

## **GENERAL**

Our Board currently consists of seven Directors, comprising three Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors.

Save as disclosed below, none of our Directors has any other directorships in listed companies.

## **DIRECTORS**

### **Executive Directors**

**Mr. WONG Wun Ming** (黃煥明), aged 46, was appointed as our Chairman and Executive Director on November 27, 2007. He also holds directorships in a number of the Company's subsidiaries, and Galaxy Earnest Limited, a substantial shareholder of the Company.<sup>(1)</sup> He is the main founder of our Group and has been responsible for the overall strategic planning and management of our Group. He has been the key driver of our strategy and achievements to date. He has extensive experience in the PRC real estate sector, having been engaged in real estate development and management in the PRC for over 20 years. He received the "Outstanding Person in 2006-2007" awarded by Xiamen Real Estate Association in 2007, "China Real Estate Top Ten Outstanding Entrepreneur" awarded by Beijing Great Hall of the People in 2004, and "CIHAF Chinese Top 100 People in Real Estate Industry" awarded by the organizing committee of the China Property Fair Alliance in 2003 and 2004, such awards being important awards in the PRC real estate industry.

Besides his management role in our Group, Mr. Wong is committed to a wide range of social responsibilities and is actively involved in numerous business and trade associations, including being a member of the Political Consultative Committee of Xiamen, Fujian (福建省廈門市政協港澳委員), the Vice President of Fujian Real Estate Association (福建省房地產協會副會長), a committee member of China Overseas Chinese Association (中國僑聯委員), the Vice President of China Overseas Chinese Entrepreneurs Association (中國僑商投資企業協會副會長), the Vice President of China Overseas Chinese Entrepreneurs Liaison Association (中國僑商聯合會副會長) and an executive director of the China International Friendly Liaison Committee (中國國際友好聯絡會常務理事).

In recognition of Mr. Wong's outstanding contribution to the community and his devotion in various social responsibilities, he was presented with the "Outstanding Achievement Award" by the China Charity Federation in 2009.

---

*Notes:*

- (1) Mr. Wong Wun Ming holds directorships in the following Company subsidiaries: Add High International Limited, Fit Top Group Limited, Hanxiang Real Estate (ZJ), Hong Kong Ming Fat Shui Fung Electronics Technology Company Limited, Hong Kong Mingfa Hua Qing Investment Holdings Limited, Hongkong Full Bright Holdings Limited, Leun Fung Furniture City (XM), H.K. Ming Shing Assets Management Group Limited, Ming Fat Holdings (Hong Kong) Limited, Mingfa Chemical Warehousing (NJ), Mingfa Furniture (XM), Mingfa Furniture Manufacturing (NJ), Mingfa Group, Mingfa Group Real Estate (HA), Mingfa Group Real Estate (HF), Mingfa Group Real Estate (NJ), Mingfa Group Real Estate (YZ), Mingfa Group Real Estate (ZZ), Mingfa Group Real Estate Exploiture (WX), Mingfa Group Shanghai Industry, Mingfa Hotel (QZ), Mingfa Industrial Raw Material (JS), Mingfa Real Estate (XM), Mingfa Technological and Commercial Town Construction (NJ), Mingfa Technological Light and Electronic Industry (NJ), Mingfa Xinghewan Hotel (NJ), Pearl Spring Hotel (NJ), Profit Surplus Investments Limited, Riverview Mansion Hotel (NJ), Xiamen Mingfa and Xiamen Mingsheng Investment Management (XM).

Mr. Wong became involved in PRC real estate development in 1986 when he formed his own construction company. Mr. Wong accumulated valuable construction and management experience as the market for commodity housing projects opened up around the early nineties. In 1994, Mr. Wong co-founded our Group with his brother Mr. Huang Qingzhu by establishing Mingfa Real Estate (XM) in Xiamen, Fujian Province. Mr. Wong is a brother of Mr. Huang Qingzhu, Mr. Huang Lianchun and Mr. Huang Li Shui, our Directors.

**Mr. HUANG Qingzhu** (黃慶祝), aged 39, was appointed as our Chief Executive Officer and Executive Director on November 27, 2007. He also holds directorships in a number of the Company's subsidiaries, and Galaxy Earnest Limited, a substantial shareholder of the Company.<sup>(2)</sup> He is one of the founders of our Group and has been responsible for the day to day management of the overall operations of our Group. Mr. Huang has extensive experience in the real estate industry in the PRC and was awarded the "China Real Estate Top 100 Exceptional Persons" by the China (Shenzhen) International Housing and Archi-Tech Fair in 2003.

Besides his management role in our Group, Mr. Huang has undertaken social responsibilities by being a committee member of the nationwide China Youth Federation, the Vice President of the Xiamen Real Estate Association, and the Vice President of Xiamen General Chamber of Commerce concurrently.

Mr. Huang has accumulated extensive experience in the PRC real estate industry through his over 15 years of involvement in this field. He co-founded our Group with his brother Mr. Wong Wun Ming in 1994 by establishing Mingfa Real Estate (XM) in Xiamen, Fujian Province. Prior to being appointed as a Director, Mr. Huang served as the general manager of our Company from 1998 to 2008 and the general manager of Xiamen Mingfa Real Estate Development Co., Ltd. from 1994 to 1997. He qualified as an advanced economist in 2005. Mr. Huang is a brother of Mr. Wong Wun Ming, Mr. Huang Lianchun and Mr. Huang Li Shui, our Directors.

**Mr. HUANG Lianchun** (黃連春), aged 36, was appointed as our Chief Operating Officer, Executive Vice President and Executive Director on November 27, 2007. He also holds directorships in a number of the Company's subsidiaries, and Galaxy Earnest Limited, a substantial shareholder of the Company.<sup>(3)</sup> Mr. Huang is responsible for overseeing the day to day operations of our Group and

*Notes:*

(2) Mr. Huang Qingzhu holds directorships in the following Company subsidiaries: Add High International Limited, Fit Top Group Limited, Hanxiang Real Estate (ZJ), Hengxin Real Estate (NA), Honglai Town Construction (NA), Leun Fung Furniture City (XM), Lichang Light and Electronic Technology (NJ), Longxiang Real Estate (XM), Ming Fat Holdings (Hong Kong) Limited, Mingfa Furniture (XM), Mingfa Furniture Manufacturing (NJ), Mingfa Group, Mingfa Group Real Estate (HF), Mingfa Group Real Estate (NJ), Mingfa Group Real Estate (YZ), Mingfa Group Real Estate (ZZ), Mingfa Hotel (QZ), Mingfa Hotel (XM), Mingfa Industrial Raw Material (JS), Mingfa Real Estate (XM), Mingfa Seafood Logistics (NA), Mingwah Property Development (WX), Pearl Spring Hotel (NJ), Profit Surplus Investments Limited, Xiamen Mingfa and Xiamen Mingsheng Investment Management (XM).

(3) Mr. Huang Lianchun holds directorships in the following Company subsidiaries: Add High International Limited, Chunhe Electronic (NJ), Fit Top Group Limited, Jianqin Real Estate (XM), Ming Fat Holdings (Hong Kong) Limited, Mingfa Furniture Manufacturing (NJ), Mingfa Group, Mingfa Group Real Estate (HF), Mingfa Group Real Estate (NJ), Mingfa Group Real Estate (YZ), Mingfa Group Real Estate (ZZ), Mingfa Group Real Estate Exploiture (WX), Mingfa Industrial Raw Material (JS), Pearl Spring Hotel (NJ), Profit Surplus Investments Limited, Riverview Mansion Hotel (NJ), Xiamen Mingfa and Xiamen Mingsheng Investment Management (XM).

reporting the affairs and progress to our Chief Executive Officer. Besides his management role in our Group, Mr. Huang also concurrently serves as the Vice President of the Nanjing Nan'an Chamber of Commerce, Jiangsu Youth Chamber of Commerce and committee member of the Jiangsu Federation of Industry and Commerce.

Prior to being appointed as a Director, Mr. Huang served as a general manager of Nanjing Mingfa Group Co., Ltd. from 2002 to 2009 and a general manager of Mingfa Group Co., Ltd. from 1998 to 2008. Mr. Huang is a brother of Mr. Wong Wun Ming, Mr. Huang Qingzhu and Mr. Huang Li Shui, our Directors.

### **Non-Executive Director**

**Mr. HUANG Li Shui** (黃麗水), aged 52, was appointed as our non-executive Director on November 27, 2007. He also holds directorships in a number of the Company's subsidiaries, and Galaxy Earnest Limited, a substantial shareholder of the Company.<sup>(4)</sup> He has more than ten years of experience in the real estate sector. Mr. Huang joined our Group in 1995 and prior to being appointed as a Director, he concurrently served as a director of eight members of our Group<sup>(5)</sup>. Mr. Huang formerly served as a director of Mingfa Group Nanjing Construction Materials Development Co., Ltd. from 2003 to 2008 and as a director and a general manager of Xiamen Mingfa Real Estate Development Co., Ltd. from 1997 to 2007. Mr. Huang is a brother of Mr. Wong Wun Ming, Mr. Huang Qingzhu and Mr. Huang Lianchun, our Directors.

### **Independent Non-Executive Directors**

**Mr. WONG Po Yan** (黃保欣), *GBM, CBE, JP*, aged 86, was appointed as our independent non-executive Director on October 9, 2009. He is the founder of United Overseas Enterprises, Ltd. and served as its Chairman and Managing Director from 1958 to 2007. United Overseas Enterprises, Ltd., a private company incorporated in Hong Kong in 1958, is an exporter and manufacturer of plastic products whose key exports markets include China, Africa, Europe and the United States. Mr. Wong is committed to a variety of social responsibilities, including the Honorary President of Chinese Manufacturers Association and the Honorary Chairman of Hong Kong Plastic Material Suppliers Association as well as the Chairman of the Nuclear Safety Committee of Guangdong Daya Bay Nuclear Power Station.

Mr. Wong was the Vice Chairman of the Hong Kong Basic Law Committee under the Standing Committee of National People's Congress and the Chairman of the Hong Kong Airport Authority from

---

*Notes:*

(4) Mr. Huang Li Shui holds directorships in the following Company subsidiaries: Add High International Limited, Fit Top Group Limited, Leun Fung Furniture City (XM), Ming Fat Holdings (Hong Kong) Limited, Mingfa Furniture (XM), Mingfa Group, Mingfa Hotel (QZ), Mingfa Real Estate (XM), Profit Surplus Investments Limited, Riverview Mansion Hotel (NJ), Xiamen Mingfa and Xiamen Mingsheng Investment Management (XM).

(5) The companies are: Leun Fung Furniture City (XM), Ming Fat Holdings (Hong Kong) Limited, Mingfa Furniture (XM), Mingfa Group, Mingfa Group Construction Material (NJ), Mingfa Real Estate (XM), Riverview Mansion Hotel (NJ) and Xiamen Mingfa.

1995 to 1999. He was a member of the Hong Kong Basic Law Committee from 1985 to 1990 and a member of the Hong Kong Legislative Council from 1979 to 1988.

Mr. Wong is currently an independent non-executive director of Fintronics Holdings Co., Limited, Sinopec Kantons Holdings Limited, China Electronic Corporation Holdings Co., Limited, Shenzhen Investment Ltd., Allied Group Limited and Alco Holdings Limited, which are all publicly listed companies in Hong Kong.

Mr. Wong received an honorary doctorate degree in social science from Hong Kong Baptist University in 1994 and an honorary doctorate degree in business administration from the City University of Hong Kong in 1993. He graduated from Xiamen University with a bachelor degree in chemistry in 1945.

**Dr. DAI Yiyi (戴亦一)**, aged 42, was appointed as our independent non-executive director on October 9, 2009. Dr. Dai is currently the Vice Dean of the Xiamen University School of Management and a full-time professor of the MBS Professional Graduate Program of Xiamen University School of Management. He is also the Chair Professor of the Real Estate “CEO Class” (總裁班) at Tsinghua University and Peking University.

Since 2005, Dr. Dai has acted as a consultant to the Fujian Province Real Estate Association. He was a senior visiting scholar at Northwestern University from 2007 to 2008. He was the Director and Deputy Director of the EMBA Professional Graduate Program of Xiamen University School of Management from 2003 to 2007. He was a senior visiting scholar at McGill University’s School of Management in 2002 and a deputy director of the Department of Planning and Statistics at Xiamen University School of Economics from 1993 to 2001.

Dr. Dai is currently an independent non-executive director of Xiamen C&D Inc. (廈門建發股份有限公司) and Xiamen ITG Group Corp., Ltd. (廈門國貿集團股份有限公司), both of which are listed on the Shanghai Stock Exchange and are engaged in real estate development in addition to other principal businesses, as well as Guangdong Shirongzhaoye Co., Ltd (廣東世榮北業股份有限公司) and Septwolves Industry Co., Ltd. (七匹狼實業股份有限公司), both of which are listed on the Shenzhen Stock Exchange.

Dr. Dai obtained his doctorate degree in economics from Xiamen University in 1999 and his bachelor degree in economics in 1989 and also graduated from the Sixth Ford Class (福特班六期) of the Sino-American Economic Studies Training Centre at Renmin University of China. He later became a certified property valuer in the PRC in 1997.

**Mr. LIN Yong (林涌)**, aged 40, was appointed as our independent non-executive director on October 9, 2009. Mr. Lin has more than 15 years of experience in the banking industry. Mr. Lin is a Chief Executive Officer of Hai Tong (HK) Financial Holdings Ltd. and is responsible for the overall operations of Hai Tong (HK) Financial Holdings Ltd. He also concurrently serves as a member of the SFC Advisory Committee.

Mr. Lin was previously a general manager of the Investment Banking Department of Haitong Securities Co., Ltd. from 2005 to 2007 and a member of the senior management of Haitong Securities Co., Ltd. since 1996. He was a project manager of the Investment Banking Department at Guotai Securities Co., Ltd. from 1995 to 1996. Mr. Lin is also a registered PRC accountant and a lawyer. He practiced as a lawyer in the PRC from 1993 to 1995.

In 2006, Mr. Lin was named “2006 Top Ten Outstanding Young Person in Financial Sector in Shanghai” (2006年上海十大金融傑出青年) by the Shanghai Communist Youth League and Shanghai Financial Office. He obtained his doctorate degree from Xi’an Jiaotong University School of Economics and Finance in 2004.

### **Senior Management**

**Mr. XIN William** (辛衛廉) aged 42, is our Chief Financial Officer and Executive Vice President. Mr. Xin has over 15 years of experience in finance and international executive management covering a broad range of industries. He joined our Group in July 2009. Prior to joining our Group, Mr. Xin was the Chief Financial Officer of China Housing & Land Development Inc., the first and only PRC real estate company currently listed on the NASDAQ in the United States. Mr. Xin served as a Managing Partner at Golden Leaf Investment Group in New York City from 2005 to 2009, where he provided financial consulting, strategic planning, market research and venture capital services for multiple Chinese companies on a number of projects including a hydropower company, a nanotechnology company and two emerging telecommunications companies. Mr. Xin was the Co-founder, Chairman and Chief Executive Officer of BChinaB, Inc., a vertically-integrated US-based outsourcing company from 2000 to 2005, where he helped companies increase profitability by outsourcing their supply chains to China.

Mr. Xin has been featured in the Wall Street Journal and Crain’s magazine as a China business expert and has been invited as keynote speaker on many panels regarding China. Mr. Xin earned his Bachelor degree in Theoretical Physics in 1992 and an MBA degree in 1995 from Yale University in New Haven, Connecticut.

**Mr. POON Wing Chuen** (潘永存), aged 44, is our Vice President and is responsible for financial and accounting matters of our Group. He joined our Group in May 2008 and has 19 years of experience in the finance and accounting field. Prior to joining our Group, Mr. Poon worked as a Financial Controller and Chief Financial Officer of several Hong Kong manufacturing companies over the years. Prior to becoming the Financial Controller and Chief Financial Officer of several Hong Kong manufacturing companies, Mr. Poon worked in Pricewaterhouse (subsequently renamed to PricewaterhouseCoopers) upon graduation. Mr. Poon was an associate member of the Association of Chartered Certified Accountants from 1993 to 1998 and has been a fellow member since 1998. He graduated from City Polytechnic University of Hong Kong with a professional diploma in accountancy in 1989.

**Ms. HAO Jin** (郝晉), aged 32, is our Vice President and is responsible for auction, land purchase, development, investment operations and public relations of our Group. Ms. Hao has more than ten years of experience in the PRC real estate sector. Ms. Hao joined our Group in 2006 and



served as the deputy general manager of Mingfa Group Nanjing Real Estate Co., Ltd. Prior to joining our Group, Ms. Hao served as the manager of the strategy and development department of Hongyi Real Estate Development Co., Ltd. from 2002 to 2005. Ms. Hao served as the Superintendent of the operations and management departments of Jiangsu Suning Construction Group Co., Ltd. from 1998 to 2002. She graduated from Tianjin University of Technology and Education in 1998 and obtained a bachelor degree in international economics and trade from Southeast University in 2004.

**Mr. LI Mei Quan** (李美全), aged 43, is our Vice President and is responsible for business development, project design, sales and marketing operations of our Group. Mr. Li has more than ten years of experience in the PRC real estate industry. Mr. Li joined our Group in 2008. Prior to that, he served as the standing deputy general manager of Fujian Zhong Tong Heng Ji Investment Company Limited from 2007 to 2008. He served as the deputy general manager of Henan Luoyan Real Estate Development Co., Ltd. from 2006 to 2007 and oversaw the development, marketing and sales division of the company. Mr. Li was a general manager of Fuzhou Zhiben Property Investment Consulting Co., Ltd. from 2004 to 2006. He served as the Chief Operating Officer of New Century Real Estate Development Co., Ltd. from 2003 to 2004, and as the deputy general manager of Fortune East Ocean Real Estate Development Co., Ltd. from 2002 to 2003.

Mr. Li is a certified international property specialist, a certified senior business strategic planner in the PRC and a member of the Mall China and Mall China Professional Accreditation Committee. He graduated from Henan University of Finance and Economics in 1989. In 2007, Mr. Li commenced his postgraduate studies at Guanghua Management University and is expected to complete his postgraduate studies in 2009.

**Mr. JIANG Yong** (江勇), aged 34, is our Vice President and is responsible for the administrative, human resources, legal and compliance operations of our Group. Mr. Jiang joined our Group in 2004. Prior to joining our Group, Mr. Jiang served as a legal officer and head of the administration department, human resources department and sales department at Xiamen Fukang Economic Development Co., Ltd. from 2002 to 2004. Mr. Jiang served as a legal assistant at the Xinhua International Intellectual Property (Xiamen) Firm from 2001 to 2002 and as a legal adviser at Xiamen Yinxiang Group Co., Ltd. from 2000 to 2001. Mr. Jiang was a legal clerk at the People's Court of Shaowu, Fujian from 1999 to 2000.

Mr. Jiang was chosen as the representative of the 15th People's Congress of Siming District of Xiamen, Fujian (思明區十五屆人大代表) in 2006. He qualified as a senior economist in the PRC in 2002. Mr. Jiang graduated with a bachelor degree in law from Southwest University of Political Science and Law in 1999. He passed the China Corporate Legal Consultant Qualification Examination in 2003 and passed the PRC National Judicial Examination in 2006.

**Mr. YU Wei Ning** (俞偉寧), aged 46, is our Vice President and is responsible for the property and hotel management operations of our Group. Mr. Yu joined our Group in 2007 and served as the deputy general manager and manager of Xiamen Qiaole Mingfa Property Management Co., Ltd. from 2007 to 2008. Prior to joining our Group, Mr. Yu served as the department head, management representative and assistant general manager at Xiamen Zhongheng Group Company from 2000 to 2006. Mr. Yu served as the manager of the property department of Xiamen Yangguang Zhongheng

Real Estate Company from 1998 to 2000. Mr. Yu worked at Jingban Group Company, and served in various managerial roles from 1980 to 1998.

Mr. Yu has received various qualifications and certifications in finance, property agent practice as well as construction management. Mr. Yu obtained the Economist Qualification ISO9002 (1994) and ISO9001 (2000) in 1998 and 2004 respectively. In 2003, Mr. Yu obtained the Qualification of Project Manager of Construction and Decoration Project (Grade II) in Xiamen (廈門建築裝飾工程二級專案經理資格) and in 2006, passed the Review and Valuation on Senior Economist held by the Bureau of Human Resources of Fujian Province (福建省人事廳高級經濟師評審). He is a qualified economist in the PRC and a registered real estate agent (註冊房地產經紀人執業資格). Mr. Yu received his bachelor degree from Xiamen Industries Enterprises Management University in 1986 and graduated from the University of Xiamen Investment and Economics Research Class in 1999. Mr. Yu obtained the certificate for Mall China accredited operation manager in 2008 and Mall China professional manager in 2009.

**Mr. ZHONG Xiao Ming** (鍾小明), aged 42, is our Vice President and is responsible for the project management operations of our Group. Mr. Zhong has 20 years of experience in the PRC real estate and real estate related sector. He joined our Group in 2009. He previously served as the general supervisor of Xiamen Jiye Hengxin Consultancy Company Limited from 2005 to 2009, project manager of Xiamen Shipbuilding Industry Co., Ltd. from 2003 to 2005, department manager of Xiamen Guangxia Engineering Co., Ltd. from 1997 to 2003 and section chief of Minjiang Engineering Bureau from 1989 to 1996. Mr. Zhong qualified as a senior engineer in 2002. Mr. Zhong graduated from China Three Gorges University (previously known as Gezhouba Hydraulic & Electric Engineering College) with a bachelor degree in engineering in 1989.

**Mr. CHEN Chao Hui** (陳朝暉), aged 39, is our Vice President and is responsible for the financial management of our Group. Mr. Chen has 17 years of experience in the area of financial management. He joined our Group in 2009. He previously served as a deputy general manager of Xiamen Chuhan Tax Advisory Company Limited (廈門楚瀚稅務師有限公司) from 2005 to 2009, general finance supervisor of China Travel International Investment Hong Kong Limited from 2005 to 2006, Vice President of Longtop Financial Technologies Limited from 2001 to 2004 and CFO and general supervisor of the branch of Xiamen International Trade Group Corp., Ltd. from 1992 to 2001. Mr. Chen graduated from Xiamen University with a bachelor degree in Economics in 1992.

**Mr. WANG Chih-Cheng** (王志成), aged 47, is our Vice President and is responsible for the tendering and purchasing process of our Group. Mr. Wang has 22 years of experience in the mechanical engineering sector. He joined our Group in 2008. He previously served as senior project manager of Sika (China) Ltd. in 2008, vice general manager of the Fujian branch of Suzhou Schindler Elevator Company Limited from 2005 to 2007, manager of Fujian branch of Shanghai Yungtay Elevator Co., Ltd. from 2000 to 2004, vice general manager of Shanghai Qiyang International Trade Company Limited from 1998 to 2000 and a chief manager of Taiwan Yungtay Engineering Co., Ltd. from 1987 to 1998. Mr. Wang graduated from National Taiwan University of Science and Technology (formerly known as National Taiwan Institute of Technology) with a bachelor degree in mechanical engineering in 1987.

## **COMPANY SECRETARY**

Mr. Poon Wing Chuen, our Vice President, is the Company Secretary and one of the two authorized representatives of the Company in Hong Kong. Mr. Poon was an associate member of the Association of Chartered Certified Accountants from 1993 to 1998 and has been a fellow member since 1998. Mr. Poon was appointed the Company Secretary on September 12, 2008.

## **AUDIT COMMITTEE**

We have established an audit committee with terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Code on Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules. The audit committee consists of three independent non-executive Directors, namely Mr. Lin Yong, a Director with the appropriate professional qualifications who serves as the Chairman of the committee, Mr. Wong Po Yan and Dr. Dai Yiyi. The primary duties of the audit committee are to assist our Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management system, oversee the audit process and perform other duties and responsibilities as assigned by our Board.

## **REMUNERATION COMMITTEE**

We have established a remuneration committee with terms of reference in compliance with paragraph B1 of the Code on Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules. The remuneration committee consists of two independent non-executive Directors, namely Mr. Lin Yong, who is the Chairman of the remuneration committee, and Dr. Dai Yiyi and one executive Director, Mr. Huang Qingzhu. The primary duties of the remuneration committee are to evaluate the performance and make recommendations on the remuneration package of our Directors and senior management and evaluate and make recommendations on employee benefit arrangements.

## **NOMINATION COMMITTEE**

We have established a nomination committee with terms of reference in compliance with the Code on Corporate Governance Practices, set out in Appendix 14 to the Listing Rules. The nomination committee consists of two independent non-executive Directors, namely Dr. Dai Yiyi, who is the Chairman of the nomination committee, and Mr. Lin Yong and one executive Director, Mr. Huang Qingzhu. The primary function of the nomination committee is to make recommendations to our Board in relation to the appointment and removal of Directors of our Company.



## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### EMPLOYEES

As at June 30, 2009, we employed a total of 913 full-time employees. The analysis by function of our staff is as follows:

<u>Function</u>	<u>Number of employees</u>
Senior Management . . . . .	24
Finance Department . . . . .	46
Engineering Department . . . . .	140
Internal Control Department . . . . .	9
Procurement Department . . . . .	6
Operations Management Department . . . . .	67
Hotel Management Department . . . . .	313
Administration and other Departments . . . . .	<u>308</u>
Total . . . . .	913

Since our Group was established, it has not experienced any significant turnover of staff nor any disruption to its business operations due to labor disputes. Our Directors consider that our Group has maintained a good relationship with our staff.

We have established various employee benefit plans including the provision of pension funds, medical insurance and other relevant plans for employees who are employed by us pursuant to the PRC rules and regulations and the existing policy requirements of the local government.

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. We are subject to social insurance contribution plans organized by the PRC local governments. 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 insurance premium covering pension insurance, medical insurance, unemployment insurance and housing reserve fund. We believe the salaries and benefits that our employees receive are competitive in comparison with market rates.

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. As at the Latest Practicable Date, no significant labor disputes were likely to have a material adverse effect on the operations of our business had occurred.

### MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we 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.

## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Given that our business and operations are primarily located, managed and conducted in the PRC and none of our executive Directors is ordinarily resident in Hong Kong, we consider that it would be unduly burdensome for us to maintain management presence in Hong Kong in order to comply with the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for and the Stock Exchange has granted us a waiver from strict compliance with the requirements of Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we have put in place the following measures:

- (1) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives who will act as one of our principal channels of communication with the Stock Exchange. The two authorized representatives appointed are Mr. Wong Wun Ming (“**Mr. Wong**”), an executive director, and Mr. Poon Wing Chuen (“**Mr. Poon**”), the company secretary of the Company. Mr. Poon is an ordinary resident in Hong Kong. Each of the authorized representatives is authorized by the board of directors of the Company to communicate on behalf of the Company with the Stock Exchange. They will be available to meet with the Stock Exchange on reasonable notice as and when required and will be readily contactable by the Stock Exchange;
- (2) our authorized representatives will have the means to contact all members of the Board (including the independent non-executive Directors) promptly at all times and as and when the Stock Exchange wishes to contact the Directors for any matters. Each director will provide his mobile phone number, office phone number, e-mail address and fax number to the Stock Exchange;
- (3) Mr. Wong, being the authorized representative who is not an ordinary resident in Hong Kong, has confirmed that he is a Hong Kong permanent resident and he holds valid travel documents such that he is able to make himself available in Hong Kong on reasonable notice if required by the Stock Exchange. All the other Directors also confirmed that they hold valid travel documents that enable them to meet the Stock Exchange in Hong Kong on reasonable notice if required by the Stock Exchange;
- (4) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Guotai Junan Capital Limited as our compliance adviser for the period commencing on the Listing Date 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 the Listing Date to provide us with professional advice on continuing obligations under the Listing Rules and to act as the additional channel of communication with the Stock Exchange; and
- (5) we shall promptly inform the Stock Exchange if there are any changes to the authorized representatives of the Company.

## COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration our Directors have received (including fees, salaries, discretionary bonus, contributions to defined contribution benefit plans (including pension), housing and other allowances,

and other benefits in kind) for the three years ended December 31, 2008 and the six months ended June 30, 2009 were RMB1,020,000, RMB982,000, RMB941,000 and RMB469,000 respectively.

The aggregate amount of fees, salaries, discretionary bonus, defined contribution benefit plans (including pension), housing and other allowances, and other benefits in kind paid to our five highest paid individuals of our Company, including Directors, during each of the three years ended December 31, 2008 and the six months ended June 30, 2009 were approximately RMB1,319,000, RMB1,383,000, RMB1,983,000 and RMB1,378,000 respectively.

Apart from RMB43,000 and RMB21,000 received by Mr. Huang Lian Chun as salary for the year ended December 31, 2008 and the six months ended June 30, 2009, Mr. Huang Li Shui and Huang Lian Chun did not receive any directors' emoluments during the Track Record Period.

We have not paid any remuneration to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of the three years ended December 31, 2008 and the six months ended June 30, 2009. Further, none of our Directors had waived any remuneration during the same period.

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

## **SHARE OPTION SCHEME**

We have conditionally adopted a share option scheme for our senior management and employees. The principal terms of the Share Option Scheme are summarized in "Statutory and General Information — Other Information — Share Option Scheme" in Appendix VII of this prospectus.

## **COMPLIANCE ADVISER**

We have appointed Guotai Junan Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, our 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 proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviated from any estimate or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

<b>DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES</b>
---

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect 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.