

## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### DIRECTORS

Our Board currently consists of eight Directors, comprising four executive Directors, one non-executive Director and three independent non-executive Directors. The powers and duties of our Board include convening general meetings and reporting our Board's work at our Shareholders' meetings, determining our business and investment plans, preparing our annual financial budgets and final reports, formulating proposals for profit distributions and for the increase or reduction of our registered capital as well as exercising other powers, functions and duties conferred by our Memorandum and Articles of Association. We have entered into a service contract with each of our executive Directors and our non-executive Director. We have also entered into a letter of appointment with each of our independent non-executive Directors.

The table below shows certain information in respect of members of the Board of Directors:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Appointment date</u>	<u>Principal responsibilities</u>
Yan Zhi (閻志)	38	Chairman, Chief Executive Officer and Executive Director	December 16, 2010	Formulation of our overall business and investment strategies, as well as supervising our project planning, business and operation management
Cui Jinfeng (崔錦鋒)	32	Executive Director and Deputy Chief Executive Officer	June 20, 2011	Overall day-to-day management of our North Hankou Project
Fang Li (方黎)	37	Executive Director and Deputy Chief Executive Officer	June 20, 2011	Development of our business and the designing of our projects
Wang Danli (王丹莉)	33	Executive Director and Assistant to Chief Executive Officer	June 20, 2011	Management of our corporate finance, investor relations and legal affairs
Fu Gaochao (傅高潮)	55	Non-executive Director	June 20, 2011	Providing an advisory and independent role in relation to the overall strategies and policies of our Group
Yang Qiongzhen (楊瓊珍)	47	Independent non-executive Director	June 20, 2011	Primarily responsible for the independent review of the effectiveness of our financial reporting process, internal control and risk management systems, evaluating the performance and recommending the remuneration of our Directors and senior management, and making recommendations to our Board on the appointment and renewal of members of our Board

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<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Appointment date</u>	<u>Principal responsibilities</u>
Cheung Ka Fai (張家輝)	36	Independent non-executive Director	June 20, 2011	Primarily responsible for the independent review of the effectiveness of our financial reporting process, internal control and risk management systems
Peng Chi (彭池)	48	Independent non-executive Director	June 20, 2011	Primarily responsible for the independent review of the effectiveness of our financial reporting process, internal control and risk management systems, evaluating the performance and recommending the remuneration of our Directors and senior management, and making recommendations to our Board on the appointment and renewal of members of our Board

#### **Executive Directors**

**Mr. Yan Zhi (閻志)**, aged 38, was appointed a Director on December 16, 2010 and was re-designated as an executive Director on June 20, 2011. Mr. Yan is our founder, chairman and chief executive officer. He is primarily responsible for the formulation of our overall business and investment strategies, as well as supervising our project planning, business and operation management. He has approximately six years of experience in the commercial property and wholesale shopping mall industries, as well as approximately 15 years of experience in the advertising and media industry and business management. Between December 1996 and September 2002, Mr. Yan was the founder and chairman of Wuhan Zall Marketing Communication (武漢卓爾市場傳播有限公司), an advertising and marketing company. Under Mr. Yan's corporate leadership, we started our property development business in 2005 and commenced the construction of our first property development project, namely No. 1 Enterprise Community. In 2008, pursuant to the business strategies formulated by Mr. Yan, we expanded our property development project to large-scale consumer product-focused wholesale shopping mall in Wuhan, namely the North Hankou Project.

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Mr. Yan currently holds positions in various organizations and associations, and has won numerous awards for his achievements, details of which are set out below:

<u>Organization</u>	<u>Position</u>
China Society for Promotion of Guangcai Program (中國光彩事業促進會)	Executive director
Hubei Provincial People's Congress (湖北省人民代表大會)	Representative
Wuhan Federation of Industry & Commerce (武漢工商業聯合會)	Vice-chairman
Hubei Federation of Industry & Commerce (湖北省工商業聯合會)	Vice-chairman
Hubei Association of Entrepreneurs (湖北省企業家協會)	Vice-president
Hubei Society for Promotion of Guangcai Program (湖北省光彩事業促進會)	Council member
Standing Committee of Wuhan People's Political Consultative Conference (武漢市人民政治協商會議)	Member

<u>Year</u>	<u>Award</u>	<u>Organization</u>
2005	Outstanding Private Entrepreneur Caring Staff (關愛員工優秀民營企業家)	All-China Federation Of Industry & Commence (中華全國工商聯合會) All China Federation of Trade Unions (中華全國總工會)
2007	May the Fourth Medal for the Youth of Hubei (湖北青年五四獎章)	Provincial Party Committee in Hubei of the Communist Youth League (共青團湖北省委) Hubei Federation of Youth (湖北省青年聯合會)
2008	Top Ten Significant People in Economy of Hubei (湖北經濟十大風雲人物)	Hubei Daily Media Group (湖北日報傳媒集團) Hubei Federation of Enterprises (湖北省企業聯合會) Hubei Association of Entrepreneurs (湖北省企業家協會) Hubei Federation Of Industry & Commence (湖北省工商業聯合會)
2009	Outstanding Entrepreneur of Hubei (Taurus Award) (湖北省優秀企業家(金牛獎))	Hubei Federation of Enterprises (湖北省企業聯合會) Hubei Association of Entrepreneurs (湖北省企業家協會) Hubei Association of Industrial Economy (湖北省工業經濟協會)
2010	2010 CIHAF New Leader of China Real Estate Industry (2010 CIHAF 中國房地產新領軍人物)	The 12 <sup>th</sup> China International Real Estate & Architectural Technology Fair (第十二屆中國(深圳)國際房地產與建築科技展覽會) CIHAF China Federation of Real Estate Mainstream Media (CIHAF 中國房地產主流媒體聯盟)

Mr. Yan received a master's degree in business administration for senior executives from Wuhan University (武漢大學) in February 2008 and is currently studying for his executive master of business administration degree at Cheung Kong Graduate School of Management (長江商學院).

**Mr. Cui Jinfeng (崔錦鋒)**, aged 32, was appointed an executive Director on June 20, 2011. He is the deputy chief executive officer of Zall Development China, and also the general manager of North Hankou Group. He is primarily responsible for the overall day-to-day management of our North Hankou Project. Mr. Cui has over six years of experience in the wholesale market and commercial property industries. He joined us in July 2005 and gained his experience in wholesale market and commercial property industries since then. He has

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held various positions within our Group, including assistant general manager, general manager and chief executive officer of Zall Investment Group, and general manager of North Hankou Market Investment. From October 2001 to September 2002, Mr. Cui was assistant general manager of the operations department of Wuhan Zall Marketing & Communications Co., Ltd. (武漢卓爾市場傳播有限公司). From March 2003 to January 2009, Mr. Cui was a director and the deputy director of the administrative department of Wuhan Zall Enterprise Group Co., Ltd. (武漢卓爾企業集團有限公司). From December 2004 to January 2009, Mr. Cui was the business director, general manager and assistant to chief executive officer of Wuhan Zall Advertising Co., Ltd. (武漢卓爾廣告有限公司). He currently serves as a representative of the People's Congress of Huangpi District, Wuhan City (武漢市黃陂區人民代表大會代表), vice-chairman of the Executive Committee of Huangpi District, Wuhan City Federation of Industry & Commerce (武漢市黃陂區工商業聯合會) and an executive director of Association of Wuhan Real Estate Enterprises (武漢市房地產企業協會). Mr. Cui was recognized as one of the "Top 10 Outstanding Young Entrepreneurs of Hubei Province" (湖北省十大優秀青年企業家) in 2010. Mr. Cui received a diploma in motor vehicle manufacturing and maintenance from Jiangnan University (江漢大學) in June 2000. Mr. Cui is currently studying for his master's degree in business administration at The Chinese University of Hong Kong.

**Mr. Fang Li (方黎)**, aged 37, was appointed an executive Director on June 20, 2011. He is the deputy chief executive officer of Zall Development China, and also the general manager of Wuhan Salon project. He is primarily responsible for the development of our business and the designing of our projects. Mr. Fang has over 10 years of experience in the media and advertising industry and real estate marketing. He joined us in June 2003 and gained his experience in the media and advertising, and real estate marketing industries since then. He has held various positions within our Group, including the deputy general manager, creative director, general manager of Zall Development China. From March 1999 to February 2000, Mr. Fang worked as a journalist in Wuhan Morning News (武漢晨報社). Mr. Fang was recognized as one of the "Top 10 Remarkable Creative Marketing People" (十大創新營銷標杆人物) and was awarded "The Fourth China Golden Qilin Prize" (第四屆中國金麒麟獎) in 2009. In January 2011, Mr. Fang was awarded the "2010 Hubei Real Estate Contributor Award" (湖北房地產2010年度貢獻人物) and the "2010 Hubei Real Estate Marketing Outstanding Award" (湖北房地產2010年度營銷卓越人物). Mr. Fang received a graduate certificate in Chinese language and literature education from Hubei University of Education (湖北第二師範學院) (formerly known as Hubei Education College (湖北教育學院)) in June 1999. Mr. Fang completed an advanced course for business executives at Wuhan University (武漢大學) in June 2010.

**Ms. Wang Danli (王丹莉)**, aged 33, was appointed an executive Director on June 20, 2011. She is an assistant to our chief executive officer, and is primarily responsible for our corporate finance, investor relations and legal affairs. Ms. Wang has over 11 years of experience in equity financing, financial management, merger and acquisition and asset management. She joined us in June 2010 as executive vice-president of the North Hankou Group and has held various positions within our Group, including head of the securities and legal departments of Zall Development China. Prior to joining our Group, Ms. Wang was an assistant general manager in the investment banking department of Changjiang Financing Services Co., Ltd. (長江證券承銷保薦有限公司) since July 1999, focusing on corporate finance transactions and other financial and compliance advisory matters. Ms. Wang received a bachelor's degree in engineering from Shanghai Jiao Tong University (上海交通大學) in July 1999 and a diploma in finance from Wuhan University (武漢大學) in June 2003. She also obtained a certificate of qualification for securities underwriting and issuance from Securities Association of China (中國證券業協會) in September 2007.

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### Non-executive Director

**Mr. Fu Gaochao (傅高潮)**, aged 55, was appointed a non-executive Director on June 20, 2011. He is the chairman of the supervisory committee of Zall Development China. Mr. Fu has over six years of experience in the commercial property and wholesale shopping mall industries, as well as experience in the news media industry. He joined us in 1998 as the general manager of Zall Investment Group and has held various positions within our Group, including general manager and chairman of Zall Investment Group, and director and chief executive officer of North Hankou Group. Prior to joining us in 1998, Mr. Fu worked at the Literary Federation of Luotian County, Hubei Province (湖北省羅田縣文聯) where he was primarily responsible for the communication between the local government and the literature and art societies in Hubei Province from 1990 to 1995. Mr. Fu also worked as a journalist in Financial Morning News, Hubei Branch (金融早報湖北站) from May 1995 to November 1996. From December 1996 to September 2002, Mr. Fu was the deputy chief of Wuhan Zall Marketing & Communications Co., Ltd. (武漢卓爾市場傳播有限公司). From May 2004 to January 2009, Mr. Fu worked in Wuhan Zall Enterprise Group Co., Ltd. (武漢卓爾企業集團有限公司), and held various positions in the company, including director of the administrative department, assistant general manager and director of the auditing department, and director of the company. He was recognized as a “star entrepreneur” of Wuhan in 2009 by Wuhan Business Association (武漢企業聯合會), Wuhan Entrepreneur Association (武漢企業家協會), Wuhan Television Broadcast Bureau (武漢市廣播電視局) and Changjiang Daily Group (長江日報報業集團). Mr. Fu received a diploma in business administration from Huazhong University of Technology (華中理工大學) (currently known as Huazhong University of Science and Technology (華中科技大學)) in 1993. Mr. Fu received an advanced business administration certificate (高級經營師資格證書) from Hubei Province Labour Bureau (湖北省勞動廳) in December 1999.

### Independent Non-executive Directors

**Ms. Yang Qiongzhen (楊瓊珍)**, aged 47, was appointed an independent non-executive Director on June 20, 2011. Ms. Yang has approximately 10 years of experience in corporate legal affairs. In March 2001, she co-founded Hubei Zhonghexin Law Firm (湖北中和信律師事務所) and has been serving as a partner from March 2001 to present. From December 2002 to November 2006, Ms. Yang was the secretary-general of the Economic Law Committee of Hubei Lawyers Association (湖北省律師協會經濟法委員會). Ms. Yang received a bachelor's degree in law from Zhongnan University of Economics and Law (中南財經政法大學) in July 1984 and a master's degree in law from Wuhan University (武漢大學) in July 1987.

**Mr. Cheung Ka Fai (張家輝)**, aged 36, was appointed an independent non-executive Director on June 20, 2011. Mr. Cheung has over 13 years of experience in auditing, accounting and finance. From September 1997 to September 2002, Mr Cheung worked as an auditor at Deloitte Touche Tohmatsu. From September 2002 to March 2006, Mr. Cheung served as the financial controller and company secretary of Kanstar Environmental Paper Products Holdings Limited, a company listed on the GEM Board of the Stock Exchange. From March 2006 to June 2008, Mr. Cheung served as the financial controller and company secretary of Eco-Tek Holdings Limited, a company listed on the GEM Board of the Stock Exchange. Mr. Cheung has been serving as the chief financial officer and company secretary of Huscoke Resources Holdings Limited, a company listed on the Main Board of the Stock Exchange from June 2008 to present and an executive director of Huscoke Resources Holdings Limited from October 2009 to present. Mr. Cheung is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He obtained a bachelor's degree in accountancy from the

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Hong Kong Polytechnic University in November 1997 and a master's degree in business administration from the University of Bradford in January 2008.

**Mr. Peng Chi (彭池)**, aged 48, was appointed an independent non-executive Director on June 20, 2011. Mr. Peng has over 12 years of experience in real estate development and management of large-scale infrastructure constructions. From May 1999 to present, Mr. Peng has been serving as a director of Ramada Hotel Xiamen Co., Ltd. (廈門長升大酒店有限公司). From July 2001 to March 2004, he was a director of Xiamen Rong Tai Real Estate Development Co., Ltd. (廈門榮泰房地產開發有限公司). From May 2004 to December 2006, Mr. Peng was the general manager of Hubei Jingdong Highway Construction and Development Co., Ltd. (湖北荊東高速公路建設開發有限公司). From May 2004 to present, Mr. Peng has been serving as a director of Wuhan Tianshi Property Development Co., Ltd. (武漢市天時物業發展有限責任公司). From January 2008 to present, Mr. Peng has been serving as a director of Hubei E'dong Yangtze River Highway Bridge Co., Ltd. (湖北鄂東長江公路大橋有限公司). Mr. Peng obtained a bachelor's degree in history and literature from Hubei University (湖北大學) in July 1984.

Each of our Directors has not been involved in any of the events described under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, none of our Directors has been a director of other listed entities for the three years immediately preceding the date of this prospectus.

### SENIOR MANAGEMENT

The table below sets forth certain information concerning our other senior management members:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Mr. Fung Che Wai Anthony (馮志偉) .....	42	Chief Financial Officer and Company Secretary
Mr. Tian Xudong (田旭東) .....	40	Assistant to Chief Executive Officer
Ms. Liu Qin (劉琴) .....	42	Assistant to Chief Executive Officer
Mr. An Shenglong (安升龍) .....	43	Assistant to Chief Executive Officer and Deputy Chief Financial Officer
Mr. Li Bin (李斌) .....	40	Deputy General Manager of North Hankou Group
Mr. Tian Hu (田虎) .....	41	General Manager of our Projects Decoration Department
Mr. Cao Tianbin (曹天斌) .....	42	General Manager of our Marketing Department

**Mr. Fung Che Wai Anthony (馮志偉)**, aged 42, is our chief financial officer and company secretary. Mr. Fung joined us in January 2011 and is primarily responsible for the financial management and investor relations of our Company. Mr. Fung has over 18 years of experience in auditing, advisory accounting and financial management. From August 1992 to September 1999, he worked for Deloitte Touche Tohmatsu, with his last designation as an audit manager. From October 1999 to August 2007, Mr. Fung served as a director of Winsmart Consultants Limited, a financial consulting company. From August 2007 to December 2007, he served as the financial controller of corporate finance and development of China Eagle Management Limited, a subsidiary of Gome Electrical Appliances Holding Limited, a company listed on the Main Board of the Stock Exchange. From January 2008 to August 2010, Mr. Fung was the vice president responsible for investor relations of NagaCorp Limited, a company listed on the Main Board of the Stock Exchange. Mr. Fung is a fellow of the Hong Kong

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Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He graduated from Hong Kong Polytechnic University with a bachelor's degree in accounting in 1992.

**Mr. Tian Xudong (田旭東)**, aged 40, is an assistant to our chief executive officer. Mr. Tian is primarily responsible for the auctioning and purchasing of land for our Group and management of the initial stages of development of our projects. Mr. Tian has over six years of experience in the real estate development industry and approximately six years of experience working for the PRC government. He joined us in January 2007 as director of the development department of Zall Investment Group and has held various positions within our Group, including assistant general manager and general manager of Zall Investment Group, and executive vice-president of North Hankou Group. Prior to joining us in January 2007, Mr. Tian was deputy director of the administrative department and assistant to the chief executive officer of Wuhan Zall Enterprise Group Co., Ltd. (武漢卓爾企業集團有限公司) from March 2003 to January 2009. Mr. Tian served as the deputy secretary of the Huanggang Longgan Lake Youth League branch (黃岡市龍感湖管理區團委), the deputy director of Longgan Lake United Trade Unions Office (龍感湖總工會辦公室) and the secretary of the Longgan Lake Party branch (龍感湖黨政辦公室) from July 1996 to February 2002. Mr. Tian received a diploma in economic management from the Party School of the Central Committee of C.P.C. (中共中央黨校) in December 1997 and a diploma in business administration from Wuhan University (武漢大學) in December 2003. He is currently studying for an executive master of business administration degree at Huazhong University of Science and Technology (華中科技大學).

**Ms. Liu Qin (劉琴)**, aged 42, is an assistant to our chief executive officer. Ms. Liu joined us in 2007 as the assistant general manager of Zall Investment Group. Ms. Liu is responsible for the human resources and administration of our Group. Ms. Liu has over 10 years of experience in real estate sales, human resources management and administrative management. She joined us in February 2007 as assistant general manager of Zall Investment Group and has held various positions within our Group, including general manager of North Hankou Market Investment, chief executive officer of Zall Investment Group, general manager and executive vice-president of North Hankou Group, and the general manager of Zall Center Investment and Wuhan Big World Investment, respectively. Prior to joining us, Ms. Liu worked as an assistant manager of the sales department of Wuhan Taihe Real Estate Development Co., Ltd. (武漢泰合房地產開發有限公司) from January 1998 for a period of nine years. Ms. Liu graduated from Wuhan Radio and TV University (武漢市廣播電視大學) with a diploma in economic management. Ms. Liu is currently studying for an executive master of business administration degree at Tsinghua University (清華大學).

**Mr. An Shenglong (安升龍)**, aged 43, is an assistant to our chief executive officer and our deputy chief financial officer. Mr. An is primarily responsible for the financial and operational management of North Hankou Project and No.1 Enterprise Community. Mr. An has approximately five years of experience in real estate, financial management, project management and hotel management. He joined us in August 2008 as the general manager of Wuhan Eastern Zall Properties and has held various positions within our Group, including department head of the finance and engineering departments of Zall Development China. From July 2003 to June 2005, he was the general manager of Ramada Hotel Xiamen Co., Ltd. (廈門長升大酒店有限公司). Mr. An received a bachelor's degree in economics from Zhongnan University of Economics and Law (中南財經政法大學) in July 1989.

**Mr. Li Bin (李斌)**, aged 40, is the deputy general manager of North Hankou Group. Mr. Li is currently responsible for the day-to-day operational management and property management of our North Hankou Project. Mr. Li has over 11 years of experience in property management

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and market management. Mr. Li joined us in July 2007 as the general manager of North Hankou Market Management and has held various positions within our Group, including assistant general manager of North Hankou Market Investment Group, chairman of Zall Property Management, executive vice-president of North Hankou Group and assistant general manager of North Hankou Market Management. From May 1999 to June 2007, Mr. Li was manager of the property management department of Meijia Property Management (Wuhan) Co., Ltd. (美佳物業管理(深圳)有限公司武漢分公司). Mr. Li received a diploma in Chinese language and literature education from Hubei University (湖北大學) in 1995.

**Mr. Tian Hu (田虎)**, aged 41, is the general manager of the decoration works department of Zall Development China. Mr. Tian is primarily responsible for the construction and decoration of our North Hankou Project and No.1 Enterprise Community. Mr. Tian has approximately six years of experience in engineering management and project decoration management. He joined us in June 2006 as head of the decoration works department of Zall Development China. From October 2005 to March 2006, Mr. Tian was the general manager of Shenzhen Jiayin Decoration Co., Ltd. (Wuhan Branch) (深圳嘉音裝飾公司武漢分公司). Mr. Tian received a diploma in industrial arts from Jiangnan University (江漢大學) in July 1992.

**Mr. Cao Tianbin (曹天斌)**, aged 42, is the general manager of our marketing department. Mr. Cao is primarily responsible for the overall marketing and promotion of our North Hankou Project and No.1 Enterprise Community. Mr. Cao has approximately three years of experience in the wholesale market and investment management industries, and has over 14 years of experience in the operational management of commercial projects. He joined us in August 2008 as the general manager of the merchandising department of North Hankou Group and has also been assistant general manager of North Hankou Market Management since October 2009. Prior to joining us in August 2008, he was the vice general manager of Wuhan Wenhua Printing Co., Ltd. (武漢文華印務有限公司) from August 1996 to July 2008. Mr. Cao was recognized as one of the “Top Ten Creative Green Marketers” (十大綠色創新營銷標杆人物) and was awarded “The Fifth China Golden Qilin Award” (第五屆中國金麒麟獎) in 2010. Mr. Cao received a diploma in mechanical and electrical engineering from Lanzhou University of Technology (蘭州理工大學) (formerly known as Gansu University of Industry (甘肅工業大學)) in July 1991 and a master’s degree in finance from Zhongnan University of Economics and Law (中南財經政法大學) in December 2001.

Save as disclosed above, none of our senior management members has been a director of other listed entities for the three years immediately preceding the date of this prospectus.

### COMPANY SECRETARY

Mr. Fung Che Wai Anthony is a member of our senior management and the company secretary of our Company for the purposes of Rule 8.17 of the Listing Rules. For details of Mr. Fung’s background, please refer to the paragraph headed “— Senior Management” above.

### BOARD COMMITTEES

We have established three Board committees, namely the audit committee, the remuneration committee and the nomination committee.

#### Audit Committee

We established an audit committee on June 20, 2011 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Code on Corporate



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Governance Practices set out in Appendix 14 to the Listing Rules. The audit committee consists of three independent non-executive Directors, being Mr. Cheung Ka Fai, Mr. Peng Chi and Ms. Yang Qiongzhen, with Mr. Cheung Ka Fai serving as chairman of the audit committee.

The primary duties of the audit committee are to assist our Board in providing an independent review of the effectiveness of our financial reporting process, internal control and risk management systems, to oversee the audit process and to perform other duties and responsibilities assigned by our Board.

### Remuneration Committee

We established a remuneration committee on June 20, 2011 with written terms of reference in compliance with paragraph B1 of the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The remuneration committee consists of two independent non-executive Directors, being Ms. Yang Qiongzhen and Mr. Peng Chi, and one executive Director, being Mr. Fang Li, with Mr. Fang Li serving as chairman of the remuneration committee.

The primary duties of the remuneration committee are to evaluate the performance and make recommendations on the remuneration of our Directors and senior management.

### Nomination Committee

We established a nomination committee on June 20, 2011 with written terms of reference as recommended under the Code on the Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The nomination committee consists of two independent non-executive Directors, being Ms. Yang Qiongzhen and Mr. Peng Chi and one executive Director, being Mr. Cui Jinfeng, with Mr. Cui Jinfeng serving as chairman of the nomination committee.

The primary duty of the nomination committee is to make recommendations to our Board on the appointment and renewal of members of our Board.

## EMPLOYEES

As of the Latest Practicable Date, we employed a total of 450 full-time employees. Set out below is a breakdown of the number of our full-time employees by function as of the same date:

	<u>Number of employees</u>	<u>Percentage of total</u>
Management .....	12	2.67%
Administration .....	15	3.33%
Human resources .....	8	1.78%
Finance and auditing .....	34	7.56%
Construction .....	55	12.22%
Construction cost management .....	25	5.56%
Marketing .....	57	12.67%
Sales .....	81	18.00%
Customer relations .....	145	32.22%
Others .....	18	4.00%
<b>Total</b> .....	<b>450</b>	<b>100.00%</b>

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We believe that successful implementation of our growth and business strategies relies on a team of experienced, motivated and well-trained management and employees at all levels.

We recruit our employees predominantly from universities and vocational schools in the PRC. As of December 31, 2010, approximately 90% of our full-time employees had college or associate college degrees. We have implemented training programs for our employees in relation to their job functions. We believe that these initiatives have contributed to the increased employee productivity.

We enter into individual employment contracts with our employees to cover matters such as wages, benefits and grounds for termination. The remuneration package of our employees includes salary, bonus and other cash subsidies. In general, we determine employee salaries based on each employee's qualification, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our determination on salary raise, bonus and promotion. Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. We believe we have maintained a good working 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.

For the three years ended December 31, 2008, 2009 and 2010, we incurred employee costs (including Directors) of Rmb 6.3 million, Rmb 11.2 million and Rmb 28.1 million, respectively, representing 7.6%, 2.3% and 3.7% of our turnover during those periods.

As required by PRC regulations as well as compulsory rules of the PRC local governments, we participate in various social welfare schemes including pension, medical, maternity, work-related injury insurances and housing provident fund contributions. We are required under PRC law to make contributions to these schemes based on certain percentages of the salaries, bonuses and certain allowances of our employees in accordance with the respective regulatory requirements, up to a maximum amount specified by the relevant local governments from time to time. The total amount of contributions we made to such social welfare schemes for the three years ended December 31, 2008, 2009 and 2010 was 0.3 million, 1.0 million and 1.0 million, respectively.

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

Our executive Directors, who are also our employees, receive, in their capacity as our employees, compensation in the form of salaries and other allowances and benefits in kind.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses which were paid to our Directors for the years ended December 31, 2008, 2009 and 2010 was approximately Rmb 0.1 million, Rmb 0.2 million, and Rmb 0.8 million, respectively.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses which were paid by our Group to our five highest paid individuals for the years ended December 31, 2008, 2009 and 2010 was approximately Rmb 0.3 million, Rmb 0.4 million and Rmb 1.0 million, respectively.

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

Save as disclosed in this prospectus, no other payments have been made or are payable in respect of the years ended December 31, 2008, 2009 and 2010 by us or any of our subsidiaries to or on behalf of any of our Directors and no remuneration was paid by our Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as a compensation for loss of office in respect of the years ended December 31, 2008, 2009 and 2010. Further, none of our Directors waived any remuneration during the same period.

Under our arrangements currently in force, the aggregate remuneration (including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind) of our Directors for the year ending December 31, 2011 is estimated to be approximately Rmb 1.5 million.

### **SHARE OPTION SCHEME**

We will adopt the Share Option Scheme for our senior management and employees. For details of the Share Option Scheme, please refer to Appendix VII entitled “Statutory and General Information — D. Other Information — 1. Share Option Scheme” in this prospectus.

### **PRE-IPO SHARE OPTION SCHEME**

For the purpose of recognizing the contribution of certain senior management and employees of our Group and/or persons who have made past contribution to the development of our Group and/or as an incentive for the future performance of senior management and employees of our Group, on June 1, 2010, Zall Development Hong Kong adopted a share option scheme and granted 100 share options to 22 eligible participants. On June 20, 2011, each of the 22 eligible participants and Zall Development Hong Kong entered into an option swap agreement, pursuant to which all eligible participants agreed to cancel the share options granted to them under the share option scheme adopted by Zall Development Hong Kong on June 1, 2010, in consideration and exchange of our Company granting an aggregate 29,750,000 share options under the Pre-IPO Share Option Scheme based on the proportionate shareholding of the eligible participants in Zall Development Hong Kong to each of the 22 eligible participants. The principal terms and particulars of grantees of the Pre-IPO Share Option Scheme are similar to the terms of the share option scheme adopted by Zall Development Hong Kong on June 1, 2010 and summarized in Appendix VII entitled “Statutory and General Information — D. Other Information — 2. Pre-IPO Share Option Scheme” in this prospectus.

### **COMPLIANCE ADVISOR**

We have appointed Oriental Patron Asia Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use the net proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and

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

- where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

The terms of the appointment shall commence on the Listing Date and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.