those periods, respectively.

We confirm that no compensation was paid by us to, or receivable by, such employees for the three financial years ended December 31, 2006, 2007 and 2008 and the six months ended June 30, 2009 for loss of office in connection with the management of our affairs, or as an inducement to join or upon joining us.

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Employee Incentive Schemes

We have adopted the Pre-[●] Share Award Schemes, the Pre-[●] Option Scheme and the Post-[●] Option Scheme for the benefit of our employees, including our directors and senior management personnel subject to the terms and conditions respectively stated therein. The principal terms of the employee incentive schemes are summarised under the sections headed “Statutory and General Information — (6) Pre-[●] Share Award Schemes; (7) Pre-[●] Option Scheme; (8) Post-[●] Option Scheme” in Appendix VII to this document.

Compensation of employees

Compensation of our employees, including our sales staff, consists of basic salary and bonuses. Bonuses are determined on a yearly basis based on performance reviews and the overall financial results of our Group. At the completion of a property project, we also issue a special project completion bonus. After the commencement of [●], we also expect to grant share options to our senior employees pursuant to the Post-[●] Option Scheme as part of their remuneration packages.