

Directors and Audit Committee

DIRECTORS

Executive Directors

Mr. Dong Shutong, aged 54, is an executive Director and the Chairman and the chief executive officer of the Company and is responsible for formulating the Group's overall business plans and strategies. He has been the director of Zhengzhou Yongtong Special Steel Company Ltd ("Yongtong Special Steel"), a wholly owned subsidiary of the Group, and Yongtong Scrap Steel Company Ltd, ("Yontong Scrap Steel"), 95% owned by Yongtong Special Steel, since their incorporation in 1993 and 1995 respectively and has been involved in the management and day-to-day operations on a full time basis since. He has served as the vice manager and senior economic technology consultant Ministry of Metallurgical Industry Metallurgy News Information Development Company (冶金工業部冶金報社信息開發公司) in 1989. The said company was the original Ministry's department for news on the industry, organisation and major reports on metallurgical industry. Mr. Dong was appointed as the director of the Synthesis Department of the World Metallurgical Products Exhibition in 1990. The said organisation was primarily involved in the activities relating to exhibitions of metallurgical products. In 1992, he was appointed as the general manager of Henan Sanen Industry Sci-Tech Industrial Company (河南三恩工業科技實業公司). The said company was primarily involved in the research and development of industrial technologies. Between October 1984 and April 2004, the business of Refractory Materials Factory was contracted out to be managed by Mr. Dong. The Refractory materials factory was principally involved in the operation and management of refractory materials. He has also been serving as a part-time associate professor in the field of economics at Wuhan University of Science and Technology since 2002. He graduated from the Metallurgy Department of Wuhan Iron and Steel College in 1989. He received his Trade and Economics degree from Graduate School, The Chinese Academy of Social Sciences in 2000. He has been honoured various times for his outstanding achievement in the advancement of technology by various PRC governmental authorities from 1985 to 1994. He has also been awarded the "Award for Achievement in Development of the World Patent Technology" for his outstanding contribution to the patent technology and a gold medal for his bicomponent nozzle with condenser project by the Hong Kong Organising Committee of the International Patent Technology Expo in 2001 and as "The World's outstanding Chinese entrepreneur" by the World Chinese Entrepreneur Association in 2004. He was appointed as a member of the Zhengzhou Overseas Exchange Association and was elected as a joint-committee member of the Zhengzhou Enterprises Association and the Representatives of the Members of the Zhengzhou Enterprises Association in 2003. In 2004, he was appointed as a representative of the Zhengzhou City to the Twelfth National People's Congress. Mr. Dong was awarded China Industry and Economics Hundred Outstanding People of the Year by the China Industry and Economics News and People of the Year Award Organisation Committee in April 2005. Mr. Dong was also the factory general manager and the sole legal representative of the Refractory Materials Factory from 1984 to 2004. Mr. Dong published 《新經濟的背後 — 精神經濟浮出水面》 (What's behind the New Economy — The Emergence of Spiritual Economy) in 2001 and 《精神價值與中國經濟轉型》 (Spiritual Value and the Transformation of the Chinese Economy) in 2002.

Mr. He Weiquan, aged 52, is an executive Director and the chief operation officer of the Company and is responsible for implementing the Group's plans and strategies relating to production and financial matters. He worked in the Handan Steel Company (邯鄲鋼鐵公司), a company involved in steel production, for 17 years as a section chief and then as a factory director. Thereafter, he spent two years as factory director in Shuicheng Steel Group Co. (水城鋼鐵集團公司), a company principally involved in steel production. He joined Daye Special Steel (大冶特鋼), an enterprise principally involved in steel production as the chief engineer before he joined the Group in May 2000 first as a deputy general manager and then as a general manager. He was awarded a senior professional rank by the Title Reform Leading Group Office of the Hebei Province in 1997. He has also published several articles on techniques of steel smelting and continuous casting. He graduated with a bachelor's degree from the Metallurgy Department of Northeastern University of Technology (東北工學院) in 1980.

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Ms. Lee Han Yau, Florence, CPA, FCCA, ACS, ACIS, aged 33, is an executive Director, the chief financial officer and company secretary of the Company and is responsible for the overall accounting, finance and treasury functions of the Group as well as corporate development of the Group. Prior to joining the Group in February 2004, she was the finance director of Posterscope (Hong Kong) Limited, an advertising agency company and part of the Aegis Group, for a year, in which she was responsible for the overall accounting and finance function of Greater China region including Hong Kong. She has also spent more than seven years at PricewaterhouseCoopers and was a manager of assurance and business advisory services department before she left. She is an associate member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. She is also a qualified accountant and is an associate member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. She received her degree of Bachelor of Arts (Honours) in Accountancy from the City University of Hong Kong in 1995 and she graduated from the Hong Kong Polytechnic University with a Postgraduate Diploma in Corporate Administration.

Mr. Song Wenzhou, aged 38, is an executive Director and is responsible for the Group's administrative, marketing and staff development matters. Prior to joining the Group in July 1995, he was a teacher at the Zhengzhou Institute of Technology. He graduated from Beijing Open University with a Bachelor's Degree in Linguistics and Phonetics in 1987. He also received his Bachelor's Degree in Chinese Language and Literature from Henan Normal University and Bachelor's Degree in Legal Studies from Central Broadcast and Television University in 1992 and in 2003, respectively. Since joining the Group in 1995 until February 2004, Mr. Song was also responsible for the administrative matters at the Refractory Materials Factory.

Non-executive Director

Mr. Yang Tianjun, aged 62, is a non-executive Director. He worked in Ministry of Metallurgy Forty Company (冶金部四零公司) and then in Angang Steelwork (鞍鋼煉鋼廠) for a total of 13 years as a technician and an engineer, respectively. He was the principal of University of Science and Technology Beijing from 1993 to July 2004 and is currently a professor and doctoral advisor in the Metallurgy Department of University of Science and Technology Beijing.

He has been awarded nine national and provincial first, second and third-grade State Scientific and Technological Progress Prizes since 1989 for his outstanding contributions to the State by conducting scientific researches in metallurgical projects. He was the chairman of the Sino-German co-operation in studying the multipurpose use of niobium. He was invited by Research Institute of Industrial Science and Technology of Korea to lead the research of blast furnace air-refined coal spray, and he participated in a joint research with Metallurgical Research Institute in blast furnace coal spray and mathematics model. He published over 70 academic papers both in the PRC and abroad and six books on the specialised subjects in the metallurgy field. He was appointed as the vice chairman of Chinese Society of Metals and a member of the Fifth Graduate Committee of the State Council (國務院學位委員會) in 2001 and 2003 respectively.

He graduated in 1965 from the Metallurgical Department of Beijing Iron and Steel College. He completed his postgraduate study in 1981 and obtained a master's degree in metallurgy from the Beijing Iron and Steel Institute. In 1985, he was granted the scholarship from Humboldt-University zu Berlin and conducted a joint research with the RWTH-Aachen University in Germany, and was awarded a doctorate degree in 1986. He joined the Group as a non-executive Director in May 2005.

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Independent non-executive Directors

Mr. Bai Baohua, aged 64, is an independent non-executive Director. He has almost 40 years experience in the metallurgy field. He has worked as the engineer, manager and general manager of China Metallurgical Import & Export Company (中國冶金進出口公司), a company primarily involved in the trading of metals, the general manager of China International Steel Investment Company (中國國際鋼鐵投資公司), a company primarily involved in the promotion of foreign investment in the steel industry in the PRC, and the general manager, vice chairman and legal representative of China Iron and Steel Industry and Trade Group Corporation, a company primarily involved in production and trade of steel. He graduated from the Metal Pressure Processing Department at Beijing Iron and Steel College in 1965. He joined the Group as an independent non-executive Director in May 2005.

Mr. Huang Changhuai, aged 70, has worked in a printing and dyeing mill as a supervisor, political director and deputy director of the mill. He was appointed as the deputy director of the city's economic system reform committee by the People's Government of Zhengzhou City and as the director of the city's industrial and communications development committee at the Third Session of the Eighth People's Congress of Zhengzhou City in 1985. He was then appointed at the Twelfth Session of the Eighth People's Congress of Zhengzhou City as the director of the city's economic committee in 1986. He was also appointed the deputy director of the standing committee of the People's Congress of Zhengzhou City. He graduated in September 1958 from Zhengzhou Textile School. He joined the Group as an independent non-executive Director in May 2005.

Mr. Wong Chi Keung, *FCCA, FCPA, ACMA, ACIS*, aged 51, holds a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and CPA Australia; an associate member of The Institute of Chartered Secretaries and Administrators and The Chartered Institute of Management Accountants. Mr. Wong was an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited for over ten years. He is also an independent non-executive director and a member of the audit committee of a number of listed companies in Hong Kong. Mr. Wong has over 29 years of experience in finance, accounting and management. Mr. Wong joined the Group as an independent non-executive Director in May 2005.

COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Ms. Lee Han Yau, Florence, is the Group's executive Director, company secretary and qualified accountant. Ms. Lee's personal particulars are set out in the paragraph headed "Directors" above.

AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Directors passed on 2 May 2005 in compliance with Rule 3.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, ("Listing Rules"). The primary duties of the audit committee are to review the financial reporting process and internal control procedures of the Group. The audit committee consists of the three independent non-executive Directors, namely Wong Chi Keung, Bai Baohua and Huang Changhuai and Wong Chi Keung is the chairman of the audit committee.