
DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

BOARD OF DIRECTORS

Our Board currently consists of seven Directors, comprising three 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 as conferred by our Memorandum and Articles of Association. We have entered into service contracts with each of our non-executive Director and executive Directors. We have also entered into letters 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 of the Company:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Liem Djiang Hwa (林強華)	56	chairman and non-executive Director
Chen Hong (陳洪)	46	executive Director, president and chief executive officer
Miao Fei (繆妃)	37	executive Director and vice president
Lam Wai Wah (林維華)	54	executive Director and marketing director
Chen Xiao (陳曉)	48	independent non-executive Director
Kou Huizhong (寇會忠)	43	independent non-executive Director
Li Junfa (李君發)	48	independent non-executive Director

Chairman and non-executive Director

Mr. Liem Djiang Hwa (林強華), aged 56, has been a non-executive Director and chairman of our Company since June 10, 2011. He is responsible for the overall strategic planning of our Group's business. Mr. Liem is the elder brother of Mr. Lam Wai Wah, an executive Director. Mr. Liem has five years of experience in the chemicals industry and has been involved in corporate management and investments. Mr. Liem obtained a secondary school education. Prior to establishing the Group, Mr. Liem had been involved in his family business in Indonesia spanning across industries such as food and beverages, building and construction, and horticulture since 1974. In the early 1980's, Mr. Liem set up businesses in Indonesia involving plastic goods manufacturing and jewellery. In 1998, Mr. Liem began to engage in trading business. In 2003, Mr. Liem went to the PRC to begin his investment and trading business in textiles and lumber, which was subsequently sold in 2004. Between 2005 and 2009, he acquired Fujian Rongping, Fujian Rongchang and Fuzhou Yihua.

Executive Directors

Mr. Chen Hong (陳洪), aged 46, has been an executive Director since June 10, 2011. He is responsible for the corporate and strategic development of our Group. Mr. Chen has more than 20 years of experience in the chemicals industry. He joined our Group in 1988 and has served on various positions

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within our Group, such as director of the general manager office, assistant to general manager, deputy general manager, general manager and vice president. Mr. Chen is also the vice president of China Inorganic Salt Industry Association (中國無機鹽工業協會) and president of the Chlorate Salt Sub-Division of China Inorganic Salt Industry Association (中國無機鹽工業協會氯酸鹽分會). Mr. Chen obtained a bachelor's degree in economics from Tianjin University of Commerce (天津商學院) in July 1988. He is currently taking the executive master of business administration program at Tsinghua University (清華大學).

Ms. Miao Fei (繆妃), aged 37, has been an executive Director since June 10, 2011. Ms. Miao has more than 14 years of experience in human resources and operations management. She joined our Group in 2005 as administrative director. Ms. Miao is currently the vice president of our Company with a focus on human resources management. From 1996 to 2005, Ms. Miao worked for a number of private companies where she was responsible for human resources and operations management. Ms. Miao graduated from Fu'an City No. 3 Secondary School (福安市第三中學), Fuzhou, in 1992.

Mr. Lam Wai Wah (林維華), aged 54, has been an executive Director since June 10, 2011. He is responsible for our Group's marketing and business development. He is also the marketing director of our Company. Mr. Lam joined our Group in 2006 as director of Fujian Rongping. Mr. Lam is the younger brother of Mr. Liem Djiang Hwa, an executive director of Fujian Rongping. He has more than 20 years of experience in international trade and sales in Hong Kong and other regions. From 1986 to 2001, he was involved in the management of companies in the textiles and manufacturing industries. From 2001 to 2006, he served as the general manager of Sino Bright International Enterprise Ltd. (香港耀華國際企業有限公司), a trading company in Hong Kong, involving in trading, including the export of electrical appliances and lumber.

Independent Non-executive Directors

Mr. Chen Xiao (陳曉), aged 48, has been an independent non-executive Director since June 10, 2011. Currently, Mr. Chen is a professor, dean of the Department of Accounting at the School of Economics and Management of Tsinghua University, where from December 2003 to July 2006 he was a lecturer teaching courses such as advanced management accounting, financial statements analysis, accounting for business decisions and business valuation. Since June 2007, Mr. Chen has been acting as an independent non-executive director and the chairman of the audit committee of Noah Education Holdings Ltd., a company listed on the New York Stock Exchange (stock code: NED) and since December 2008, Mr. Chen has been an independent director and the chairman of the audit committee of Hanvon Technology Co., Ltd. (漢王科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002362). While serving at these companies, Mr. Chen is responsible for review of the financial budgets and financial statements of these companies in order to make various business decisions. Mr. Chen served as an independent director of three listed companies in the Shenzhen Stock Exchange, namely Norinco International Cooperation Ltd. (北方國際合作股份有限公司) (stock code: 000065) from April 2002 to June 2008, Hunan Chenzhou Mining Group Co., Ltd. (湖南辰州礦業股份有限公司) (stock code: 002155) from May 2006 to April 2009 and Invengo Information Technology Co., Ltd (深圳市遠望谷信息技術股份有限公司) (stock code: 002161) from December 2004 to December 2009, and was also an independent director of Henan Huanghe Whirlwind Co., Ltd. (河南黃河旋風股份有限公司) (stock code: 600172) from May 2002 to May 2005, a company listed on the Shanghai Stock Exchange. Mr. Chen obtained a bachelor's degree in chemical engineering and machinery from Wuhan Institute of Technology (武漢工程大學) in 1983. Mr. Chen then obtained a master's degree in business administration from University of Science and Technology of

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China (中國科學技術大學) in 1989 and a doctorate degree in business from Tulane University respectively in 1996. Mr. Chen is experienced in accounting and has published a number of articles in Journal of Accounting and Public Policy, covering topics such as financial accounting and taxation. Mr. Chen is also a director of the Accounting Society of China and Tax Society of China and has given numerous seminars on analysis of financial statements and accounting treatments.

Mr. Kou Huizhong (寇會忠), aged 43, has been an independent non-executive Director since June 10, 2011. Mr. Kou is currently a professor in the Department of Chemistry at Tsinghua University and has held such position since 2007. He was a lecturer and an assistant professor at the Department of Chemistry, Tsinghua University, from 2001 to 2002 and 2002 to 2007, respectively. Mr. Kou obtained a bachelor's degree in 1990 and a doctorate degree in 1999 from Nankai University (南開大學) in 1990 and 1999, respectively. Mr. Kou then conducted his post-doctoral research in Peking University (北京大學). From 2004 to 2005, he was a special fellow of the Japanese Society for the Promotion of Science. Mr. Kou focuses his research on structural chemistry and multifunctional materials. Mr. Kou was awarded the Youth Chemical Prize (青年化學獎) from Chinese Chemical Society (中國化學會) in 2002 and Good Teachers and Helpful Friends Prize for postgraduate students from Tsinghua University in 2004.

Mr. Li Junfa (李君發), aged 48, has been an independent non-executive Director since June 10, 2011. Mr. Li has more than 27 years of experience in the petroleum and chemical engineering industry. Mr. Li is currently the chief engineer of China National Petroleum and Chemical Planning Institute (石油和化學工業規劃院) (formerly, Chemical Planning Institute of the Ministry of Chemical Industry (化工部規劃院)) ("NPCPI") and an independent director of Shangdong Hualu-Hengsheng Chemical Co., Ltd. (山東華魯恒升化工股份有限公司) (stock code: 600426), a company listed on the Shanghai Stock Exchange, and Yunnan Salt & Chemical Industry Co., Ltd. (雲南鹽化股份有限公司) (stock code: 002053), a company listed on the Shenzhen Stock Exchange. From 1983 to 1998, Mr. Li worked for China Hualu Chemical Engineering Co., Ltd. (中國華陸化學工程公司) (formerly, the Sixth Design Institute of the Ministry of Chemical Industry (化工部第六設計院)) where he was responsible for engineering design and technology development work. Mr. Li joined NPCPI in 1998 where he served successively as deputy director of general department, deputy director and director of petrochemical department, vice chief engineer and assistant to president, from 1998 to 2006 and he has been, and is currently, the chief engineer since 2007. Mr. Li has published numerous articles and received various awards in the petroleum and chemical engineering industry. Mr. Li received his bachelor's degree in fundamental organic chemical engineering at Qingdao Science and Technology University (青島科技大學) (formerly Shandong Chemical Engineering College (山東化工學院)) in 1983 and participated in a training program on economics and management for senior managers at the School of Economics and Management, Tsinghua University, from 2001 to 2002. Mr. Li was qualified as professional-level senior engineer and registered chemical engineer in 2003 and 2004, respectively.

Save as disclosed herein, there are no other matters in relation to the Directors which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

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SENIOR MANAGEMENT

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

<u>Name</u>	<u>Age</u>	<u>Position</u>
Chen Hong (陳洪)	46	president and chief executive officer
Miao Fei (繆妃)	37	vice president
Lam Wai Wah (林維華)	54	marketing director
Zhang Heng (張亨)	35	chief financial officer
Tan Boon Chek	33	finance director
Chen Li (陳力)	43	director and general manager of Fuzhou Yihua
Zhou Yi (周沂)	51	director and executive vice general manager of Fuzhou Yihua
He Zhong (何中)	43	director and general manager of Fujian Rongping
Chen Tianzhen (陳天震)	47	director and executive vice general manager of Fujian Rongping
Wei Gang (魏剛)	54	director and general manager of Fujian Rongchang
Lin Guigui (林桂貴)	47	director and executive vice general manager of Fujian Rongchang

Please refer to “Directors, Senior Management and Employees — Board of Directors” in this section for the biographies of Mr. Chen Hong, Ms. Miao Fei and Mr. Lam Wai Wah.

Mr. Zhang Heng (張亨), aged 35, is the chief financial officer of our Company. He is mainly responsible for overseeing our Group’s corporate investments and investor relations of our Group. Mr. Zhang has over 12 years of experience in the financial industry. Prior to joining our Group, Mr. Zhang worked for Industrial and Commercial Bank of China Limited (Head Office), a company listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange, Bank of China (Singapore Branch), a company listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange, and Sea Rainbow Holding Corp. (海虹企業(控股)股份有限公司), a company listed on the Shenzhen Stock Exchange. Mr. Zhang obtained a bachelor’s degree in economics from University of International Business and Economics (對外經濟貿易大學) in July 1997 and a master’s degree in business administration from National University of Singapore in July 2002. Mr. Zhang is a chartered financial analyst of the CFA Institute.

Mr. Tan Boon Chek, aged 33, is the finance director of our Company, responsible for handling corporate finance matters. He joined our Group in 2009. Mr. Tan has experience in accounting and finance. Prior to joining our Group, he worked for several international accounting firms, serving such positions as senior accountant at Baker Tilly in Singapore from 2002 to 2004, assistant audit manager at Ernst & Young LLP in Singapore from 2005 to 2006, and audit manager at Ernst & Young Hua Ming, CPA, in the PRC from 2006 to 2009. Mr. Tan graduated from University of Adelaide, Australia with a bachelor’s degree in commerce (accounting) in December 1999. Mr. Tan is a CPA member of the Institute of Certified Public Accountants of Singapore and a CPA member of the CPA Australia. Mr. Tan is currently taking the executive master of business administration program at Nanyang Technological University, Singapore.

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Mr. Chen Li (陳力), aged 43, is the director and general manager of Fuzhou Yihua. Mr. Chen has more than 20 years of experience in the chemical industry. Mr. Chen joined our Group in 1987 and has served on various positions within our Group, such as factory sub-chief of Fujian Rongping from 1998 to 2002, where he supervised facilities and supply management. He was executive vice general manager of Fuzhou Yihua from 2002 to 2006, where he managed the daily operations at Fuzhou Yihua. Since 2007, Mr. Chen was director and general manager of Fuzhou Yihua, overseeing its production and operational activities. Mr. Chen graduated from Fuzhou Gongren Yeyu University (福州市工人業餘大學) in 1991. He is also an assistant engineer.

Mr. Zhou Yi (周沂), aged 51, is the director and executive vice general manager of Fuzhou Yihua. Mr. Zhou has more than 28 years of experience in the chemical industry. Prior to joining our Group, Mr. Zhou worked at the Ministry of Light Industry (Changlu Bureau). He joined our Group in 1985 and served as director of production and technology department of Fuzhou Yihua from 1997 to 1999, where he led the research and development activities of Fuzhou Yihua. From 1999 to 2006, Mr. Zhou was the leader of various chemical production projects. From 2006 to 2009, he was vice manager of Fuzhou Yihua, where he supervised activities spanning from production and daily operations to quality assurance and property management. Since 2010, Mr. Zhou has been the vice general manager of Fuzhou Yihua. Mr. Zhou obtained a bachelor's degree in engineering from East China University of Science Technology (華東理工大學) in July 1982. In December 2004, Mr. Zhou was awarded the title of "Senior Engineer" (高級工程師) by the Fujian Province Personnel Affairs Bureau, a provincial government authority responsible for employment and personnel matters, recognizing his achievements and knowledge in the industry.

Mr. He Zhong (何中), aged 43, is the director and general manager of Fujian Rongping. He has more than 20 years of experience in the chemical industry. Mr. He joined our Group in 1989 and has served on various positions within our Group, including director of production and technology department of Fuzhou Yihua from 1998 to 2002, where he led the research and development activities of Fuzhou Yihua. He was also executive vice general manager of Fujian Rongping from 2002 to 2008, managing technology and operational systems. Since 2008, Mr. He has been the director and general manager of Fujian Rongping and is in charge of business development and corporate management. Mr. He graduated from Fuzhou Teachers College (福州師範專科學院) in 1989.

Mr. Chen Tianzhen (陳天震), aged 47, is the director and executive vice general manager of Fujian Rongping. Mr. Chen joined our Group in 1985 and was deputy director of the equipment department of Fuzhou Yihua from 1989 to 1995, where he was in charge of managing chemical production facilities. He was vice general manager of Fujian Rongping since 2002, where he managed production facilities and daily operational activities of Fujian Rongping. Mr. Chen obtained a bachelor's degree in chemical engineering and machinery from Fuzhou University (福州大學) in 1985.

Mr. Wei Gang (魏剛), aged 54, is the director and general manager of Fujian Rongchang. Mr. Wei joined Fujian Rongchang in 1981 and was director of the production department from 1995 to 2006, where he supervised chemical production processes. He has been the general manager of Fujian Rongchang since 2007, in charge of chemical production systems and product development. Mr. Wei obtained a certificate in inorganic chemical engineering from Jianyang District Industrial Diploma Program (建陽地區工業大專班) in 1981. In December 2003, Mr. Wei was awarded the title of "Senior Engineer" (高級工程師) by the Fujian Province Personnel Affairs Bureau, a provincial government authority responsible for employment and personnel matters, recognizing his achievements and knowledge in the industry.

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Mr. Lin Guigui (林桂貴), aged 47, is the director and executive vice general manager of Fujian Rongchang. Mr. Lin has more than 22 years of experience in the chemical production industry. Mr. Lin joined our Group in 1988 and was general manager of Fuzhou Yihua from 2001 to 2005. From 2006 to 2007, Mr. Lin was vice general manager of Fujian Rongchang, where he managed production systems and led technical research activities. Mr. Lin obtained a bachelor's degree in engineering from Fuzhou University (福州大學) in 1988. Mr. Lin is also a senior chemical engineer. In December 2004, Mr. Lin was awarded the title of "Senior Engineer" (高級工程師) by the Fujian Province Personnel Affairs Bureau, a provincial government authority responsible for employment and personnel matters, recognizing his achievements and knowledge in the industry.

COMPANY SECRETARY

Ms. Chu Man Yee (朱敏怡) was appointed as company secretary of our Company on November 16, 2011. Ms. Chu is a senior manager of the corporate services division of Tricor Services Limited and an Associate of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She has approximately 16 years of experience in corporate advisory services. Prior to joining Tricor Services Limited, Ms. Chu served as a manager of the company secretarial department of Tengis Limited. Ms. Chu has provided various secretarial and corporate services to many listed companies. Currently, she is acting as the joint company secretary of MicroPort Scientific Corporation (stock code: 853), MIE Holdings Corporation (stock code: 1555) and Far East Horizon Limited (stock code: 3360), all of which are companies listed on the Stock Exchange. With her experience in the company secretarial area and the support of the professional staff of Tricor Services Limited, Ms. Chu believes that she could allocate sufficient time to provide company secretarial service to our Company and such service will not be affected in light of her current employments and appointments.

BOARD COMMITTEE

Audit Committee

We have established an audit committee on June 10, 2011 with written 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 of the Listing Rules. The audit committee consists of three independent non-executive Directors, Mr. Chen Xiao (being the Chairman who has a professional qualification in accountancy), Mr. Li Junfa and Mr. Kou Huizhong. The primary duties of the audit committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by our Board.

Remuneration Committee

We have established a remuneration committee on June 10, 2011 with written terms of reference in compliance with paragraph B1 of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules. The remuneration committee consists of three members, two of whom are independent non-executive Directors, being Mr. Chen Xiao and Mr. Kou Huizhong, and one of whom is our executive Director, being Ms. Miao Fei. The remuneration committee is chaired by Mr. Kou Huizhong. The primary duties of the remuneration committee include (but without limitation): (i) making recommendations to the

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Directors regarding our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) reviewing and approving the remuneration package of our Directors and senior management in accordance with the corporate strategies and objectives set by the Directors; and (iii) considering and approving the grant of share options to eligible participants pursuant to the Share Option Scheme.

During the Track Record Period, our remuneration policy for our Directors and senior management members was based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of the Group and the individual performance of our Directors and senior management members. We intend to adopt the same remuneration policy after the Listing, subject to review by and the recommendations of our remuneration committee.

Nomination Committee

We have established a nomination committee on June 10, 2011, with written terms of reference. The nomination committee consists of three members, namely Mr. Lam Wai Wah, Mr. Kou Huizhong and Mr. Li Junfa. Two of the members are our independent non-executive Directors. The chairman of the nomination committee is Mr. Li Junfa. The primary function of the nomination committee is to make recommendations to our Board on the appointment of members of our Board.

EMPLOYEES

As at June 30, 2011, we employed a total of 1,314 full-time employees. They can be categorized as follows according to their roles. The following tables shows an approximate breakdown of our employees by function:

<u>Employee Type</u>	<u>Number of Employees</u>
	<u>Total</u>
Management	31
Technicians	78
Finance and accounting	31
Administration	108
Production	917
Sales and marketing	53
Quality control	87
Procurement	9
Total	<u>1,314</u>

For the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011, we incurred employee costs (including Directors) of approximately RMB46.9 million, RMB48.2 million, RMB54.5 million and RMB28.5 million, respectively, representing approximately 6.7%, 4.8%, 4.5% and 4.0% of our revenue during those periods.

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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 laws 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 requirement, up to a maximum amount specified by the relevant local governments from time to time. The total amount of contributions we made to pension plans for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011 was approximately RMB5.8 million, RMB5.9 million, RMB6.8 million and RMB3.4 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 salary and cash bonus.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, housing allowances and other allowances and discretionary bonuses which were paid to our Directors for the years ended December 31, 2008, 2009 and 2010 and the six months ended June 30, 2011 was approximately RMB1.1 million, RMB1.5 million, RMB1.8 million and RMB1.3 million, respectively.

The aggregate amount of remuneration including fees, salaries, contributions to pension schemes, housing allowances and other allowances 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 and the six months ended June 30, 2011 was approximately RMB1.3 million, RMB1.7 million, RMB2.1 million and RMB1.3 million, respectively.

No remuneration was paid by the 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 and the six months ended June 30, 2011. Further, none of our Directors waived any remuneration during the same periods.

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 no more than RMB2.1 million.

SHARE OPTION SCHEME

We have adopted the Share Option Scheme. For details of the Share Option Scheme, please refer to the section headed “Statutory and General Information — Share Option Scheme” in Appendix VI to this prospectus.

PRE-IPO SHARE OPTION SCHEME

We have adopted the Pre-IPO Share Option Scheme. For details of the Pre-IPO Share Option Scheme, please refer to the section headed “Statutory and General Information — Pre-IPO Share Option Scheme” in Appendix VI to this prospectus.

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COMPLIANCE ADVISER

We have appointed Haitong International Capital 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:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (c) 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
- (d) 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.