

## DIRECTORS, SENIOR MANAGEMENT AND STAFF

### DIRECTORS AND SENIOR MANAGEMENT

#### Overview

Our Board consists of 5 Directors, comprising 2 executive Directors and 3 independent non-executive Directors. Each of our executive Directors entered into service contracts with us, while each of the independent non-executive Directors entered into letters of appointment with us.

Our executive Directors and senior management are responsible for the day-to-day management and operation of our business.

Our board is responsible for determining business strategies and investment plans, formulating annual financial budget and final accounts, proposing profit distributions as well as exercising other powers, functions and duties as conferred by our Articles of Association such as convening general meetings and implementing the resolutions passed at general meetings.

The table below sets out the relevant information of our Directors:

#### *Board of Directors*

Name	Age	Present position in our Company	Date of appointment as Director of our Company	Date of joining our Group	Roles and responsibilities in our Group	Relationship with other Director(s) and/or senior management
<b>Executive Directors</b>						
Mr. Cheng Youguo (程友國)	48	Chairman and Executive Director	22 September 2015	9 September 2002	Overall corporate strategic planning, business development, major decision-making of our Group and overseeing the management and operation of our Group	Uncle of Mr. Zhou Xiaoxiong
Mr. Qiu Changwu (邱長武)	45	Executive Director and Chief Executive Officer	23 August 2016	21 February 2011	Monitoring daily business operations and overall accounting and financial management of our Group	Nil
<b>Independent non-executive Directors</b>						
Mr. Ho Kee Cheung (何其昌)	62	Independent non-executive Director	13 February 2017	13 February 2017	Responsible for overseeing the management of our Group independently	Nil
Mr. Cheng Siu Shan (鄭少山)	47	Independent non-executive Director	13 February 2017	13 February 2017	Responsible for overseeing the management of our Group independently	Nil
Mr. Hu Hanpi (胡漢丕)	68	Independent non-executive Director	13 February 2017	13 February 2017	Responsible for overseeing the management of our Group independently	Nil

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### DIRECTORS

#### *Executive Directors*

**Mr. CHENG Youguo** (程友國), aged 48, is the founder of our Group. He was appointed as our Director on 22 September 2015 and designated as an executive Director and the chairman of the Board on 13 February 2017. Mr. Cheng is primarily responsible for business development, formulation of overall corporate strategies and plans for the Group and overseeing the management and operation of our Group.

Mr. Cheng completed his secondary education at 廈門市集美區海滄中學 (Xiamen Jimei Haicang Secondary School) in September 1987. He has also received a 專業技術資格證書 (Qualification Certificate of Speciality and Technology) from 荊州市人事局 (Jingzhou Personnel Bureau) in June 2006 and was granted the qualification of senior engineer.

Mr. Cheng joined the 廈門海監局勞務公司 (Xiamen Marine Surveillance Bureau Labour Service Company) in February 1992 and worked as a manager before he left his employment in November 1996. From January 1997 to October 1998, Mr. Cheng worked in 廈門友興貿易有限公司 (Xiamen Youxing Trading Co., Ltd.) and his highest position was general manager.

Mr. Cheng founded Xiangxing Group in 1999 in order to capture the growing business opportunities in the shipping and logistics industry in Xiamen Municipality. As the business expanded, Mr. Cheng founded Xiangxing Logistics and Xiangxing Terminal through Xiangxing Group in 2002 and 2006 respectively to provide services in different sectors of the shipping and logistics industry.

Mr. Cheng is currently also holding interests in some external companies not within the Group as a director. For details of these external companies, please refer to the paragraph headed “Relationship with our Controlling Shareholders — Companies owned by our Controlling Shareholders but not included in our Group” in this document.

From October 2003 to November 2011, Mr. Cheng was a 廈門市湖里區政協委員 (member of the committee of Xiamen Huli District). From 2003 to 2011, Mr. Cheng was the 廈門市湖里區商會常務理事 (executive council member of Xiamen Huli Shanghui\*). From December 2011 to December 2016, Mr. Cheng was a 廈門市海滄區委員 (member of the committee of Xiamen Haicang District). Also, since May 2012, Mr. Cheng has been the 海滄區工商聯(商會)副會長 (vice president of Haicang District Federation of Industries (Chamber of Commerce)\*).

**Mr. QIU Changwu** (邱長武), aged 45, was appointed as our Director and chief executive officer on 23 August 2016 and designated as our executive Director on 13 February 2017. He is now responsible for monitoring daily business operations and overall accounting and financial management of our Group.

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Prior to joining our Group, Mr. Qiu started working at Xiamen Container Terminal Group (廈門集裝箱碼頭集團) (formerly known as Xiamen New World Xiang Yu Terminals Co., Ltd. (廈門象嶼新創建碼頭有限公司)) from July 1996 to February 2011 and has acquired experience of administration, procurement and tendering important projects in relation to import-export agency services, freight transport services and intra-port transport services. On 21 February 2011, he was the general manager of both Xiangxing Logistics and Xiangxing Group responsible for overseeing the two companies’ and Xiangxing Terminal’s business operation and development. From 29 September 2015 onwards, he ceased to be the general manager of Xiangxing Group but retained his duties in Xiangxing Logistics.

Mr. Qiu obtained a master’s degree in business administration from 浙江大學 (Zhejiang University) in the PRC in March 2003. He also obtained a bachelor’s degree in transportation management engineering from 武漢交通科技大學 (Wuhan Transportation University) (now part of 武漢理工大學 (Wuhan University of Technology)) in the PRC in June 1996.

### *Independent non-executive Director*

**Mr. HO Kee Cheung (何其昌)**, aged 62, was appointed as an independent non-executive Director on 13 February 2017. He is the chairman of the Nomination Committee and member of Audit Committee and Remuneration Committee.

Mr. Ho has accumulated more than 40 years of experience in shipping and logistics industry. From June 1976 to November 1981, Mr. Ho worked at Modern Terminals Limited, first being an on board checker in its planning department and later became a junior ship planner after several promotions. He then joined The East Asiatic Company (Hong Kong) Limited (寶隆洋行(香港)有限公司) as an operations manager for more than 12 years from November 1981 to July 1994. Afterwards, he worked in EAC Transportation Services (H.K.) Limited (寶澤運輸有限公司) from August 1994 to December 1995 as a general manager. From June 1996 to June 2010, Mr. Ho worked in New World Port Investments Limited (新世界港口投資有限公司) (formerly known as Fairyoung Port Investments Limited (惠揚港口投資有限公司)), as a general operations manager. He was responsible for supervising overall operation of all ports of that company.

Mr. Ho obtained a master’s degree in business administration from Asia International Open University (Macau) (亞洲(澳門)國際公開大學) in July 1996.

**Mr. CHENG Siu Shan (鄭少山)**, aged 47, was appointed as an independent non-executive Director on 13 February 2017. He is the chairman of the Audit Committee and member of Remuneration Committee and Nomination Committee.

Mr. Cheng has been working as a senior audit manager at 龐志鈞會計師行 (Martin C.K. Pong & Company), a local professional accounting firm, since September 2006 and he is responsible for various audit, tax and Initial Public Offering assignments. Prior to joining Martin C.K. Pong & Company, Mr. Cheng worked in Hangerton Group Limited and served as a temporary accountant from April 2002 to June 2002. From March 2003 to March 2004, Mr. Cheng worked as a senior auditor at Charles Chan, Ip & Fung CPA Ltd. Subsequently, Mr. Cheng joined Tai Kong CPA

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Limited (戴江會計師事務所有限公司) from October 2004 to March 2006. In addition to working in different accounting firms, Mr. Cheng had also worked as an audit supervisor for Legend Holdings Limited (聯想控股有限公司), a company listed on Main Board of the Stock Exchange (Stock Code: 3396), from August 1997 to December 2001. Mr. Cheng has acquired 25 years of experience in auditing, accounting, corporate finance and tax work.

Mr. Cheng graduated from the Hong Kong Polytechnic University with a master’s degree in professional accounting in October 2009. Mr. Cheng is a professional accountant and has been a fellow member of the Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountants since April 2007 and May 2014 respectively.

**Mr. HU Hanpi (胡漢丕)**, aged 68, was appointed as an independent non-executive Director on 13 February 2017. He is the Chairman of the Remuneration Committee and member of the Audit Committee and Nomination Committee.

Mr. Hu had held various public offices in Xiamen since September 1978 to January 1991. Since then, he joined the 廈門市土地開發總公司(Xiamen Municipal Land Development Company) as general manager from January 1991 to May 1997. In November 1995, Mr. Hu was appointed as the deputy director of the management committee of 廈門象嶼保稅區 (Xiangyu Bonded Zone of Xiamen) (currently known as 中國(福建)自由貿易試驗區廈門片區 (Xiamen Area of China (Fujian) Pilot Free Trade Zone)), and was promoted as the director (主任) in June 2002. Since May 2007, he was appointed as the secretary of the Xiangyu Bonded Zone of Xiamen until his retirement in May 2009.

Mr. Hu completed the courses required for a master’s degree in business administration at the 北京科技大學 (University of Science and Technology Beijing) in the PRC in October 1998.

Save as disclosed above, each of our Directors confirms that: (i) he has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not have any relationship with any other Directors or senior management; (iii) save as disclosed in the section headed “Statutory and General Information — C. Disclosure of Interest” in Appendix IV to this document, he does not have any interests in the Shares within the meaning of Part XV of the SFO; (iv) there is no other information that should be disclosed for him pursuant to Rule 17.50(2) of the GEM Listing Rules; and (v) to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there are no other matters with respect to the appointment of our Directors that need to be brought to the attention of our Shareholders.

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### COMPLIANCE WITH APPENDIX 15 TO THE GEM LISTING RULES

Our Company’s corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code (the “CG Code”) in Appendix 15 to the GEM Listing Rules. Our Company’s corporate governance practices are in compliance with the CG Code.

The Board will constantly review the effectiveness of our Group’s current corporate governance structure.

### SENIOR MANAGEMENT

The table below sets out the relevant information of our senior management:

#### Senior Management

<u>Name</u>	<u>Age</u>	<u>Present position in our Group</u>	<u>Date of appointment as senior management</u>	<u>Date of joining our Group</u>	<u>Roles and responsibilities in our Group</u>	<u>Relationship with other Director(s) and/or senior management</u>
Mr. Yao Aiming (姚愛明)	41	Deputy general manager of Xiangxing Logistics and general manager of Xiangxing Terminal	9 September 2002	9 September 2002	Managing port services, coordinating with different department heads, maintenance of vehicles and facilities and handling customer relations.	Nil
Mr. Zhou Xiaoxiong (周小雄)	41	Deputy general manager of Xiangxing Logistics	9 September 2002	9 September 2002	Handling the operations of Xiangxing Logistics and liaising with government authorities	Cousin of Mr. Cheng

**Mr. YAO Aiming (姚愛明)**, aged 41, is the deputy general manager of Xiangxing Logistics and general manager of Xiangxing Terminal. Mr. Yao is responsible for managing port services, mainly coordinating with different department heads, maintenance of vehicles and facilities and handling customer relations.

Mr. Yao joined Xiangxing Group in January 1999 and worked as a general manager assistant of Xiangxing Group responsible for assisting the general manager to launch projects until September 2002. He then worked in Xiangxing Logistics and Xiangxing Terminal as its senior management since September 2002 and September 2006 respectively.

Mr. Yao obtained a certificate in relation to safe production method from the 中國勞動保護科學技術學會 (PRC Laodong Baohu Kexue Jishu Xuehui\*) of 中國繼續教育聯合學院 (PRC Jixue Jiaoyu Lianhe Xueyuan\*) in September 2002 after receiving training in safe production method. Prior to joining our Group, Mr. Yao received a certificate jointly issued by China Ports & Harbours Association (中國港口協會) and 上海海港職工大學 (Shanghai Haigang Zhigong University\*) in November 1996.

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**Mr. ZHOU Xiaoxiong** (周小雄), aged 41, is deputy general manager of Xiangxing Logistics. He is now responsible for handling the day to day operations of Xiangxing Logistics and liaising with government authorities. Mr. Zhou joined Xiangxing Group in March 1999 as its deputy general manager until September 2002. Prior to joining our Group, he obtained a diploma of electro mechanical and benchwork at the 廈門市機械技工學校 (Xiamen Machinery and Technical School in Xiamen\*) in July 1995.

### COMPANY SECRETARY

**Ms. WONG Tuen Sau** (王端秀), aged 49, was appointed as the company secretary of our Company on 16 May 2016. She is primarily responsible for company secretarial, legal, regulatory and other compliance matters of the Company.

Ms. Wong is experienced in auditing, corporate internal control and compliance matters. From August 1991 to August 1996, Ms. Wong worked at KPMG as an assistant manager responsible for the planning and preparation of audit programme. Ms. Wong joined The Stock Exchange of Hong Kong Limited (now known as Hong Kong Exchanges and Clearing Limited) in November 1997 and was responsible for various duties including formulating surveillance procedures for tracking suspected or suspicious breaches of the rules of the Stock Exchange and the SFO. Ms. Wong was also responsible for reviewing the internal control procedures established by exchange participants. She was a manager in risk management division of Hong Kong Exchanges and Clearing Limited before she left her employment in December 2009. From July 2010 to February 2011, Ms. Wong worked as a vice president in compliance section at Sun Hung Kai Securities Limited (新鴻基證券有限公司) responsible for designing and formulating its compliance surveillance programme. From April 2013 to September 2015, Ms. Wong worked as a compliance manager of Orient Securities Limited (東方滙財證券有限公司) responsible for handling all compliance related matters.

Ms. Wong is a member of the Hong Kong Institute of Certified Public Accountants since February 1995. Ms. Wong obtained a bachelor’s degree in Business Administration in Accounting from Hong Kong Baptist College (now Known as Hong Kong Baptist University) in January 1992 and a master’s degree in Finance at The Chinese University of Hong Kong in December 2007.

### AUTHORISED REPRESENTATIVES

Mr. Qiu Changwu and Ms. Wong Tuen Sau have been appointed as our authorised representatives under Rule 5.24 of the GEM Listing Rules. Please refer to the paragraphs headed “Executive Directors” and “Company Secretary” in this section for their profile.

### COMPLIANCE ADVISER

We have appointed Central China International Capital Limited as our compliance adviser pursuant to Rule 6A.19 of the GEM Listing Rules.

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Pursuant to Rule 6A.23 of the GEM Listing Rules, the compliance adviser will advise our Company on, among other matters, the following:

- (1) (before the publication) any regulatory announcement, circular, or financial report;
- (2) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (3) where our Company proposes to use the net proceeds of the [REDACTED] in a manner different from that set out in this document or where the business activities, development or results of our Company deviate from any forecast, estimate, or other information in this document; and
- (4) where the Stock Exchange makes an inquiry of our Company under Rule 17.11 of the GEM Listing Rules.

The term of the appointment of the compliance adviser will commence on the [REDACTED] and end on the date on which our Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year commencing after the [REDACTED], or until the agreement is terminated, whichever is earlier.

### **BOARD COMMITTEES**

#### **Audit Committee**

Our Company established an audit committee on 13 February 2017 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The written terms of reference of our audit committee was adopted in compliance with paragraphs C3.3 and C3.7 of the CG Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The primary duties of our audit committee are to make recommendations to our Board on the appointment, reappointment and removal of external auditor, review the financial information, oversee our financial reporting process, internal control, risk management systems and audit process and perform other duties and responsibilities assigned by our Board.

At present, our audit committee comprises Mr. Cheng Siu Shan, Mr. Ho Kee Cheung, and Mr. Hu Hanpi. Mr. Cheng Siu Shan is the chairman of our audit committee.

#### **Remuneration Committee**

Our Company established a remuneration committee on 13 February 2017 with written terms of reference in compliance with Rules 5.34 and 5.35 of the GEM Listing Rules. The written terms of reference of our remuneration committee was adopted in compliance with paragraph B1.2 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules. The primary duties of our remuneration committee are to review and approve

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the management’s remuneration proposals, make recommendations to our Board on the remuneration packages of our Directors and senior management and ensure that none of our Directors determines their own remuneration.

At present, our remuneration committee comprises Mr. Hu Hanpi, Mr. Ho Kee Cheung and Mr. Cheng Siu Shan. Mr. Hu Hanpi is the chairman of our remuneration committee.

### **Nomination Committee**

Our Company established a nomination committee on 13 February 2017 with written terms of reference in compliance with A5.2 of the CG Code as set out in Appendix 15 to the GEM Listing Rules have been adopted. The primary duties of our nomination committee are mainly to review the structure, size and composition of our Board, and select or make recommendations on the selection of individuals nominated for directorships.

At present, our nomination committee comprises Mr. Ho Kee Cheung, Mr. Cheng Siu Shan and Mr. Hu Hanpi. Mr. Ho Kee Cheung is the chairman of our nomination committee.

### **REMUNERATIONS OF DIRECTORS AND SENIOR MANAGEMENT**

For the three years ended 31 December 2016, the aggregate emoluments including basic salaries, allowance, other benefits and contribution to retirement benefit scheme, paid to our Directors by our Group were approximately RMB1,320,000, RMB1,342,000 and RMB1,338,000 respectively.

For the three years ended 31 December 2016, the aggregate emoluments including basic salaries, allowance, other benefits and contribution to retirement benefit scheme but excluding sales commission, paid to the five highest paid individuals (excluding two of our Directors) by our Group were approximately RMB319,000, RMB326,000 and RMB328,000 respectively.

Save as disclosed in this document, no other emoluments have been paid, or are payable, by us to our Directors and the five highest paid individuals in respect of the three years ended 31 December 2016.

Upon completion of the [REDACTED], our remuneration committee will make recommendations on the emoluments of our Directors, taking into account the performance of our Directors and market standards, and the emoluments will be subject to approval by our Shareholders. Accordingly, the historical emoluments to our Directors during the Track Record Period may not reflect the future levels of emolument of our Directors.

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During the Track Record Period, no discretionary bonus was paid to or received by our Directors and the five highest paid individuals. During the Track Record Period, no remuneration was paid by us to, or received by, our Directors or the five highest paid individuals as an inducement to join or upon joining us. During the Track Record Period, no compensation was paid by us to, or received by, our Directors or past directors for the 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. There was no arrangement under which a Director waived or agreed to waive any emolument during the Track Record Period.

For additional information on Directors’ emoluments during the Track Record Period as well as information on the highest paid individuals, please refer to the Accountants’ Report set out in Appendix I to this document.

### **STAFF**

As at the Latest Practicable Date, we had approximately 758 employees who were directly employed by our Group. Please refer to the paragraph headed “Employees” in the section headed “Business” for further details.

Our Group considers employees as important assets to our business success. The remuneration payable to our employees includes salaries, bonuses, and allowances.

We believe that our employee relations are satisfactory in general. During the Track Record Period, we have not experienced any significant difficulties in recruiting and retaining experienced employees, nor have we suffered any material disruption of normal business operations as a result of labour disputes or strikes. Our employees are not represented by any collective bargaining agreement or labour unions.