

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board currently consists of eight Directors, comprising three executive Directors, two non-executive Directors 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 exercising other powers, functions and duties as conferred by the Articles. None of our Directors and members of our senior management team have any relationship with any other Director or member of our senior management team.

The table below shows certain information in respect of members of our Board:

Name	Age	Date of joining our Group	Date of appointment as our Director	Position(s)	Roles and responsibilities
Mr. Huang Wei (黃偉)	41	25 September 2007	29 March 2019	Chairman, chief executive officer and executive Director	Responsible for the overall management, strategic planning and major operational decisions of our Group
Mr. Ye Fuwei (葉富偉)	36	10 October 2012	28 November 2019	Executive Director and executive vice president	Responsible for overseeing the automobile retail and finance for e-hailing vehicles, the automobile operating lease and other automobile-related business of our Group
Ms. Zhang Jinghua (張景花)	42	1 May 2015	28 November 2019	Executive Director, senior vice president and financial controller	Responsible for the financial management and internal control of our Group
Mr. Liu Wei (劉偉)	36	2 July 2015	28 November 2019	Non-executive Director	Responsible for providing strategic advice and guidance on the business development of our Group
Ms. Xu Rui (徐睿)	40	28 November 2019	28 November 2019	Non-executive Director	Responsible for providing strategic advice and guidance on the business development of our Group
Mr. Wu Fei (吳飛)	51	9 October 2023	9 October 2023	Independent non-executive Director	Responsible for supervising and providing independent advice to the Board

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Name	Age	Date of joining our Group	Date of appointment as our Director	Position(s)	Roles and responsibilities
Mr. Fung Che Wai, Anthony (馮志偉)	54	9 October 2023	9 October 2023	Independent non-executive Director	Responsible for supervising and providing independent advice to the Board
Mr. Chen Shuo (陳碩)	57	9 October 2023	9 October 2023	Independent non-executive Director	Responsible for supervising and providing independent advice to the Board

Executive Directors

Mr. Huang Wei (黃偉), aged 41, was appointed as our Director on 29 March 2019 and was re-designated as our executive Director on 28 November 2019. Mr. Huang is also the chairman and chief executive officer of our Group and is primarily responsible for the overall management, strategic planning and major operational decisions of our Group. He also holds directorship in a number of subsidiaries of our Group. Mr. Huang founded XXF Group in September 2007 where he has been serving as the chairman of the board and the general manager since its inception and has been primarily responsible for its overall management and decision-making in its day-to-day business operations.

Prior to founding our Group, from April 2001 to April 2007, Mr. Huang worked at CPTF Optronics Co., Ltd.* (華映光電股份有限公司), a manufacturer of cathode ray monochrome and colour display tubes, where he was in charge of manufacturing.

Since January 2023, Mr. Huang has been serving as the legal representative of Fuzhou Jin'an Non-party Intellectuals Fellowship* (福州市晉安區黨外知識分子聯誼會). Mr. Huang was appointed as a representative of the Sixteenth Fuzhou People's Congress (福州市第十六屆人民代表大會) in January 2022. In November 2020, Mr. Huang was awarded the Advanced Individual in Fighting the New Coronary Pneumonia Epidemic (福建省抗擊新冠肺炎疫情先進個人) by Fujian Provincial Committee of the Communist Party of China and People's Government of Fujian Province. In September 2020, Mr. Huang was awarded the 18th Outstanding Entrepreneurs of Fujian Province (第十八屆福建省優秀企業家) by Fujian Enterprise and Enterpriser Federation* (福建省企業與企業家聯合會). In November 2019, he was awarded the 2019 National Commerce Outstanding Entrepreneur by the Association at China Commercial Enterprise Management* (中國商業企業管理協會). Mr. Huang served as a vice president of Fuzhou Jin'an Federation of Industry and Commerce* (福州市晉安區工商業聯合會) in December 2017.

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Mr. Huang was enrolled in the executive master of business administration programme jointly organised by Tsinghua University (清華大學) in the PRC, École des Ponts ParisTech in France and École nationale de l’aviation civile in France in 2019.

Mr. Huang was (i) a director and general manager of Shaanxi Xixiangfeng Automobile Lease Co., Ltd.* (陝西喜相逢汽車租賃有限公司), a then wholly-owned subsidiary of XXF Group established in the PRC and deregistered on 20 July 2015; and (ii) a director and manager of Fujian Anxin, a then wholly-owned subsidiary of XXF Group established in the PRC and deregistered on 9 July 2020. Mr. Huang has confirmed that, to the best of his information, knowledge and belief, each of the companies was deregistered due to the fact that it had not commenced any business since its establishment. Mr. Huang was also (i) an executive partner of Fuzhou Gongcheng Investment Partnership (Limited Partnership)* (福州功成投資合夥企業(有限合夥)), a limited partnership established in the PRC and deregistered on 22 September 2016; and (ii) an executive partner of Fujian Pilot Free Trade Zone Pingtan Area Hongyuan Investment Partnership (Limited Partnership)* (福建自貿試驗區平潭片區宏元投資合夥企業(有限合夥)), a limited partnership established in the PRC and deregistered on 27 September 2020. Mr. Huang has confirmed that, to the best of his information, knowledge and belief, each of the limited partnerships was deregistered due to the fact that it had no business operation immediately prior to its deregistration. Mr. Huang further confirms that each of such companies and partnerships was solvent at the time of its deregistration and as at the Latest Practicable Date, no claim had been made against him and he was not aware of any threatened and potential claims made against him and there are no outstanding claims and/or liabilities as a result of the deregistration of such companies and partnerships.

Mr. Ye Fuwei (葉富偉), aged 36, was appointed as our executive Director on 28 November 2019. Mr. Ye joined our Group in 2012 and has been serving as executive vice president since December 2015. He is primarily responsible for overseeing the automobile finance lease and operating lease, the automobile retail and finance for e-hailing vehicles and other automobile-related business of our Group. Mr. Ye is also a director of XXF Group.

Prior to joining our Group, from July 2007 to October 2011, Mr. Ye served as a director at the sales department of Shanghai Didu Agent Co., Ltd.* (上海帝都房地產經紀有限公司), a real estate agent.

Mr. Ye received his associate degree in human resources management and self-study undergraduate certificate in business administration from Jimei University (集美大學) in the PRC in June 2015 and December 2019, respectively. Mr. Ye was enrolled in the Executive Finance Programme Advanced Financial Management Course, a distance learning programme jointly delivered by Shanghai Advanced Institute of Finance* (上海高級金融學院), an institute affiliated with Shanghai Jiao Tong University (上海交通大學) in the PRC, Shanghai National Accounting Institute* (上海國家會計學院) in the PRC and the Arizona State University in the United States in 2021.

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Mr. Ye was appointed as a member of the 10th Jin’an District of Fuzhou Municipal Committee of the Chinese People’s Political Consultative Conference* (中國人民政治協商會議第十屆福州市晉安區委員會) in December 2021.

Mr. Ye was a director of Fujian Xiyun, a then indirect subsidiary owned as to 60% by XXF Group and 40% by Fujian Nebula Electronics Co., Ltd.* (福建星雲電子股份有限公司), an Independent Third Party (by virtue of Fujian Xiyun being an insignificant subsidiary of our Company as defined under the Listing Rules) established in the PRC and deregistered on 31 March 2022.

Mr. Ye has confirmed that, to the best of his information, knowledge and belief, the company was deregistered due to the fact that it had no business operation immediately prior to its deregistration. Mr. Ye further confirms that such company was solvent at the time of its deregistration and as at the Latest Practicable Date, no claim had been made against him and he was not aware of any threatened and potential claims made against him and there is no outstanding claims and/or liabilities as a result of the deregistration of such company.

Ms. Zhang Jinghua (張景花), aged 42, was appointed as our executive Director on 28 November 2019. Ms. Zhang joined our Group in 2015 and has been serving as our senior vice president and financial controller since May 2017. She is primarily responsible for the financial management and internal control of our Group. Ms. Zhang is also a director of XXF Group.

Ms. Zhang has over 18 years of experience in financial management. Prior to joining our Group, from September 2011 to April 2015, Ms. Zhang served as an accounting supervisor at Fujian Sunnada Communication Co., Ltd.* (福建三元達通訊股份有限公司) (now known as Suna Co., Ltd* (深南金科股份有限公司)), a service provider of mobile devices and mobile TV network previously listed on the Shenzhen Stock Exchange (stock code: 002417), where she was primarily responsible for its financial management. From December 2007 to August 2011, Ms. Zhang worked at Fuzhou Shenzhou Digital Co., Ltd.* (福州神州數碼有限公司), a company principally engaged in the wholesales of computer hardware and accessories, where she was primarily responsible for its financial matters. From June 2004 to January 2006, Ms. Zhang worked at CPTF Optronics Co., Ltd.* (華映光電股份有限公司), a manufacturer of cathode ray monochrome and colour display tubes, where she was primarily responsible for its financial and accounting matters.

Ms. Zhang received her bachelor’s degree of management in accounting from Northeast Forestry University (東北林業大學) in the PRC in July 2003.

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Non-executive Directors

Mr. Liu Wei (劉偉), aged 36, was appointed as our non-executive Director on 28 November 2019. Mr. Liu has been serving as a director of XXF Group since July 2015. Mr. Liu has also been serving as a vice president at Shenghui Logistic Group Co. Ltd.* (盛輝物流集團有限公司) since March 2013 and has been primarily in charge of its information technology department and human resources department.

Mr. Liu received his bachelor’s degree in process equipment and control engineering from Fuzhou University (福州大學) in the PRC in June 2009 and his master’s degree of science in management and entrepreneurship from University of Sussex in the United Kingdom in January 2013.

Mr. Liu was appointed as a member of the 13th Fuzhou Municipal Committee of the Chinese People’s Political Consultative Conference* (中國人民政治協商會議第十三屆福州市委員會) in December 2016.

Mr. Liu was a supervisor of Fujian Shenghui Asset Management Co., Ltd.* (福建省盛輝資產管理有限公司), a limited liability company established in the PRC and deregistered on 2 March 2016. Mr. Liu has confirmed that, to the best of his information, knowledge and belief, the company was deregistered due to the fact that it had not commenced any business since its establishment. Mr. Liu further confirms that such company was solvent at the time of its deregistration and as at the Latest Practicable Date, no claim had been made against him and he was not aware of any threatened and potential claims made against him and there is no outstanding claims and/or liabilities as a result of the deregistration of such company.

Ms. Xu Rui (徐睿), aged 40, was appointed as our non-executive Director on 28 November 2019. Ms. Xu has been serving as the general manager of the investment banking department at SDIC Taikang Trust Co., Ltd. (國投泰康信託有限公司) since October 2016 and has been primarily responsible for equity investment, mergers and acquisitions.

From January 2009 to December 2012, Ms. Xu worked at Beijing Zhongzheng Wanrong Investment Group Co., Ltd.* (北京中證萬融投資集團有限公司), a company principally engaged in equity investment.

Ms. Xu received her bachelor’s degree of arts in business English from Central University of Finance and Economics (中央財經大學) in the PRC in July 2007 and her master’s degree in business administration from Peking University (北京大學) in the PRC in June 2014. Ms. Xu also received the fund qualification certificate* (基金從業人員資格證) from Asset Management Association of China* (中國證券投資基金業協會) in November 2016.

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Independent Non-executive Directors

Mr. Wu Fei (吳飛), aged 51, was appointed as our independent non-executive Director on 9 October 2023. Since May 2023, Mr. Wu has been serving as an independent non-executive director of New Hope Dairy Co., Ltd.* (新希望乳業股份有限公司), a dairy products manufacturer and seller listed on the Shenzhen Stock Exchange (stock code: 002946), where he was primarily responsible for supervising and providing independent advice to the board. Mr. Wu has also been serving as the legal representative of Shanghai Gaojin Education Technology Co., Ltd.* (上海高金教育科技有限公司) since February 2023.

From January 2020 to April 2023, Mr. Wu served as an independent non-executive director of Anhui Anfu Battery Technology Co., Ltd. (安徽安孚電池科技股份有限公司), formerly known as Anhui Andeli Department Store Co., Ltd. (安徽安德利百貨股份有限公司), a batteries manufacturer and seller listed on the Shanghai Stock Exchange (stock code: 603031), where he was primarily responsible for supervising and providing independent advice to the board. From November 2020 to March 2022, Mr. Wu served as an independent non-executive director of Shanghai Lily & Beauty Cosmetics Co., Ltd. (上海麗人麗妝化妝品股份有限公司), an e-commerce retail company listed on the Shanghai Stock Exchange (stock code: 605136), where he was primarily responsible for supervising and providing independent advice to the board.

From February 2018 to January 2021, Mr. Wu served as an independent non-executive director of CEFC Hong Kong Financial Investment Company Limited (香港華信金融投資有限公司) (now known as Virtual Mind Holding Company Limited (天機控股有限公司)), an apparel manufacturer and seller listed on the Main Board of the Stock Exchange (stock code: 1520), where he was primarily responsible for supervising and providing independent advice to the board. From December 2016 to December 2019, Mr. Wu served as an independent non-executive director of Fujian Raynen Technology Co., Ltd.* (福建睿能科技股份有限公司), a high-tech company listed on the Shanghai Stock Exchange (stock code: 603933), where he has been primarily responsible for supervising and providing independent advice to the board. Since June 2013, Mr. Wu has been serving as a professor at Shanghai Advanced Institute of Finance of Shanghai Jiao Tong University* (上海交通大學上海高級金融學院). He served as a professor at Jiangxi University of Finance and Economics* (江西財經大學) from November 2010 to October 2013, a member of its Academic Committee* (學術委員會) from October 2009 to September 2013 and an associate dean of its International Academy of Financial Management* (金融管理國際研究院) from March 2012 to June 2013. From June 2004 to March 2010, Mr. Wu served as a senior lecturer presenting finance related lectures at Massey University in New Zealand.

Mr. Wu received his bachelor’s degree in industrial economics from South China University of Technology* (華南理工大學) in the PRC in July 1994, his master’s degree in financial investment from University of Aberdeen in the United Kingdom in November 2000, and his doctor’s degree of philosophy in banking and finance from University College Dublin in the Republic of Ireland in March 2005.

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Mr. Wu Fei was a director of Jiangxi Daoerfen Technology Co., Ltd.* (江西道而芬科技有限公司), a limited liability company established in the PRC and deregistered on 6 March 2018. Mr. Wu has confirmed that, to the best of his information, knowledge and belief, the company was deregistered as it had ceased operations. Mr. Wu further confirm that such company was solvent at the time of its deregistration and as at the Latest Practicable Date, no claim had been made against him and he was not aware of any threatened and potential claims made against him and there is no outstanding claims and/or liabilities as a result of the deregistration of such company.

Mr. Fung Che Wai, Anthony (馮志偉), aged 54, was appointed as our independent non-executive Director on 9 October 2023. Since November 2021, Mr. Fung has been serving as an independent non-executive director of Zhong An Group Limited (眾安集團有限公司), a Chinese property developer listed on the Main Board of the Stock Exchange (stock code: 0672), where he is primarily responsible for supervising and providing independent advice to the Board. Since 9 October 2020, Mr. Fung has been serving as an independent non-executive director of KWG Living Group Holdings Limited (合景悠活集團控股有限公司), a comprehensive property management service provider listed on the Main Board of the Stock Exchange (stock code: 3913). From April 2017 to August 2023, Mr. Fung has been serving as an independent non-executive director of FY Financial (Shenzhen) Co., Ltd. (富銀融資租賃(深圳)股份有限公司), a financial services company listed on the GEM of the Stock Exchange (stock code: 8452), where he has been primarily responsible for supervising and providing independent advice to the board of directors. From May 2017 to December 2022 and from March 2019 to December 2022, Mr. Fung served as the chief financial officer and company secretary, respectively, of Beijing Enterprises Urban Resources Group Limited (北控城市資源集團有限公司), an integrated waste management solution provider listed on the Main Board of the Stock Exchange (stock code: 3718), where he was primarily responsible for the overall financial and investor relations matters. From June 2017 to October 2021, Mr. Fung served as an independent non-executive director of S&P International Holding Limited (椰豐集團有限公司), a coconut food manufacturer and seller listed on the Main Board of the Stock Exchange (stock code: 1695), where he was primarily responsible for supervising and providing independent advice to the board. From September 2014 to April 2017, Mr. Fung served as an external supervisor of Chery HuiYin Motor Finance Service Co., Ltd.* (奇瑞徽銀汽車金融股份有限公司), an automobile finance joint venture, where he was primarily responsible for monitoring the company’s operations as a member of the board of supervisors. From July 2014 to April 2017, Mr. Fung served as the chief financial officer and company secretary of Kong Sun Holdings Limited (江山控股有限公司), a solar power plants investor and operator listed on the Main Board of the Stock Exchange (stock code: 0295), where he was primarily responsible for overall financial operation, company secretarial matters and investor relations. From January 2011 to July 2014, Mr. Fung served as the chief financial officer and company secretary of Zall Development (Cayman) Holding Co., Ltd. (卓爾發展(開曼)控股有限公司) (now known as Zall Smart Commerce Group Ltd. (卓爾智聯集團有限公司)), a property developer listed on the Main Board of the Stock Exchange (stock code: 2098), where he was primarily responsible for financial and compliance matters. From January 2008 to August 2010, Mr. Fung served as the vice president of NagaCorp Ltd.

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(金界控股有限公司), a licensed casino listed on the Main Board of the Stock Exchange (stock code: 3918), where he was primarily responsible for development of investor relations procedures, policies and strategies for the company and liaison with existing and potential investors as well as analysts. From October 1999 to August 2007, Mr. Fung served as a director of Winsmart Consultants Limited (弘陞投資顧問有限公司), a financial consulting company, where he was primarily responsible for advising the client on corporate finance and investor relations related matters. From August 1992 to September 1999, he successively served as a staff accountant, semi senior accountant, senior accountant and manager in Deloitte Touche Tohmatsu, where he was primarily responsible for audit planning and control.

Mr. Fung received his bachelor’s degree of arts in accountancy from Hong Kong Polytechnic University in October 1992. Mr. Fung was admitted as a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants in October 2001 and September 2005, respectively.

Mr. Chen Shuo (陳碩), aged 57, was appointed as our independent non-executive Director on 9 October 2023. Since November 2020, he has served as the vice president of China Haichuang Technology (Fujian) Group Co., Ltd* (中海創科技(福建)集團有限公司), an automation and information technology provider in the PRC, where he was primarily responsible for investment development and technological co-operation. From January 2009 to July 2014, Mr. Chen served as the legal representative of Fuzhou Chengjian Construction Drawing Review Firm* (福州成建施工圖審查事務所). From January 2009 to April 2013, Mr. Chen served as the legal representative of Fuzhou Guowei Construction Design Co., Ltd* (福州國偉建設設計有限公司). From October 2006 to October 2009, Mr. Chen served as a deputy director of Digital City Research Centre of Wuhan University* (武漢大學數字城市研究中心). From July 1989 to September 2020, Mr. Chen worked at Fuzhou Planning and Design Institute* (福州市規劃設計研究院), a survey, planning and design research institute, where he had held a professional title of professor level senior engineer and had served as the vice president and was in charge of the operations and scientific research activities.

Mr. Chen was appointed as a member of the 12th and 13th of the Fuzhou Municipal Committee of the Chinese People’s Political Consultative Conference* (中國人民政治協商會議第十二屆及第十三屆福州市委員會), and as a vice president at Fujian Green Construction Innovation Alliance* (福建省綠色建築創新聯盟) in December 2014. In January 2000, Mr. Chen was appointed as the supervisor of master’s student at the College of Electrical Engineering of Fuzhou University (福州大學).

Mr. Chen received his bachelor’s degree in computer science from Fuzhou University (福州大學) in the PRC in July 1989, and attended postgraduate training in international economics at Xiamen University (廈門大學) in the PRC from March 1996 to May 1998. From February 2002 to August 2002, Mr. Chen was a visiting scholar of the Imperial College of Science, Technology and Medicine in the United Kingdom. From December 2006 to January 2008, Mr. Chen was a visiting scholar at the Department of Engineering Science at the University of Oxford in the United Kingdom. Mr. Chen was admitted as a registered automation system engineer of

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Chinese Association of Automation in June 2005 and a professor grade senior engineer (with the treatment of professors and researchers) of Fuzhou Planning and Design Institute* (福州市規劃設計研究院) in June 2006.

As at the Latest Practicable Date, none of our Directors and their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly with our Group’s business which would require disclosure under Rule 8.10 of the Listing Rules.

Save as disclosed above, none of our Directors have held any other directorships in listed companies during the three years immediately preceding the date of this Document. There is no other information relating to the relationship of any of our Directors with other Directors and member of the senior management that should be disclosed pursuant to Rule 13.51(2) or paragraph 41(3) of Appendix 1A of the Listing Rules.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needed to be brought to the attention of our Shareholders and there was no information relating to our Directors that was required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

SENIOR MANAGEMENT

Our executive Directors are our senior management who are responsible for the day-to-day operations and management of the business of our Group. Please refer to the paragraph entitled “Board of Directors — Executive Directors” in this section for the biographical details of our executive Directors, Mr. Huang Wei, Mr. Ye Fuwei and Ms. Zhang Jinghua.

COMPANY SECRETARY

Mr. Wong Yuk (王旭), aged 52, was appointed as our company secretary on 28 November 2019.

Mr. Wong has over 25 years of work experience in finance and accounting. Since May 2023, Mr. Wong has been serving as an executive director of Winto Group (Holdings) Limited (stock code: 8238), a publications and advertising provider, where he has been primarily responsible for the management of its operations. Since August 2022, Mr. Wong has been serving as an executive director of Tian Cheng Holdings Limited (天成控股有限公司), formerly known as Yue Kan Holding Limited (裕勤控股有限公司), a Hong Kong-based marine construction works subcontractor listed on the Main Board of the Stock Exchange (stock code: 2110), where he has been primarily responsible for financial management and assisting to manage the day-to-day business operations. Since December 2019, Mr. Wong has been serving as an independent non-executive director of Hygieia Group Limited, a cleaning service provider listed on the Main Board of the Stock Exchange (stock code: 1650), where he has been primarily responsible for providing independent opinion and

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judgement to the board of directors. From May 2017 to February 2019, Mr. Wong served as a senior consultant at Huanian Xinxing Chanye Jituan Company Limited* (華年新興產業集團有限公司) where he was primarily responsible for managing investment projects. From May 2015 to January 2017, Mr. Wong served as the company secretary of Success Dragon International Holdings Limited (勝龍國際控股有限公司), a company principally engaged in the provision of management services for electronic gaming equipment and listed on the Main Board of the Stock Exchange (stock code: 1182). From December 2010 to June 2012, Mr. Wong served as the chief financial officer and company secretary of Yuanda China Holdings Limited (遠大中國控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2789), where he was primarily responsible for financing and investor relations affairs. Mr. Wong started his career in KPMG Hong Kong in September 1996 and left the firm as a senior accountant in April 1999. Mr. Wong also worked for various Hong Kong and Singapore listed companies from October 1999 to November 2010 on financial and accounting affairs both in Hong Kong and the PRC, including subsidiaries of the Swire Group, Hong Kong and China Gas Company Limited, Lung Kee Metal Ltd. and China Oilfield Technology Services Group Ltd. respectively.

Mr. Wong received his bachelor’s degree in accountancy from the Hong Kong Polytechnic University in Hong Kong in November 1996. He was admitted as a member of the Hong Kong Institution of Certified Public Accountants in January 2004 and a fellow member of the Association of Chartered Certified Accountants in August 2005.

BOARD COMMITTEES

Audit committee

Our Company has established the audit committee on 9 October 2023 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The audit committee consists of three members, namely Mr. Fung Che Wai, Anthony, Mr. Wu Fei and Mr. Chen Shuo. Mr. Fung Che Wai, Anthony has been appointed as the chairman of the audit committee, and is our independent non-executive Director with the appropriate professional qualifications. The primary duties of the audit committee are to assist our Board by providing an independent view of the effectiveness of the financial reporting system, risk management and internal control systems of our Group, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board.

Remuneration committee

Our Company has established the remuneration committee on 9 October 2023 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the CG Code as set out in Appendix 14 to the Listing Rules. The remuneration committee has three members, namely Mr. Wu Fei, Mr. Huang Wei and Mr. Fung Che Wai, Anthony. Mr. Wu Fei has been appointed as the chairman of the remuneration committee. The primary duties of the remuneration committee are to establish and review the policy and structure of the remuneration for our Directors and senior management and make recommendations on employee benefit arrangement.

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Nomination committee

Our Company has established the nomination committee on 9 October 2023 with written terms of reference in compliance with paragraph B.3 of the CG Code as set out in Appendix 14 to the Listing Rules. The nomination committee consists of three members, namely Mr. Huang Wei, Mr. Wu Fei and Mr. Chen Shuo. Mr. Huang Wei has been appointed as the chairman of the nomination committee. The primary duties of the nomination committee are to make recommendations to our Board on the appointment of members of our Board.

CORPORATE GOVERNANCE

Our Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve effective accountability.

Our Company has adopted the code provisions stated in the CG Code. Our Company is committed to the view that the Board should include a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Except for the deviation from CG Code provision C.2.1, our corporate governance practices have complied with the CG Code. CG Code provision C.2.1 stipulates that the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Mr. Huang is the chairman and chief executive officer of our Group. In view of the fact that Mr. Huang has been assuming day-to-day responsibilities in operating and managing our Group since September 2007, our Board believes that it is in the best interest of our Group to have Mr. Huang taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from CG Code provision C.2.1 is appropriate in such circumstance. Notwithstanding the above, our board is of the view that this management structure is effective for our Group’s operations and sufficient checks and balances are in place.

Our Directors are aware that upon [REDACTED], we are expected to comply with such code provision. Any such deviation shall however be carefully considered, and the reasons for such deviation shall be given in our interim report and annual report in respect of the relevant period. We are committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders as a whole. Save as disclosed above, we will comply with the code provisions set out in the CG Code after the [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy which sets out the approach to achieve diversity on our Board. Our Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in supporting the attainment of our Company’s strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talents, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will continue to implement measures and steps to promote and enhance gender diversity at all levels of our Company. We will select potential Board candidates based on merit and his/her potential contribution to our Board while taking into account our board diversity policy and other factors. Our Company will also take into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board comprises of eight members, including one female executive Director and one female non-executive Director. Our Directors also have a balanced mix of knowledge, skills and experience, including business development, financial management, investor relations, information technology, manufacturing, teaching, procurement, investment and law. They obtained degrees in various majors including but without limitation to business administration, human resource management, entrepreneurship management, accounting, engineering, economics, finance, language and law. Furthermore, our Board has a wide range of age, ranging from 36 years old to 57 years old. We have taken and will continue to take steps to promote gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. Taking into account our business model and specific needs as well as the presence of two female Directors out of a total of eight Board members, we consider that the composition of our Board satisfies our board diversity policy.

With regards to gender diversity on the Board, our board diversity policy further provides that our Board shall take opportunities to increase the proportion of female members over time when selecting and making recommendations on suitable candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at mid to senior level so that we will have a pipeline of female senior management and potential successors to our Board going forward. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders’ expectation and international and local recommended best practices.

Our nomination committee is responsible for ensuring the diversity of our Board members. After [REDACTED], our nomination committee will review our board diversity policy and its implementation from time to time to ensure its implementation and monitor its continued effectiveness and we will disclose the implementation of our board diversity policy in our corporate governance report on an annual basis.

DIRECTORS AND SENIOR MANAGEMENT

COMPENSATION OF OUR DIRECTORS AND SENIOR MANAGEMENT

Our Directors and members of our senior management receive compensation from our Company in the form of salaries, bonuses and other benefits in kind such as contributions to pension plans. The aggregate remuneration (including salaries, wages, bonuses, pension cost and share-based compensation expenses) paid to our Directors for each of the three years ended 31 December 2022 and the six months ended 30 June 2023 was approximately RMB12.4 million, RMB2.7 million, RMB2.8 million and RMB1.4 million, respectively. Save as disclosed above, no other amounts had been paid or were payable by any member of our Group to our Directors during the Track Record Period.

The aggregate amount of wages, salaries and bonuses, contribution to pension plans, social security costs, other employee benefits and share-based compensation expenses paid to our five highest paid individuals (including our Directors) in respect of each of the three years ended 31 December 2022 and the six months ended 30 June 2023 was approximately RMB15.1 million, RMB5.0 million, RMB4.0 million and RMB1.9 million, respectively.

No remuneration was paid by us to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of each of the three years ended 31 December 2022 and the six months ended 30 June 2023. Further, none of our Directors had waived or agreed to waive any remuneration during the same periods.

Under the arrangement currently in force, the aggregate remuneration (including salaries, wages, bonuses, pension cost and share-based compensation expenses) of our Directors for the year ending 31 December 2023 is estimated to be no more than RMB3.5 million. Our Board will review and determine the remuneration and compensation packages of our Directors and senior management which, following the [REDACTED], will receive recommendation from the remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

[REDACTED] SHARE OPTION SCHEME

Our Company has conditionally adopted the [REDACTED] Share Option Scheme, the purpose of which is to incentivise and reward eligible participants by reason of their contribution or potential contribution to our Company and/or any of our subsidiaries. For details of the [REDACTED] Share Option Scheme, please refer to the section headed “Statutory and General Information — D. Other information — 2. [REDACTED] Share Option Scheme” in Appendix IV to this document.

SHARE OPTION SCHEME

Our Company has conditionally adopted the Share Option Scheme on 9 October 2023. For details of the Share Option Scheme, please refer to the section headed “Statutory and General Information — D. Other Information — 1. Share Option Scheme” in Appendix IV to this document.

DIRECTORS AND SENIOR MANAGEMENT

COMPLIANCE ADVISER

Our Company has appointed Quam 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 our Company 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 our Company proposes to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry of our Company under Rule 13.10 of the Listing Rules.

The term of the appointment of our compliance adviser shall commence on the [REDACTED] and end on the date on which our Company distribute our annual report in respect of our financial results for the first full financial year commencing after the [REDACTED].