

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

DIRECTORS

Executive Directors

Zheng Hong (鄭洪), aged 35, was appointed as the chairman of our Company and an executive Director on 4 May 2011. Mr. Zheng has over 11 years of experience in textile industry. He is one of the founders of our Group and has been a director of Jiangxi Jinyuan since 2005. Prior to joining Jiangxi Jinyuan, Mr. Zheng was a manager of Guangdong Dalang textile sales department (廣東大朗棉紗經營部) of Fujian Changle Jin Lin Sheng Textile Company Limited (福建省長樂市金林生織造有限公司) from 1997 to 1999. From 1999 to 2005, he served as the chairman and general manager of Jingwei Textile Company Limited of the Investment Office in Xiangyang City of Hubei Province (湖北省襄陽市投資辦襄陽經緯紡織有限公司). Mr. Zheng was awarded as the China textile outstanding labour (全國紡織工業勞動模範) and standing committee member (常務理事) of the China cotton and textile industry association (中國棉紡織行業協會) in 2010. In 2001, he was awarded the Outstanding Entrepreneur (2001年度優秀民營企業家) by the CPC Xiangfan Municipal Committee (中共襄樊市委) and the Peoples' Government of Xiangfan City (襄樊市人民政府). In 2004, he was also awarded as the Outstanding Individual (先進個人) by the Xiangyang District Committee of CPC Xiangfan City (中共襄樊市襄陽區委). In 2003, he was appointed as the committee member of the 2nd Committee of the Chinese People's Political Consultative Conference of Xiangyang District of Xiangfan City (襄樊市襄陽區第二屆政協委員). Mr. Zheng graduated in Fujian Commercial College (福建商業高等專科學校) in 1997 with a diploma of business secretary. He further completed Commercial Enterprises Information Strategy and Knowledge Management CEO Advanced Programme (工商企業信息戰略與知識管理總裁高級研修班) in Tsinghua University (清華大學) in 2005. Mr. Zheng is the younger brother of Zheng Yongxiang.

Zheng Yongxiang (鄭永祥), aged 43, was appointed as an executive Director on 4 May 2011. Zheng Yongxiang has over 10 years of experience in textile industry. He joined Jiangxi Jinyuan in 2005 as a general manager and is primarily responsible for formulating the policy and monitoring the operation of the Group. Prior to joining Jiangxi Jinyuan, Zheng Yongxiang served as the general manager of Shaoxing Gangtai Weaving Company Limited (紹興港泰針紡有限公司) from 2001 to 2005. In 2006, Zheng Yongxiang was appointed as the representative of the second *Jiangxi Yichun Municipal Chinese People's Congress* (江西宜春市第二屆人民代表大會). He received the award of Outstanding Entrepreneur in 2007 (2007年度優秀企業家) from the Yichun Municipal Peoples' Government in 2008. He was awarded the Outstanding Architects of Yichun in the Reforming and Open Up for 30 years (改革開放30年宜春市優秀建設者) in 2008 and the Best Ten Yichun Citizen (十佳宜春人) in 2009. Zheng Yongxiang graduated from the Open University of China (中央廣播電視大學) with a diploma of accounting (finance and accounting) in 2010. Zheng Yongxiang is the elder brother of Mr. Zheng.

Non-executive Directors

Sze Irons, JP (施榮懷), aged 49, was appointed as a non-executive Director on 4 May 2011. He is one of the founders of our Group and has been a director of Jiangxi Jinyuan since 2005. Mr. Sze has over 20 years of experience in investment and corporate management. He is an independent non-executive director of Continental Holdings Limited (stock code: 513), a company listed on the Main Board. Mr. Sze was appointed as an executive member of the Beijing Committee of the Chinese People's Political Consultative Conference in 2008. He was also appointed as the vice-chairman of Hunan Province Youth Federation in 2007 and the vice president of the Chinese Manufacturers' Association of Hong Kong. He has been a member of the Council and Court of Lingnan University since 2008. He is elected as a member of the Election Committee of the Chief Executive of Hong Kong from 2007 to 2012. Mr. Sze was appointed the Justice of Peace by the Government of Hong Kong in 2011. Mr. Sze graduated with a bachelor's degree in science from the University of Wisconsin-La Crosse, United States in 1985.

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Mr. Sze was a director of Treasure Properties Limited (“Treasure Properties”). Treasure Properties was incorporated in Hong Kong on 7 April 1994 and was principally engaged in property development. Mr. Sze was one of the directors and shareholders of Treasure Properties since its incorporation. On 11 May 2004, the directors of Treasure Properties resolved that (a) Treasure Properties could not by reason of its liabilities continue its business; (b) due to the reasons that Treasure Properties had insufficient fund to continue its day-to-day operations and the directors of Treasure Properties considered that it was necessary for someone independent to be appointed urgently to take control and preserve the assets of Treasure Properties and to take over conduct of the legal proceedings in two civil litigation cases commenced in the High Court of Hong Kong in 2003 against Treasure Property (“High Court Cases”). Both High Court Cases concerned the same property development project in Hong Kong in which Treasure Properties was the property developer. The High Court ordered a stay of all proceedings in one of the High Court Cases, which involved a contractual dispute between Treasure Properties and a contractor for the construction of the property development. As for the other High Court Case, in which the plaintiff alleged for negligence and/or breach of professional duties in the construction of the property development, it was not further proceeded by the plaintiff. Based on (a) a letter from the Companies Registry in which the Companies Registry considers that all liquidation documents in relation to Treasure Properties have already been filed and there is no pending document in Treasure Properties’ record maintained with Companies Registry; (b) a letter from the former joint and several liquidator of Treasure Properties in which the former joint and several liquidator considers that the liquidation process of Treasure Properties has been completed and that there is no outstanding unresolved issue relating to the administration; and (c) the documents provided by Mr. Sze or obtained through public search concerning Treasure Properties, Mr. Sze’s legal adviser is of the view that the Company has completed its liquidation process and there would be no outstanding unresolved issues relating thereto. As confirmed by Mr. Sze and other directors of Treasure Properties, no action had been brought by the creditors or court against Mr. Sze or other directors in his/her capacity of a director of Treasure Properties. Both the Sole Sponsor and the Company are of the view that the winding-up of Treasure Properties does not affect Mr. Sze’s suitability to act a Director under Chapter 3 of the Listing Rules. The directors of Treasure Properties filed a statement with the Companies Registry pursuant to section 228A(1) of the Companies Ordinance on the same day to commence the voluntary winding-up. Treasure Properties was subsequently dissolved on 3 August 2007.

Independent Non-executive Directors

Chan Mei Bo, Mabel (陳美寶), aged 40, was appointed as an independent non-executive Director on 3 December 2011. Ms. Chan is the sole proprietor of Mabel Chan & Co, Certified Public Accountants. Ms. Chan has over 17 years of experience in professional accounting field in Hong Kong. Ms. Chan is a Certified Public Accountant (Practising) in Hong Kong, a fellow member of The Association of Chartered Certified Accountants (formerly known as The Chartered Association of Certified Accountants), an associate member and council member of The Hong Kong Institute of Certified Public Accountants (formerly known as the Hong Kong Society of Accountants), and an associate member of The Institute of Chartered Accountants in England and Wales. Ms. Chan is a certified tax adviser of The Taxation Institute of Hong Kong since 2010. She was the president in 2010 and is a council member of The Society of Chinese Accountants and Auditors. She is also the past president and a council member of the Association of Women Accountants (Hong Kong) Ltd.. Ms. Chan was appointed as a member of the Financial Reporting Review Panel of The Financial Reporting Council, a member of the CreateSmart Initiative Vetting Committee, a member of the Barristers Disciplinary Tribunal Panel and a member of the Public Affairs Forum of Hong Kong Secretariat Home Affairs Bureau. Ms. Chan has been serving as an independent non-executive director of companies listed on the Main Board of the Stock Exchange, namely Modern Education Group Limited (stock code: 1082) and Kingmaker Footwear Holdings Limited (stock code: 1170), since June 2011 and August 2011, respectively. She has been an independent non-executive director of Code Agriculture (Holdings) Limited, a company listed on the Growth

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Enterprise Market of the Stock Exchange (stock code: 8153) since October 2009. She was also an independent non-executive director of China Properties Investment Holdings Ltd, a company listed on the Main Board of the Stock Exchange (stock code: 0736) from June 2007 to April 2009. Ms. Chan graduated with a master degree of business administration from the Hong Kong University of Science and Technology in 2000 and a degree of bachelor of arts in accountancy from City Polytechnic of Hong Kong (now known as City University of Hong Kong) in 1993.

Nie Jianxin (聶鑒新), aged 50, was appointed as an independent non-executive Director on 3 December 2011. Mr. Nie has over 8 years of experience in the industry of chemical fabrics. He is a party committee secretary (院黨委書記) and a chief engineer of the institute of Jiangxi Province Textile Industry Research and Design Institute (江西省紡織工業科研設計院). Mr. Nie has served various positions in Jiujiang Chemicals Fabrics Factory (九江化學纖維廠) including deputy head of factory. Mr. Nie graduated from the South China Institute of Technology (華南工學院) (now known as the South China University of Technology (華南理工大學)) with a bachelor's degree in chemical fabrics in 1982. He received the qualifications of professor grade senior engineer (教授級高級工程師) in 2001. Mr. Nie was awarded 3rd honour for science & technology development (江西省科學技術進步獎) in the project named 300D/60F Delustering Viscose Rayon (300D/60F 消光粘膠人造絲) by the Peoples' Government of Jiangxi Province in 2002.

Ng Wing Ka (吳永嘉), aged 42, was appointed as an independent non-executive Director on 3 December 2011. He is a practising solicitor in Hong Kong and is the partner of Tung Ng Tse & Heung Solicitors since 1997. Mr. Ng has served as the committee member of Electronics and Telecommunications Training Board since 2007. He is also the committee member of Hong Kong Ethics Development Centre of Independent Commission Against Corruption and Fire Prevention Committee of Hong Kong East. Since 2005, Mr. Ng has been the independent non-executive director of Sino Union Petroleum & Chemical International Limited, a company listed on the Main Board (stock code: 346). Mr. Ng graduated with a bachelor in laws and a postgraduate certificate in laws from the University of Hong Kong in 1991 and 1992, respectively.

As at the Latest Practicable Date, save as disclosed in the section headed “Statutory and General Information — Further Information about the Directors and Substantial Shareholders of our Company” in Appendix VI to this Prospectus, our Directors do not have any interest or short positions in the Shares or underlying Shares in our Company within the meaning of Part XV of the SFO.

Save as disclosed above, none of our Directors has been a director of any other listed company in the three years immediately preceding the date of this prospectus.

Details of the amount of our Directors' emoluments and the basis of determining such emoluments are set out in the section headed “Statutory and General Information — Further Information about our Directors and our Substantial Shareholders of our Company” in Appendix VI to this Prospectus.

Save as disclosed above, each of our Directors confirms with respect to him that (i) he does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of our Company; (ii) there is no other information that should be disclosed for him/her pursuant to the requirements under Rule 13.51(2) of the Listing Rules; and (iii) there are no other matters that need to be brought to the attention of the Shareholders.

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SENIOR MANAGEMENT

Liu Weimin (劉偉民), aged 42, is a deputy general manager of Jiangxi Jinyuan. Mr. Liu joined our Group in 2005 and is responsible for production technology management. He has over 21 years of experience in textile industry. Prior to joining Jiangxi Jinyuan, Mr. Liu served as the head of production department in Fujian Mawei Development Zone Chuanlong Textile Company Limited (福建省馬尾開發區川隆紡織有限公司) from 1990 to 1993. From 1993 to 1995, he served as the head of production department of Fujian Jingwei Group Company Limited (福建經緯集團有限公司). From 1995 to 2004, he served as the factory manager and chief engineer of Jinjiang Fuxin Textile Company Limited (晉江福鑫紡織有限公司). Mr. Liu completed the internal auditor training in 2011 provided by *Nan Chang Sino Enterprise Management Consulting Centre* according to the ISO 9001: 2008 and GB/T24001-2004 (ISO 14001: 2004) Standard.

Chen Yu Han (陳宇含), aged 28, is a manager of sales department of Jiangxi Jinyuan. Mr. Chen joined Jiangxi Jinyuan in 2005 and is responsible for sales and management. He has over 6 years of experience in textile industry. Mr. Chen graduated from the Jimei University (集美大學) in 2005 with a bachelor's degree in business management.

Cheung Chi Fai Frank (張志輝), aged 49, was appointed as our Company's secretary and chief financial officer of our Company in May 2011. He is also an independent non-executive director of Continental Holdings Limited, a company listed on the Main Board (stock code: 513). He has over 20 years experience in accounting, finance and business management and held senior positions in various multinational companies. He obtained an MBA from the University of Technology, Sydney in 1995 and a professional diploma in accountancy from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) in 1985. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Cheung was a part-time tutor at the Open University of Hong Kong from March 2009 to July 2011. He was an executive director of Sun Innovation Holdings Limited, a company listed on the Main Board (stock code: 547) from 2004 to 2007. He also acted as the chief financial officer of Sun Innovation Holdings Limited from 2007 to 2008. He was an independent director of LJ International Inc. (NASDAQ: JADE) from June to October 2007, a director of e-Lux (Hong Kong) Company Limited, a subsidiary of e-Lux Corporation (JASDAQ: 6811) from 2001 to 2003, in charge of the telecommunications value added services in Hong Kong, Taiwan and the PRC. He was the group financial controller and a director of New Media Corporation, a subsidiary of e-New Media Company Limited, a company listed on the Stock Exchange (stock code: 128) from 1995 to 1999 and 1999 to 2000, respectively.

BOARD COMMITTEES

Audit Committee

An audit committee was established by our Company on 3 December 2011 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 primary duties of the audit committee are to review and approve our Group's financial reporting process and internal control system. The audit committee comprises all independent non-executive Directors, namely, Chan Mei Bo, Mabel, Nie Jianxin and Ng Wing Ka. Chan Mei Bo, Mabel is the chairman of the audit committee.

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Remuneration Committee

A remuneration committee was established by our Company on 3 December 2011 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 primary duties of the remuneration committee include reviewing and determining the terms of remuneration packages, bonuses and other compensation payable to our Directors and members of senior management of our Group. The remuneration committee is chaired by Chan Mei Bo, Mabel, an independent non-executive Director, and other members are Nie Jianxin, Ng Wing Ka, who are also the independent non-executive Directors and Mr. Zheng, an executive Director.

Nomination Committee

A nomination committee was established by our Company on 3 December 2011 with written terms of reference. The primary duties of the nomination committee are to make recommendations to the Board on the appointment of Directors and members of senior management of our Group. The members of the nomination committee comprises three independent non-executive Directors, namely, Chan Mei Bo, Mabel, Nie Jianxin, Ng Wing Ka and one executive Director, Mr. Zheng. Chan Mei Bo, Mabel is the chairman of the nomination committee.

DIRECTORS' REMUNERATION

During the Track Record Period, the aggregate amount of fees, salaries, housing allowances, other allowances, benefits in kind (including contribution to the pension scheme on behalf of our Directors) and discretionary bonuses paid by our Group to our directors for the three years ended 31 December 2008, 2009 and 2010 and the six months ended 30 June 2011 were approximately RMB148,000, RMB149,000, RMB149,000 and RMB187,000, respectively.

The aggregate amount of fees, salaries, housing allowances, other allowances, benefits in kind (including contribution to the pension scheme on behalf of the Directors) and discretionary bonuses paid to the five highest paid individuals of our Group, excluding directors of the Company, for the three years ended 31 December 2008, 2009 and 2010 and the six months ended 30 June 2011 were approximately RMB191,000, RMB198,000, RMB197,000 and RMB86,000, respectively.

During the Track Record Period, no remuneration was paid by our Group to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Group or as a compensation for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. In addition, none of our Directors has waived any emolument.

Save as disclosed above, no other payments have been paid, or are payable, by our Group to our Directors during the Track Record Period.

Under the arrangements currently in force, the aggregate remuneration of our Directors payable in respect of the year ending 31 December 2011 is estimated to be approximately RMB370,000.

EMPLOYEES' BENEFITS PROVIDED BY OUR GROUP

Our Group complies in all material aspects with all statutory requirements on retirement contribution in the jurisdictions where our Group operates.

Our Group has established various welfare plans including the provision of basic pension funds, basic medical insurance, unemployment insurance and other relevant insurance for employees who are employed by our Group pursuant to the PRC rules and regulations and the existing policy requirements of the local government.

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SHARE OPTION SCHEME

Our Company has conditionally adopted the Share Option Scheme pursuant to which selected participants may be granted options to subscribe for Shares as incentives or rewards for their service rendered to our Group and any entity in which any member of our Group holds any equity interest. Our Directors believe that the implementation of the Share Option Scheme enables our Group to recruit and retain high calibre executives and employees. The principal terms of the Share Option Scheme are summarised under the paragraph headed “Other Information — Share Option Scheme” in Appendix VI to this Prospectus.

COMPLIANCE ADVISER

Our Group intends to appoint Guotai Junan Capital Limited as our Company’s 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 our Group 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) if our Group proposes to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or if the business activities, developments or results of our Group deviate from any forecast, estimate or other information in this Prospectus; and
- (d) if the Stock Exchange makes an inquiry of our Group under Rule 13.10 of the Listing Rules regarding unusual movements in the price or trading volume of the Shares.

The term of appointment of the compliance adviser shall commence on the Listing Date and end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year ending 31 December 2012, and such appointment may be subject to extension by mutual agreement.