

DIRECTORS**Executive directors**

Mr. Qiao Shibo, aged 48, who was appointed an executive director of the company on 13th March, 2003 and the chairman of the company on 11th April, 2003, has been an executive director and chairman of Redland Concrete since August 2001 and was appointed deputy managing director of the China Resources Enterprise group in November 2001. Since his appointment as a director of Redland Concrete, Mr. Qiao has been involved in the overall supervision of the business operations of the Redland group including strategic planning, business development and market positioning of the Redland group. He has been the chairman of Minmetals Holdings since July 2000. At present, Minmetals Holdings is the sole shareholder of the acquired companies. Mr. Qiao is also a director of China Resources Holdings and China Resources National Corporation. At present, he is also responsible for the business and strategic planning of the China Resources Enterprise group's petrochemical division. Mr. Qiao holds a bachelor's degree in Chinese language and literature from the Jilin University in China. He joined China Resources Holdings in 1992 after serving as a senior official of the former Ministry of Foreign Trade and Economic Cooperation (now known as Ministry of Commerce).

Mr. Shi Shanbo, aged 37, who was appointed an executive director of the company on 13th March, 2003 and the vice chairman of the company on 19th June, 2003, holds a master's degree in economics from Dongbei University of Finance and Economics. Mr. Shi joined China Resources Holdings in 1991. He has over 10 years of experience in corporate finance and human resources management. He was an assistant general manager of China Resources National Corporation and a deputy general manager of finance department of China Resources Holdings. He is an executive director and general manager of Minmetals Holdings and is the vice chairman and non executive director of Cosmos Machinery Enterprises Limited, a company listed on the Stock Exchange. He has been a director of Redland Concrete since October 2002. Since his appointment as a director of Redland Concrete, Mr. Shi is in charge of the assessment and strategic planning of the possible vertical integration of the business operation of the Redland group with possible acquisition targets in the cement and concrete business and potential horizontal expansion of the Redland group into the major cities in southern China. Mr. Shi will cease to hold any office in Minmetals Holdings on or before the listing of the company in July 2003 and shall be the general manager of the enlarged group.

Ms. Zhou Junqing, aged 49, who was appointed an executive director of the company on 19th June, 2003, holds a bachelor's degree in wireless technology from Tsinghua University in China. Ms. Zhou joined China Resources Holdings in 1986. She has over fifteen years of experience in international trade and corporate management. She is the executive director and deputy general manager of Minmetals Holdings. She is an executive director of Cosmos Machinery Enterprises Limited, and has been an executive director of Redland Concrete since October 2002. Since her appointment as a director of Redland Concrete, Ms. Zhou is involved in the supply chain management of the Redland group, in particular the sourcing and logistics of the supply of cement. She is a council member of the Fifth Standing Committee of the China Cement Association. Ms. Zhou will cease to hold any office in Minmetals Holdings on or before the listing of the company in July 2003 and shall be a deputy general manager of the enlarged group.

Mr. Zhou Longshan, aged 42, who was appointed an executive director of the company on 13th March, 2003, holds a bachelor's degree in economics from the Jilin Finance and Trade Institute. Mr. Zhou joined China Resources Holdings in 1984. He has over 19 years of experience in international trade and corporate management. Previously, he was the deputy general manager of Finarts Trading Co., Ltd. and Teck Soon Hong Co., Ltd., a subsidiary of China Resources Holdings. He has been the

director and general manager of Redland Concrete since October 2002. Since his appointment as a director and general manager of Redland Concrete, Mr. Zhou is in charge of the day to day operation of the Redland group. Mr. Zhou shall be a deputy general manager of the enlarged group.

Ms. Sun Mingquan, aged 48, who was appointed an executive director of the company on 19th June, 2003 and is responsible for overall strategic planning for Guangxi CR Cement, holds a bachelor's degree in economics from University of International Business and Economics in China. Ms. Sun joined China Resources Holdings in 1984. She has over eighteen years of experience in international trade and corporate management. She is an executive director of Minmetals Holdings.

Mr. Zheng Yi, aged 42, who was appointed an executive director of the company on 19th June, 2003 and is responsible for overall strategic planning for Dongguan Cement, holds a master's degree from Dalian University of Technology in China. Mr. Zheng joined China Resources Holdings in 1986. He has over fifteen years of experience in sales and marketing and corporate management. He is an executive director of Minmetals Holdings.

Mr. Keung Chi Wang, Ralph, aged 47, an executive director of the company appointed on 19th June, 2003, who will be re-designated as a non executive director of the company after completion of the group reorganisation. He is an executive director of China Resources Enterprise. He has been appointed as group finance director of China Resources Enterprise since 1996 and was appointed deputy managing director of China Resources Enterprise in May 2000. He is also a non executive director of China Resources Land Limited. Mr. Keung graduated from the Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) and is a fellow member of the Association of Chartered Certified Accountants and an associate of the Hong Kong Society of Accountants. He has over 20 years of experience in auditing, accounting and corporate finance. He is also a director of HIT Investments Limited. Mr. Keung joined the China Resources Enterprise group in September 1994 and has been an executive director of Redland Concrete since August 1997. As a director of Redland Concrete since the acquisition of Redland Holdings by China Resources Enterprise in 1997 and as the chief financial officer of China Resources Enterprise, Mr. Keung is in charge of the overall supervision of the financial control and reporting of the Redland group. Upon listing of the shares on the Main Board, Mr. Keung will be redesignated as a non executive director of Redland Concrete.

Non executive directors

Mr. Ning Gaoning, aged 44, who was appointed a non executive director of the company on 19th June, 2003 and the chairman of China Resources Enterprise, is also the vice chairman and president of China Resources Holdings and a director and general manager of China Resources National Corporation. He holds a bachelor's degree in economics from the Shandong University in China and a master's degree in business administration and finance from the University of Pittsburgh in the United States. He is also a director of China Resources Land Limited and HIT Investments Limited. He was a director of Redland Concrete for the period from August 1997 to September 2000.

Mr. Jiang Wei, aged 40, who was appointed a non executive director of the company on 19th June, 2003, obtained his bachelor's degree in international trade and a master's degree in international business and finance from the University of International Business and Economics in Beijing, China. Mr. Jiang is currently a non executive director of China Resources Enterprise and a director of China Resources Holdings and is the chief financial officer and the general manager of the finance department in China Resources Holdings.

Independent non executive director

Mr. Chan Mo Po, Paul, aged 48, who was appointed an independent non executive director of the company on 19th June, 2003, is a graduate of The Chinese University of Hong Kong where he obtained both his bachelor's and master's degrees in business administration. He is a fellow member of the Association of Chartered Certified Accountants; the Hong Kong Society of Accountants; the Institute of Chartered Secretaries and Administrators; the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. He has over 25 years' experience in the accounting and finance field and is the managing partner of Paul Chan & Partners. He is currently a vice president of the Hong Kong Society of Accountants. He is a former Chairman of the Association of Chartered Certified Accountants — Hong Kong Branch and a former Council member of the Association of Chartered Certified Accountants in the United Kingdom.

Mr. Lin Zongshou, aged 45, who was appointed an independent non executive director of the company on 19th June, 2003, holds a master's degree in 無機及非金屬材料 (inorganic and non metallic material) from Wuhan University of Technology and a bachelor's degree in building material from Tongji University of Shanghai. Mr. Lin has many years of experience in teaching and research as well as theoretical and methodological expertise in the cement industry in China. Mr. Lin is a professor and Ph.D. supervisor of Wuhan University of Technology and a director of the Chinese Cement Association. Mr. Lin was a winner of the "Wuyi Labour Medal" awarded by the All-China Federation of Labour Unions. He is entitled to the "Special Allowance" awarded by the State Department of the People's Republic of China and is a delegate of the Ninth National People's Congress of the People's Republic of China. Mr. Lin is an independent non executive director of Hua Xin Cement Co., Ltd, a company listed on the Shanghai Stock Exchange.

Mr. Lui Pui Kee, Francis, aged 52, who was appointed an independent non executive director of the company on 19th June, 2003, has held senior positions in local and international financial institutions in Hong Kong. He is currently an independent non executive director of Tse Sui Luen Jewellery (International) Limited and Visiting Professor of the Renmin University of China. He holds a bachelor of science degree from University of Wisconsin — Stout in the United States.

SENIOR MANAGEMENT

Mr. Lau Chung Kwok Robert, aged 46, the chief financial officer of the company since May 2003, holds a bachelor's degree in social sciences from the University of Hong Kong. He has over twenty years of experience in corporate reorganisation, assurance and advisory services. He had been the financial controller and company secretary of Casil Telecommunications Holdings Limited from March 2001 to February 2003. Mr. Lau is a fellow member of the Hong Kong Society of Accountants and the Chartered Association of Certified Accountants and a member of the Canadian Institute of Chartered Accountants.

Mr. Frank Lo, aged 47, who joined Redland Concrete in 1992. He has 23 years of experience in concrete technology. Previously he was the technical manager of Ready Mixed Concrete (HK), Ltd. and is now the deputy general manager of Redland Concrete.

Mr. Yu Zhongliang, Max, aged 38, holds a master's degree in business administration from the Schulich School of Business, York University and a bachelor's degree in economics from Xiamen University. He is currently a manager of the investment department of Minmetals Holdings. Upon the completion of the acquisition, he shall be appointed a manager of the investment unit of the company and shall cease to hold any office in Minmetals Holdings.

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Mr. Wang Junxiang, aged 36, holds a bachelor's degree in economics from Shanghai University of finance and economics. Mr. Wang joined the China Resources Holdings group in 1989. He is currently a senior manager of the finance and accounting department of Minmetals Holdings. Upon the completion of the acquisition, he shall be appointed the senior manager of the finance operation of the company and shall cease to hold office in Minmetals Holdings.

Mr. Ji Youhong, aged 38, joined the China Resources Holdings group in 2001 and is the general manager of the Shenzhen Concrete Holding group. Mr. Ji has over 10 years of experience in construction material engineering areas. Mr. Ji graduated from Nanjing Industrial College (南京工業學院) (now renamed as Southeast University (東南大學)) with a master's degree in 無機及非金屬材料 (inorganic and non metallic materials).

Mr. Pan Yonghong, aged 33, joined the China Resources Holdings group in 1992 and is the chief financial officer of the Dongguan Cement Holding group and the Guangxi CR Cement Holding group. Mr. Pan also is a PRC registered accountant and lawyer. Mr. Pan has over 11 years of experience in finance and management in the cement industry. Mr. Pan graduated from Jinan University (暨南大學) with a master's degree in currency and banking.

Mr. Cheung Shek Wo, Louis, aged 54, is an associate member of the Hong Kong Society of Accountants. Mr. Cheung joined Redland Concrete in 1990. He has over 30 years of experience in accounting, auditing, finance, business administration. He was the finance and administration manager of Ready Mixed Concrete (HK) Ltd. and is now the assistant general manager of Redland Concrete.

Mr. Zheng Qinghong, aged 38, joined the China Resources Holdings group in 1993 and is a senior cement engineer and is the senior deputy general manager of the Dongguan Cement. Mr. Zheng also is executive director of the "Guangdong Cement and Related Products Association". Mr. Zheng has over seven years of experience in building materials areas. Mr. Zheng graduated from Wuhan University of Technology (武漢理工大學) with a master's degree in building materials.

Mr. Lu Wenli, aged 39, joined the China Resources Holdings group in 2002 and is the director, deputy general manager of the Guangxi CR Cement. He is responsible for the production. Mr. Lu has over 18 years of experience in cement industry. Mr. Lu graduated from Guangxi University (廣西大學) with a bachelor's degree in cement engineering.

Mr. Tan Zhiren, aged 64, joined the China Resources Holdings group in 2002 and is the deputy general manager of Shenzhen Concrete. He was awarded the honour of 深圳市科學技術進步獎證書 (Shenzhen Technology Improvement certificate) from the Shenzhen government. Mr. Tan has over 30 years of experience in the concrete industry. Mr. Tan graduated from Tianjin University (天津大學) with a bachelor's degree in concrete and building materials engineering.

Mr. Fang Xiangming, aged 34, joined the China Resources Holdings group in 2002 and is the deputy general manager of Dongguan CR Cement. Mr. Fang has over 10 years of experience in concrete areas. Mr. Fang graduated from Northwest Agricultural University (西北農業大學) with a bachelor's degree in building and water conservancy engineering.

Mr. Chan Keung, aged 56, joined Redland Concrete in 1987. He has 26 years of experience in ready mixed concrete business. He had been the assistant sales manager of Ready Mixed Concrete (HK), Ltd. and is now the senior manager of the sales and marketing department of Redland Concrete.

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Mr. Tsang Kui Wing, aged 55, joined Redland Concrete in 1995. He has 30 years of experience in the concrete industry. He was the production manager of Ready Mixed Concrete (HK) Ltd. and is now the senior operations manager of Redland Concrete.

Mr. Lee Chi Keung, aged 38, holds a bachelor's degree of business administration in marketing management from RMIT University in 2002. Mr. Lee joined Redland Concrete in 1995. He has 19 years of experience in the construction material industry. He was the product manager of MBT (HK) Ltd. and is currently a senior manager of the China market department and a manager of the technical department of Redland Concrete.

Mr. Xu Yongming, aged 38, holds an EMBA degree from San Francisco University. Mr. Xu joined China Resources Holdings in 1986. He has 17 years of experience in trading, cement and concrete business. He was a manager of Minmetals Holdings and is currently a senior manager of the China market department of Redland Concrete.

Mr. Tsang Yuk Shing, Sherman, aged 44, holds a master's degree in business administration from Murdoch University in 1998. Mr. Tsang joined Redland Concrete in 1992. He has 20 years of experience in sales and marketing. He was formerly the sales director of Shui On Group Limited and is now a sales and marketing manager of Redland Concrete.

Mr. Shum Chiu Wah, Simon, aged 47, holds a certificate in construction engineering from Morrison Hill Technical Institute in 1978. Mr. Shum joined Redland Concrete in 1992. He has 27 years of experience in construction and quality testing of construction materials. He was previously the contracts manager of Harry Stanger (F.E.) Ltd. and is currently the general manager of Quality Control Consultants.

Mr. Zhong Kehui, aged 39, joined the China Resources Holdings group in 2001 and is a senior engineer and is an assistant general manager of Guangxi CR Cement. Mr. Zhong is also the executive director of the "Hubei Cement and Related Products Association". Mr. Zhong has over 16 years of experience in the cement industry. Mr. Zhong graduated from Wuhan University of Technology (武漢理工大學) with a bachelor's degree in 無機材料工程 (inorganic materials engineering).

Mr. Liu Bing, aged 30, joined the China Resources Holdings group in 1995 and is the assistant general manager of Dongguan Cement. Mr. Liu is also a director of the "Guangdong Cement Industrial Information Net". Mr. Liu has over 7 years of experience in quality control for production of cement. Mr. Liu graduated from Shanghai Institute of Construction Materials (上海建材學院) with a bachelor's degree in 硅酸鹽工程 (ceramic engineering).

Mr. Huang Ting, aged 34, holds a bachelor's degree in economics from Xiamen University in China. Mr. Huang joined China Resources Holdings in 1992. He has 11 years of experience in financial accounting. He was the deputy manager of China Resources Petrochems (Group) Co., Ltd.. He is now the accounting manager of Redland Concrete.

Mr. He Xianqi, aged 33, joined the China Resources Holdings group in 2000 and is the manager of the finance department of Dongguan CR Cement and is a PRC registered accountant. He has over 10 years of experience in accounting and corporate finance area. Mr. He graduated from Jiangxi Financial Institute (江西財經學院) (now rename as Jiangxi University of Finance and Economics (江西財經大學)) with a bachelor's degree of economic.

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Mr. Chiu Chi Chung, aged 26, holds a bachelor's degree in engineering from The University of Hong Kong and a master's degree in science (engineering) from The Chinese University of Hong Kong. Mr. Chiu joined Redland Concrete in 1998. He is the manager of quality assurance and safety department of Redland Concrete.

For the senior management of the company, their business address is at Room 4107, 41st Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. For the senior management within the Redland group, their business address is at 8th Floor, Kaiseng Commercial Centre, 4-6 Hankow Road, Tsimshatsui, Kowloon, Hong Kong. For the senior management within the Guangxi Cement Holding group, their business address is at 中國廣西壯族自治區賓陽縣黎糖鎮 (Li Tang Town, Bin Yang County, Guangxi ZAR, the PRC). For the senior management within the Shenzhen Concrete Holding group, their business address is at 中國深圳市福田區梅林檢查站西南側 (the south west corner adjacent to the Meilin Border Inspection Station, Futian District, Shenzhen City, the PRC). For the senior management within the Dongguan Cement Holding group, their business address is at 中國東莞市沙田鎮福祿沙管理區 (Fu Lu Sha District, Shatian Town, Dongguan, Guangdong province, the PRC). For the senior management within the Dongguan Concrete Holding group, their business address is at 中國東莞市道滘鎮小河村小河工業區 (Xiaohe Industrial Park, Xiaohe Village, Daojiao Town, Dongguan City, the PRC).

AUDIT COMMITTEE

The company has established an audit committee with written terms of reference in compliance with the Code of Best Practice as set out in appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the enlarged group.

The audit committee have five members comprising the three independent non executive directors and Mr. Jiang Wei, a non executive director of the company, and Mr. Keung Chi Wang, Ralph, currently an executive director of the company but will be re-designated as a non executive director after completion of the group reorganisation.

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

STAFF

As at 31st May, 2003, the group employed a total of 202 full-time employees. Upon completion of the acquisition, the enlarged group will have a total of 1,771 full time employees. A breakdown of the employees by functions and operations is tabulated below:

	The Redland group	PRC operations Cement operations	Concrete operations	Total for the enlarged group upon completion of the acquisition
Management	4	13	6	23
Finance and administration	15	87	23	125
Research and development	—	—	2	2
Repair and maintenance	7	284	9	300
Production/technical/transport	113	730	80	923
Quality control	50	119	10	179
Sales and marketing	13	54	13	80
Others	—	133	6	139
	<u>202</u>	<u>1,420</u>	<u>149</u>	<u>1,771</u>
Total	<u>202</u>	<u>1,420</u>	<u>149</u>	<u>1,771</u>

The enlarged group maintains good relationship with its employees and has never experienced any significant problems with the recruitment or retention of experienced employees. In addition, the enlarged group has never suffered any disruption to its normal business operation as a result of industrial disputes.

TRAINING

The group places high emphasis on the quality of its employees and offers them both in house and external training. The directors believe that a well trained and dedicated workforce is essential to maintain the high standards of the group's products. The group sponsors individual employees to attend courses organised by appropriate institutions to improve job knowledge, and the technical and management skills of its employees. The directors will review the group's training policy after the listing of the company in order to implement a training policy which will be suitable for its employees in the enlarged group's structure.

SHARE OPTION SCHEME

The company has conditionally adopted the share option scheme which, on satisfaction of certain conditions, shall become effective on the first day of dealing of the shares of the company on the Stock Exchange. The directors believe that the implementation of the share option scheme will assist the enlarged group in maintaining high calibre executives and employees. Pursuant to the share option scheme, options to subscribe for shares may be granted to certain participants including full time employees of the company and its subsidiaries (including executive directors). The principal terms of the share option scheme are summarised in the paragraph headed "Summary of the principal terms of the share option scheme" in appendix IX to this prospectus.

STAFF REMUNERATION AND BENEFITS

Remuneration of the group's employees includes basic salary, discretionary bonuses and other benefits. Production workers' salaries are based on basic salary and overtime allowance. The group paid its employees approximately HK\$80.5 million, HK\$72.9 million and HK\$51.1 million of basic salary, discretionary bonuses and other benefits for each of the three years ended 31st December, 2002, respectively.

The group provides other benefits to its employees or particular category of employees, including medical insurance schemes and life insurance schemes, for its staff in Hong Kong.

BENEFITS SCHEME

The group also provides a mandatory provident fund scheme and an occupational retirement scheme as exempted under the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong) for its employees in Hong Kong and pays statutory contributions to state sponsored retirement plans for the employees in China.