

DIRECTORS AND SENIOR MANAGEMENT

GENERAL

The Board currently consists of nine Directors, comprising five executive Directors, one non-executive Directors and three independent non-executive Directors. The functions and duties of the Board include convening shareholders' meetings, reporting on the Board's work at these meetings, implementing the resolutions passed on these meetings, determining business and investment plans, formulating our annual budget and final accounts, and formulating our proposals for profit distributions and for the increase or reduction of registered capital. In addition, the Board is responsible for exercising other powers, functions and duties in accordance with the Articles of Association.

Executive Director

Mr. YANG Aihua (楊愛華), aged 50, is an executive Director and Chairman of our Group. Mr. Yang has substantial experience in the automobile dealership industry. Mr. Yang founded our Group and has been Chairman of our Group since 1999. Prior to that, he was the chairman of Shanghai Baoxin from 2004 to 2007. From 1999 to 2004, he was chairman of Shanghai Kailong Qimao. Prior to joining our Company, he was a general manager at 上海華順汽車銷售有限公司 (Shanghai Huashun Automobile Sales Company Limited) from 1995 to 1999. From 1988 to 1995, Mr. Yang had assumed various positions in Shanghai Jinling Trading Company, a state-owned company. Mr. Yang obtained an EMBA degree from Dalian University of Technology in 2006. Mr. Yang was appointed as executive Director of our Company on November 22, 2011. Mr. Yang Aihua is the brother of Mr. Yang Hansong and Mr. Yang Zehua.

Mr. YANG Hansong (楊漢松), aged 49, is an executive Director and the president of our Group. Mr. Yang has substantial experience in the automobile dealership industry. He has been appointed in 2008 as a director and president of our Group. From 2004 to 2008, he was an executive director of Suzhou Baoxin and from 2002 to 2004 he was the general manager of Shanghai Taipingyang Jinsha. From 1999 to 2002, he was appointed as vice chairman of Shanghai Kailong Qimao. Prior to joining our Group, he worked as a deputy general manager at 上海華順汽車銷售有限公司 (Shanghai Huashun Automobile Sales Company Limited) from 1995 to 1999. Mr. Yang Hansong graduated with a bachelor's degree in history at the Jiangxi Normal University in 1983. He obtained an EMBA degree from Dalian University of Technology in 2006. He is currently completing a PhD degree in management studies at Dalian University of Technology. Mr. Yang Hansong was appointed as executive Director of our Company on November 22, 2011. Mr. Yang Hansong is the brother of Mr. Yang Aihua and Mr. Yang Zehua.

Mr. YANG Zehua (楊澤華), aged 39, is an executive Director and a vice president of our Group. Mr. Yang has substantial experience in the automobile dealership industry. He joined Shanghai Kailong Qimao in 1999 as deputy general manager until 2002. Mr. Yang Zehua was appointed general manager of Shanghai Xinlong from 2002 to 2008. He became the general manager of Shanghai Baoxin from 2008 to 2009. Since 2010, he has served as a vice president of our Group. Prior to joining our Group, he worked as a sales manager at 上海華順汽車銷售有限公司 (Shanghai Huashun Automobile Sales Company Limited) from 1995 to 1999. He has obtained an EMBA degree from Dalian University of Technology in 2006. Mr. Yang Zehua was appointed as executive Director of our Company on November 22, 2011. Mr. Yang Zehua is the brother of Mr. Yang Aihua and Mr. Yang Hansong.

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Ms. HUA Xiuzhen (華秀珍), aged 59, is an executive Director and the chief supervisor of our treasury department. Ms. Hua has worked in our Group for over 12 years. She joined our Group in 1999 as finance manager of Shanghai Kailong Qimao until 2004. She has been appointed as the chief supervisor of our treasury department in 2004. Prior to joining the Group, Ms. Hua worked in 國泰機電設備公司 (Guotai Engineering Equipment Company Limited) in its finance department from 1990 to 1999. Ms. Hua was appointed as executive Director of our Company on November 22, 2011.

Mr. ZHAO Hongliang (趙宏良), aged 44, is an executive Director of our Group. Mr. Zhao has substantial experience in the automobile dealership industry. He joined Shanghai Kailong Qimao in 1999 as deputy general manager until 2001. Mr. Zhao was appointed general manager of Shanghai Kailong Qifu from 2002 to 2006. Mr. Zhao was general manager of Suzhou Baoxin from 2006 to 2008. Mr. Zhao was appointed vice president of our Group in 2008 and has since maintained that role. Prior to joining our Group, he was the deputy general manager of 上海華順汽車銷售有限公司 (Shanghai Huashun Automobile Sales Company Limited) from 1995 to 1998. He obtained an MBA degree from the University of Management and Technology (long distance teaching service) in 2005. Mr. Zhao was appointed as executive Director of our Company on November 22, 2011.

Non-executive Director

Mr. ZHANG Yang (張揚), aged 35, is a non-executive Director of our Group. Mr. Zhang has been the chief executive officer of Huakong Industry since 2008. He has been the president of Tsinghua Holdings Capital Investment Management Company Limited since 2006. He has been assistant to the president of Tsinghua Holdings Company Limited since 2005. Mr. Zhang is an associate researcher at the 中國社會科學院金融研究所 (Institute of Banking and Finance of the Chinese Academy of Social Sciences). Mr. Zhang was a director of 遼寧路橋建設總公司 (Liaoning Bridge Construction Company Limited) from 2006 to 2008. He graduated with a bachelor's degree in economics from Nankai University in 1998. Mr. Zhang obtained his PhD degree in economics from the Chinese Academy of Social Sciences in 2006. Mr. Zhang was appointed as a non-executive Director of our Company on November 22, 2011.

Independent Non-executive Directors

Mr. DIAO Jianshen (刁建申), aged 57, is an independent non-executive director of our Group. Mr. Diao has been a vice president of the China Automobile Dealers Association since 2008. He was a director and executive deputy general manager of 華星新世界汽車服務有限公司 (Huaxing New World Auto Service Company Limited) from 2002 to 2008. From 1998 to 2002, he was a general manager of 中國汽車貿易華北公司 (China Automobile Trading (North China) Corporation). He graduated from 中共北京市委黨校 (CPC Beijing Municipal Party School) with a major in economic management in 1988 and from the Chinese Academy of Social Sciences with a major in business economics in 1998. Mr. Diao was appointed an independent non-executive director of our Company on November 22, 2011.

Mr. WANG Keyi (汪克夷), aged 67, is an independent non-executive director of our Group. Since 1982, Mr. Wang has been a lecturer and professor at Dalian University of Technology. From 1992 to 1996, Mr. Wang was an assistant to the principal of Dalian University of Technology and was responsible for business management affairs. Mr. Wang has also acted as an independent director of 瓦房店軸承股份有限公司 (Wa Fang Dian Zhou Cheng Stock Company Limited) (Stock Code: 200706), a company whose shares are listed on the Shenzhen Stock Exchange, since 2009. He was also an independent director of 遼寧紅陽能源投資股份有限公司 (Liaoning Hongyang Energy Resource Invest

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Co. Ltd.) (Stock Code: 600758), a company whose shares are listed on the Shanghai Stock Exchange, from 2005 to 2011. Mr. Wang graduated with an undergraduate degree in automotive control from the Dalian University of Technology in 1966. He obtained a Master's degree in systems engineering from the Dalian University of Technology in 1982 and then a PhD degree in systems engineering from the same university in 1988. Mr. Wang was appointed an independent non-executive director of our Company on November 22, 2011.

Mr. CHAN Wan Tsun Adrian Alan (陳弘俊), aged 33, is an independent non-executive director of our Group. Mr. Chan has been the chief financial officer of Enviro Energy International Holdings Limited (stock code: 1102), a company whose shares are listed on the Stock Exchange, since 2009. He has over nine years of experience in corporate finance. He was an associate director of UOB Asia (Hong Kong) Limited from 2005 to 2009, mainly responsible for the execution of financial advisory, initial public offering, merger and acquisitions, privatisation and other equity capital market transactions in the Greater China Region and Southeast Asia. He has also previously worked for the equity capital markets department of DBS Asia Capital Limited from 2002 to 2005, the corporate finance department of DBS Vickers Securities (formerly known as Vickers Ballas Holdings Limited) from 2000 to 2001, and as auditor for a top-tier international accounting firm. Mr. Chan graduated from the University of New South Wales, Australia with a Bachelor of Commerce degree in Accounting and Finance in 2000. He is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants, respectively. Mr. Chan was appointed as an independent non-executive director of our Company on November 22, 2011.

Senior Management

Our senior management team, in addition to the Directors listed above, is as follows:

Ms. LIU Tao (劉濤), aged 44, is a vice president of our Group. Ms. Liu has substantial experience in the automobile dealership industry. She joined Shanghai Kailong Qimao in 1999 as a general manager until 2004. Ms. Liu was appointed general manager of Shanghai Baoxin from 2004 to 2007. Since 2008, she has served as a vice president of our Group. Prior to joining the Group, Ms. Liu was the head of the quality management department of 吉林省吉林市糧食局江北國家糧食儲備庫 (Jiangbei Government Grains Reserve of the Jilin Grains Bureau) from 1988 to 1999. She graduated with a bachelor's degree in economics from Jilin University in 1992. Ms. Liu also holds an MBA degree in business management from the China Europe International Business School obtained in 2008.

Mr. ZHU Jieling (朱結嶺), aged 43, is a vice president of our Group. Mr. Zhu has substantial experience in automobile dealership industry. He joined our Group in 2000 as deputy general manager of Shanghai Kailong Qimao until 2004 and has been appointed as a vice president of our Group since 2004. Prior to joining our Group, he worked as deputy head of 廣州天河進口汽車修理廠 (Guangzhou Tianhe Import Automobile Repair Factory) from 1995 to 1999. He was also a trainer at 廣州豐田汽車維修中心 (Guangzhou Toyota Automobile Repair Center) from 1989 to 1995. Mr. Zhu is currently pursuing an EMBA degree from Dalian University of Technology.

Mr. CHEN Changdong (陳長東), aged 50, is the chief financial officer of the Group. Mr. Chen has more than 25 years of experience in finance. He first joined our Group in 2002 as the financial manager of Shanghai Kailong Qimao until 2004. From 2004, he has been appointed as the chief financial officer of our Group ever since. Prior to joining the Group in 2002, he worked at Alstom Shanghai Instrument Transformers Company Limited, a Sino-French joint venture, from 2001 to 2002.

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From 1981 to 2000, Mr. Chen worked at 上海電器集團股份有限公司 (Shanghai Electric Group Company Limited) (Stock Code: 02727), a company whose shares are listed on the Hong Kong Stock Exchange, where he assumed various positions. Mr. Chen was also head of the Group's finance bureau, the Group's deputy financial manager and chief accountant of a subsidiary of 上海電器集團股份有限公司 (Shanghai Electric Group Company Limited) (Stock Code: 2727), a company whose shares are listed on the Hong Kong Stock Exchange, from 1981 to 2001. Mr. Chen is an accountant recognised by the Ministry of Finance of the PRC and obtained a diploma from East China Normal University majoring in economic management in 1991.

Ms. ZHOU Qizhu (周其珠), aged 56, is the chief supervisor of our audit department of the Group. Ms. Zhou has substantial experience in audit and finance. She joined our Group in 2004 as chief supervisor of the audit department and has since maintained that role. Prior to joining the Group, she held various positions in 上海愛建股份有限公司 (Shanghai Aijian Corporation) (Stock Code: 600643), a company listed on the Shanghai Stock Exchange from 1993 to 2003. Ms. Zhou is an accountant, economist and a registered tax accountant in China. Ms. Zhou graduated from the Open University of China with a major in accounting in 2004.

Mr. SHI Changchun (時長春), aged 39, is the chief operating officer of the Group. Mr. Shi has more than 13 years of experience in the automobile service industry. He first joined our Group in 2011 as chief operating officer. Prior to joining the Group, he was a deputy general manager of 力天集團有限公司 (Liten Group Company Limited) from 2009 to 2010. Mr. Shi was the general manager of 上海世貿汽車貿易有限公司 (Shanghai Shimao Automobile Trade Co., Ltd.) from 2005 to 2009. From 2003 to 2004, he was a manager of the components department for 聯合開利(上海)空調有限公司 (United Carrier (Shanghai) Air Conditioning Co., Ltd.). From 2001 to 2003, Mr. Shi worked at 福伊特驅動技術(上海)有限公司 (Voith Turbo Power Transmission (Shanghai) Co., Ltd.) as a national sales manager. Prior to that, Mr. Shi worked at 華晨汽車銷售有限公司 (Brilliance Automobile Sales Company Limited) from 1999 to 2001 as an after-sales manager. From 1995 to 1999, he was a technician of motor brigade of the transportation department of 寶山鋼鐵股份有限公司 (Baoshan Iron & Steel Co., Ltd.). Mr. Shi graduated with an undergraduate degree in automotive engineering from Tsinghua University in 1995 and obtained an MBA degree from Fudan University in 2001.

JOINT COMPANY SECRETARIES

Mr. CHEN Changdong (陳長東), please refer to “Directors and Senior Management—Senior Management” for a description of his biography.

Ms. PAU Lai Mei (鮑麗薇), aged 52, is the joint company secretary of our Company and was appointed on November 23, 2011. Ms. Pau has been with the Corporate Services Division of Tricor Services Limited since 2004, a global professional services provider specializing in integrated business, corporate and investor services, and she is currently a director thereof. Ms. Pau is a Chartered Secretary and a fellow member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She is also the company secretary of Goodbaby International Holdings Limited (Stock Code: 1086), a company whose shares are listed on the Hong Kong Stock Exchange. She has more than 25 years of working experience in the field of corporate secretarial services.

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AUDIT COMMITTEE

We have established an audit committee with written terms of reference in compliance with the Code on Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules. The audit committee consists of three members: three independent non-executive Directors, being Mr. DIAO Jianshen, who will serve as chairman of the committee, Mr. WANG Keyi and Mr. CHAN Wan Tsun Adrian Alan. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group.

REMUNERATION COMMITTEE

We have established a remuneration committee with written terms of reference in compliance with the Code on Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules. The remuneration committee consists of three members: one executive Director, being Mr. Yang Hansong, who will serve as chairman of the committee, and two independent non-executive Directors, being Mr. DIAO Jianshen and Mr. WANG Keyi. The primary duties of the remuneration committee are to evaluate and make recommendations to the Board on the remuneration policy covering the Directors and senior management of the Group.

NOMINATION COMMITTEE

We have established a nomination committee with written terms of reference in compliance with the Code on Corporate Governance Practices, as set out in Appendix 14 to the Listing Rules. The nomination committee consists of three members: one executive Director, being Mr. Yang Hansong, who will serve as chairman of the committee, and two independent non-executive Directors, being Mr. DIAO Jianshen and Mr. WANG Keyi. The primary duties of the nomination committee are to identify, screen and recommend to the Board appropriate candidates to serve as directors of the Company, to oversee the process for evaluating the performance of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our directors and senior management receive compensation in the form of salaries, bonuses, contributions to pension schemes, long-term incentives (including share-based compensation), housing and other allowances and benefits in kind subject to applicable laws, rules and regulations. The aggregate amount of compensation (including fees, salaries, bonuses, stock, stock options, contributions to pension schemes, long-term incentives, housing and other allowances) and benefits in kind paid to the Directors for the years ended December 31, 2008, 2009, 2010 and the six months period ended June 30, 2011 were approximately RMB1.7 million, RMB2.4 million, RMB2.9 million and RMB1.6 million, respectively. The aggregate amount of compensation and benefits in kind paid to the five highest paid individual employees of the Group for the years ended December 31, 2008, 2009, 2010 and the six months period ended June 30, 2011 were approximately RMB1.8 million, RMB2.7 million, RMB2.9 million and RMB1.6 million, respectively.

Under the arrangements currently in force, we estimate the aggregate of the remuneration and benefits in kind payable to the Directors for the year ending December 31, 2011 to be RMB4.3 million. The executive Director receives compensation in the form of salaries, bonuses, contributions to pension schemes, long-term incentives, housing and other allowances and benefits in kind subject to applicable

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laws, rules and regulations. For further details on the executive Director's compensation, see the section headed "Further Information About our Directors and Substantial Shareholders—2. Particulars of Service Contracts" set forth in Appendix VI to this prospectus.

The independent non-executive Directors receive fees from the Company. All Directors receive reimbursements from the Company for expenses which are necessary and reasonably incurred for providing services to the Company or executing matters in relation to the operations of the Company and are paid out of the funds of the Company by way of fees for their services as directors such sums (if any) as the Directors may from time to time determine (not exceeding in aggregate an annual sum excluding other amounts payable (e.g. expenses as remuneration for employment) or such larger amount as the Company may by ordinary resolution determine. Save as disclosed above, the Directors are not entitled to receive any other special benefits from the Company. The compensation of the Directors is determined by the Board which, following listing, will receive recommendation from the Remuneration Committee which will take into account applicable laws, rules and regulations including the Recovery Act.

COMPLIANCE ADVISER

We have appointed CMB 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, 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 deviate from any estimate or other information in this prospectus; and
- where the Hong Kong Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

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 fiscal year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.