

**DIRECTORS**

Our Board currently consists of six Directors, comprising two executive Directors, one non-executive Director and three independent non-executive Directors. At each annual general meeting, one-third of our Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election.

**EXECUTIVE DIRECTORS**

**Yaw Chee Ming**, 47, has been a director of our Company since June 29, 2005 and has been appointed the Chief Executive Officer and an Executive Director of our Company since August 20, 2006. He is also the Managing Director of both Lingui and Glenealy, where he was appointed as an executive director on July 4, 1989 and June 22, 1995, respectively. He is also the Chief Executive Officer and an Executive Director of Samling Strategic, one of our Controlling Shareholders. Mr. Yaw has over 20 years of extensive knowledge and experience in the timber industry. Under his leadership, our Group has established an international presence with highly integrated business operations. He spearheaded the commitment of our Group towards responsible forest management and has led our Group to various internationally recognized certifications for forest management and downstream operations. Mr. Yaw graduated from the University of Southern California in the United States with a Master of Business Administration degree.

**Cheam Dow Toon**, 52, has been a director of our Company since June 29, 2005 and has been appointed the Chief Finance Officer and an Executive Director of our Company since August 20, 2006. He is also the Finance Director of both Lingui and Glenealy, where he was appointed as an executive director on March 7, 1994 and July 24, 1995, respectively. He has been with our Group since 1987. He has over 17 years of experience in the timber industry and over 10 years in the oil palm industry. Mr. Cheam is an associate member of The Chartered Institute of Management Accountants, a graduate of The Institute of Chartered Secretaries and Administrators in the United Kingdom, and a member of the Malaysian Institute of Accountants. Prior to returning to Malaysia in 1981, he was trained in the United Kingdom with a multinational company in management accounting and served as a Divisional Accountant in one of its operating divisions. Subsequently, he served in a few public listed companies in Malaysia. He was the Financial Controller and Company Secretary of Dunlop Estates Berhad from 1983 to 1987, and the Group Company Secretary of Multi-Purpose Holdings Berhad from 1986 to 1987. He completed the Wharton Advanced Management Programme at Wharton Business School of the University of Pennsylvania.

**NON-EXECUTIVE DIRECTOR**

**Chan Hua Eng**, 78, has been the Chairman of the Board and a director of our Company since October 17, 2005 and has been appointed a Non-Executive Director of our Company since August 20, 2006. He was appointed to the Board of Lingui as an Independent Non-Executive Director on March 28, 1990 and has been the Chairman since November 8, 1990. He was also appointed the Chairman of the board and an Independent Non-Executive Director of Glenealy on September 28, 1995 and has held these positions since then. Mr. Chan is also currently a director of other public listed companies in Malaysia, namely Lafarge Malayan Cement Berhad, Pacific & Orient Berhad and Rohas-Euco Industries Berhad, and was a director of Carlsberg Brewery

Malaysia Berhad, a public listed company in Malaysia, from December 1971 to April 2006. He is an associate member of the Chartered Institute of Taxation in the United Kingdom. Mr. Chan is also a barrister of the Middle Temple and was called to the Bar in the United Kingdom. He was admitted as a partner of Shearn Delamore & Co, Advocates & Solicitors in Malaysia in 1960 and retired as its senior partner in 1987. He is an advocate and solicitor of the High Court of Malaya. He graduated from the University of Bristol with a Bachelor of Law (Honours) degree.

## **INDEPENDENT NON-EXECUTIVE DIRECTORS**

**Fung Ka Pun** (alias K. B. Fung), 61, has been a director of our Company since October 17, 2005 and has been appointed an Independent Non-Executive Director and Deputy Chairman of our Company since August 20, 2006. Mr. Fung is the Executive Co-chairman of E2-Capital (Holdings) Limited, a company listed on the Stock Exchange. He is also the founder and Chairman of Goodwill International (Holdings) Limited, a substantial shareholder (as defined in the Listing Rules) of E2-Capital (Holdings) Limited. Mr. Fung has over 30 years of experience in finance, securities and commodities trading and corporate finance. He is a member of the Association of International Accountants. Mr. Fung worked for Deloitte Touche Tohmatsu from 1970 to 1972, and has extensive experience in dealing with internal and external auditors regarding the supervision of internal financial controls and the auditing of financial statements of public companies. He is also a member of the Institute of Chartered Secretaries and Administrators. Mr. Fung is also a director of a number of other listed companies in Hong Kong. He is an Independent Non-Executive Director of GZI Transport Limited, Lei Shing Hong Limited, Lee Hing Development Limited and Denway Motors Limited. He was a director and Co-chairman of Capital Publications Limited from August 2002 to November 2006. Mr. Fung is the Chairman of the audit committee of Lei Shing Hong Limited, and was a member of the audit committee of Denway Motors Limited, Lee Hing Development Limited and GZI Transport Limited. Our Directors consider that Mr. Fung has appropriate professional qualifications or accounting or related financial management expertise pursuant to rule 3.10(2) of the Listing Rules.

**David William Oskin**, 64, has been a director of our Company since October 17, 2005 and has been appointed an Independent Non-Executive Director of our Company since August 20, 2006. He is currently an Independent Director of Pacific Millennium Investment Company, an Independent Director of Goodman Global Inc., an Independent Director of Verso Paper Holdings, a Director of Big Earth Publishing and was a member of the Komatsu International Advisory Board. Mr. Oskin has more than 25 years of experience in the forest, wood, paper and packaging industries. He is also the President of Four Winds Ventures LLC. From 1975 to 1992, he took up various managerial positions at International Paper Company, responsible for managing world-wide human resources, quality management, the forest and wood products businesses and paper distribution. From 1992 to 1996, he was the Chief Executive Officer and a Director of Carter Holt Harvey Limited, a paper, packaging and forest products company listed on the New Zealand and the Australian Stock Exchanges. From 1996 to 2003, he served as the Executive Vice President of International Paper Company. From 2003 to present, he served as advisor to various other companies in the paper, packaging and publishing industries. Mr. Oskin graduated from the Widener University in the United States with a Bachelor of Arts. He also currently chairs the Board of Trustees of Widener University.

**Tan Li Pin, Richard**, 51, has been a director of our Company since October 17, 2005 and has been appointed an Independent Non-Executive Director of our Company since August 20, 2006. Mr. Tan is the founder and has been the Chief Executive Officer of various companies under the Pacific Millennium group since 1990. He served as the Chief Executive Officer and an Executive Director of Yong Fong Yu Paper Company, Taiwan in 1999. He was also an Executive Director of Millennium Bank, N.A., in San Francisco from 1994 to 2000, during which he served as the Chairman of its board of directors from 1996 to 1999. Mr. Tan also participates actively in public services. He is the Vice Chairman of the Chamber of International Commerce Shanghai, the Vice Chairman of the World Trade Center Association Shanghai, an advisor to the Shanghai Modern Management Center, an elected member of the Anhui Province Political Consultative Committee, the Vice Chairman of the Anhui International Hui-Merchants Association, and an appointed member of the Joint Venture Policy Advisory Board of the State of California Government in the United States. He graduated from the University of Southern California in the United States with a Master of Business Administration degree.

## SENIOR MANAGEMENT

### Malaysian operations — Upstream

**James Ho Yam Kuan**, 60, has been with our Group since 1993. He is currently the Vice President of the Forest Resource Division of our upstream operations in Malaysia, responsible for managing its various operational requirements. He joined the Log Marketing Division of our Group in 1993 and served as its Vice President (Marketing) until 1997. In 1997, the scope of his responsibilities in the upstream operations expanded to include managing various operational requirements, from human resources, management of the fleet of machinery and equipment, to transportation and logistics management of logs and spare parts and fuel. Mr. Ho has in-depth industry knowledge and over 12 years of operational and managerial experience in the timber industry. He graduated from the University of Strathclyde in the United Kingdom with a Master of Business Administration degree. Mr. Ho also qualified as a barrister-in-law in the United Kingdom.

**Chin That Thong**, 57, has been with our Group since 1987. He is currently the Assistant General Manager of Forest Operations in the Forest Resource Division of our upstream operations in Sarawak, Malaysia. Mr. Chin has served as the Camp Manager and the Regional Manager of our Forest Resource Division since 1987 and 1998, respectively, prior to assuming the current position in 2002. He has over 30 years of experience in forest operations, including eight years of working in various companies in the forestry industry in Indonesia and seven years working in a Malaysian timber company prior to joining our Group.

**Tan Jin Kiat**, 47, has been with our Group since 1995. He is currently the Assistant General Manager of the Log Marketing Division of our upstream operations in Malaysia, responsible for overall strategic planning and overseas marketing of logs. Between 1995 and 2003, he worked as Finance Manager and Assistant General Manager (Finance) of our Forest Resources Division. Mr. Tan is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. He graduated from the University of Hull in the United Kingdom with a Master of Business Administration degree.

**Malaysian operations — Downstream**

**Yaw Chee Chik**, 46, has been with our Group since 1988. He is currently the Vice President of our downstream operations in Malaysia, responsible for overseeing the operations of our downstream division. Mr. Yaw has over 17 years of experience in the timber industry. He has held various managerial positions within our Group. Upon joining our Group in 1988, Mr. Yaw served as a Camp Manager of our Forest Operations Division in Sarawak, Malaysia. Subsequently, he was transferred to our Log Marketing Division in Sarawak, Malaysia, working as its Marketing Manager, overseeing the logistics and the export of logs. In 1993, he was appointed as the General Manager of our sawmill operations, and then, the Vice President of our Plywood Division, responsible for management of our plywood manufacturing facilities in Sarawak, Malaysia. Mr. Yaw graduated from City of London Polytechnic (currently known as the London Metropolitan University) and the University of Salford in the United Kingdom with a Bachelor of Arts degree and a Master of Science degree, respectively. He is a brother of Mr. Yaw Chee Ming, an Executive Director and the Chief Executive Officer of our Company.

**Tan Seng Hock**, 54, has been with our Group since 1993. He is currently the Vice President of Marketing (Plywood) of our downstream operations in Malaysia. Prior to joining our Group, Mr. Tan has held various senior marketing and management positions in several leading companies, including Harrisons & Crossfield Malaysia, Citibank Berhad and Dunlop Estates Berhad. He is currently an Executive Committee Member of the Malaysia Panel Products Manufacturers' Association. In 2003, he was appointed as a Project Consultant by ITTO to undertake a market study on global tropical hardwood plywood trade. He is also the co-author of the 2004 ITTO Publication Technical Series 20 — “Reviving Tropical Plywood”. Mr. Tan graduated from the University of Malaya in Malaysia with an Honors Bachelor's degree in Economics and completed an Advanced Management Program at the University of Hawaii in the United States.

**Dr. Kai Kruse**, 43, has been with our Group since 1998. He is currently the General Manager of Samling Plywood (Baramas) Sdn. Bhd., a subsidiary of Lingui, responsible for production and management of plywood and other wood-based panels for our downstream operations in Malaysia. Dr. Kruse was the general manager of Daiken Miri Sdn. Bhd., our associated company, from 2002 to 2005, responsible for the production and management of our fiberboard plant in Sarawak, Malaysia. Prior to this, he worked part-time for our Group from 1998 to 2001 as a lecturer in our educational institute which we run in collaboration with the University of Hamburg. Dr. Kruse has been working in the wood and forestry industry since 1984. Prior to joining our Group, he worked as a scientist and subsequently a lecturer in the Wood Technology Department at the University of Hamburg in Germany from 1993 to 1998. During the same period, Dr. Kruse also carried out consultancy work, specializing in wood-based panel production, for various companies in the forestry products industry, including panel manufacturers, machine suppliers and resin producers. He was also a Senior Researcher at the German Federal Research Centre for Forestry and Forest Products from 1998 to 2001. Dr. Kruse graduated from the University of Hamburg with a Bachelor and Master's degree and a Doctorate in Wood Science and Technology.

**Guyana operations**

**Girwar Lalaram**, 50, has been with our Group since 1995. He is currently the General Manager of Barama Company Limited, our wholly-owned subsidiary in Guyana, responsible for its corporate affairs and administration. He has served as the General Affairs Manager and the Senior Manager of Barama Company Limited respectively, before assuming the current position in 2002. Prior to joining our Group, Mr. Lalaram has served as the Divisional Manager, the Planning and Project Manager and the Economist respectively, of Guyana National Engineering Corporation from 1988 to 1993. Mr. Lalaram graduated from the University of Guyana with a Bachelor of Social Science degree.

**Sim Poh Yong**, 63, is one of the co-founders of our Group and has been with our Group since 1966. He is currently the Head of Forest Operations of Barama Company Limited, our wholly-owned subsidiary in Guyana, responsible for overseeing our forest operations in Guyana, and an adviser of overseas projects in the Forest Resource Division of our Group. Previously, Mr. Sim worked in Malaysia as the Regional Manager and the Overseas Project Coordinator of the Forest Resource Division for our Group from 1969 to 1992, and from 1992 to 1998, respectively. Mr. Sim specializes in forest surveys and has extensive knowledge and experience in different types of forests gained through working in various countries in South America and the Asia-Pacific region. He is primarily responsible for conducting strategic surveys and planning for new forest areas for our Group, and currently oversees the forest certification program in Guyana.

**Emmery Song Yih**, 34, has been with our Group since 1998. He is currently the finance manager of Barama Company Limited in Guyana, responsible for overseeing the finance of our operations in Guyana. He was a manager of the internal audit division of our operations in Malaysia from 1998 to 2000. Subsequently, he assumed his current position in Guyana. Prior to joining our Group, he worked as an auditor in an established audit firm in Malaysia. He is a member of CPA Australia. He graduated from Curtin University in Australia with a Bachelor of Business degree majoring in accounting.

**New Zealand operations**

**Norman Robert Hunter**, 56, has been with our Group since 1995. He is currently the General Manager of our New Zealand operations and the Managing Director of Hikurangi Forest Farms Limited, our wholly-owned subsidiary in New Zealand. Mr. Hunter has worked in the forest industry for 36 years and has extensive forest industry experience gained throughout North, South and Central America, Africa, Australasia, the Asia-Pacific region, Eastern and Western Europe and Russia. Prior to joining our Group, he worked for 2 years as the Regional Manager, Papua New Guinea and the Pacific at Acil Australia Pty Ltd., a consulting company in Australia, from 1992 to 1994, and within the H.A. Simons Group of companies, a forest industry consulting group based in Canada, for 21 years from 1971 to 1992, with his last position there being the Deputy Director of South East Asian Operations. Mr. Hunter graduated from the University of Southern California with a Master of Business Administration degree and the University of Alberta with a Bachelors Degree in Forest Science, and obtained a Diploma in Forestry at the British Columbia Institute of Technology. He is a brother-in-law of Mr. Yaw Chee Ming, an Executive Director and the Chief Executive Officer of our Company.

**United States and PRC operations**

**Chia Ti Lin, Colin**, 48, has been with our Group since 1992. He is currently the President of Riverside and the Senior Vice President of our PRC and United States operations, and is responsible for developing our downstream processing operations in the PRC. He is also responsible for establishing our distribution network

for the marketing of our products in the United States, building supply chain alliances with end-user customers and developing key strategies and creating a brand identity for our products in the United States. Mr. Chia served in various capacities in our downstream wood-based operations in Malaysia for 9 years from 1994 to 2002, with the position of Senior Vice President of our downstream operations in Sarawak from 1997 to 2002. He has held numerous directorships in our Group companies since 1992, including Samling Plywood (Bintulu) Sdn. Bhd., Samling Plywood (Baramas) Sdn. Bhd., Samling Plywood (Miri) Sdn. Bhd., Barama Company Limited, Riverside and Foothill.

## Finance

**Goh York Pooi**, 44, is our General Manager (Finance). He joined our Group in 1993 and is currently responsible for our financial reporting, corporate finance, treasury, tax and other related finance matters. Prior to joining our Group, from 1982 to 1988, he worked at Price Waterhouse (currently known as PricewaterhouseCoopers) where he acquired auditing experience in various industries, including manufacturing and banking. Subsequently, in 1989 to 1993, he joined the Malaysian Sime Darby Group as its Finance Manager. He is a member of Malaysian Institute of Certified Public Accountants. He has a Master of Finance from RMIT University, Melbourne, Australia. In January 2007, Mr. Goh tendered his resignation from our Company, effective in April 2007. He resigned due to personal reasons unconnected with the affairs of the Group. We are currently seeking a replacement for Mr. Goh as our General Manager (Finance). Mr. Goh has confirmed that there were no matters that would need to be brought to the attention of investors in connection with his resignation.

**Tan Foong Ching, Katherine**, 32, is our Assistant General Manager (Finance). She joined our Group in 2002 and is currently responsible for our financial reporting, corporate finance, treasury, tax and other related finance matters. Prior to joining our Group, from 1996 to 2002, she worked at PricewaterhouseCoopers where she acquired auditing experience in various industries, including manufacturing, property and financial services industries, with a focus on the oil and gas industry. She is a member of CPA Australia, the Malaysian Institute of Accountants and the Malaysian Institute of Corporate Governance. She graduated from the Monash University in Australia with a Bachelor of Commerce (Accounting and Econometrics) degree. Ms. Tan is our “Qualified Accountant” for the purpose of Rule 3.24 of the Listing Rules.

## JOINT COMPANY SECRETARIES

**Yau Chung Fat**, 42, is our joint Company Secretary. Mr. Yau has over 15 years of experience in company secretarial matters, finance, management and administration. Prior to joining our Company, Mr. Yau has held management positions in a certified public accountants firm and a multi-national company in Hong Kong. He is an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.

**Veronica Lin Siu Mui**, 42, is our joint Company Secretary. Ms Lin graduated from the Hong Kong Polytechnic University in 1987. She is an associate member and a fellow of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. She has over 19 years of experience in the company secretarial area with major international accounting firms including Coopers & Lybrand and Ernst & Young and has been providing corporate secretarial services to various listed companies since 1990. Ms Lin is currently a director of Corporate Services Department of Tricor Services Limited which is a non-listed company incorporated in Hong Kong.

## **WAIVER FROM STRICT COMPLIANCE WITH RULE 8.12 OF THE LISTING RULES**

According to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong, including that normally at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Since the majority of our operations are situated overseas, including Malaysia, Guyana, China and New Zealand, our Company does not and will not, for the foreseeable future, have a significant management presence in Hong Kong. Accordingly, the Stock Exchange has granted to us a waiver under Rule 8.12 of the Listing Rules. One of our independent non-executive Directors and alternate authorized representatives, Mr. Fung Ka Pun, and one of our joint company secretaries and the other alternate authorized representative, Mr. Yau Chung Fat, are ordinarily resident in Hong Kong and will be the principal channel of communication between the Stock Exchange and our Company. In addition, Ms. Veronica Lin Siu Mui, the other joint company secretary of our Company, is ordinarily resident in Hong Kong and will be readily contactable. Our Directors who are not ordinarily resident in Hong Kong will be readily contactable by the Stock Exchange through any one of them. We have also appointed CIMB-GK Securities (HK) Limited as our Compliance Adviser to enhance further the communication with the Stock Exchange.

## **AUDIT COMMITTEE**

We established an audit committee on August 20, 2006 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The audit committee comprises four members, namely Mr. Fung Ka Pun, Mr. David William Oskin and Mr. Tan Li Pin, Richard, who are our independent non-executive Directors, and Mr. Chan Hua Eng, who is our non-executive Director. The chairman of the audit committee is Mr. Fung Ka Pun. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of our Company, nominate and monitor external auditors and provide advice and comments to our Directors.

## **REMUNERATION COMMITTEE**

We established a remuneration committee on August 20, 2006 with written terms of reference in compliance with the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The remuneration committee comprises three members, namely Mr. David William Oskin and Mr. Fung Ka Pun, who are our independent non-executive Directors, and Mr. Yaw Chee Ming, who is an executive Director. The chairman of the remuneration committee is Mr. David William Oskin. The primary duties of the remuneration committee are to evaluate the performance and determine the remuneration packages of our executive Directors and senior management and make recommendations on the remuneration of non-executive Directors.

## **NOMINATION COMMITTEE**

We established a nomination committee on August 20, 2006 with written terms of reference in compliance with the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules. The nomination committee comprises three members, namely, Mr. Tan Li Pin, Richard, who is our independent non-executive Director, Mr. Chan Hua Eng, who is our non-executive Director, and Mr. Fung Ka Pun, who is our independent non-executive Director. The chairman of the nomination committee is Mr. Tan Li Pin, Richard. The primary duties of the nomination committee are to review structure, size and composition of our Board on a regular basis, and make recommendations to our Board regarding nomination of suitable candidates to fill vacancies on our Board.

**EMPLOYEES**

As at September 30, 2006 we had 13,103 full time employees. Approximately 84.93% of our employees, are located in Malaysia, 10.83% are located in Guyana, 4.11% are located in China, and 0.13% are located in New Zealand. The following table sets forth the approximate number of our employees by division as at September 30, 2006.

	<b>As at September 30, 2006</b>	
	<b>Number of employees</b>	<b>Approximate % of total number of employees</b>
Management .....	46	0.4
Forest Operation .....	4,774	36.4
Manufacturing .....	7,573	57.8
Sales and marketing .....	173	1.3
Administration, finance, and group services .....	537	4.1
<b>Total</b> .....	<b>13,103</b>	<b>100.0</b>

**Employee benefits**

All of our employees are either on individual employment contracts which specify the terms of their employment or on standard appointment letters which refer to manuals of terms and conditions of service. Our Group also has employees who are members of unions of certain industries and these employees are covered by collective agreements with their respective unions.

Our employees' remuneration comprises basic salaries and incentive bonuses. Our remuneration expenses were approximately US\$52.7 million, US\$59.2 million, US\$63.5 million and US\$19.8 million for the three years ended June 30, 2006 and the three months ended September 30, 2006, respectively. Our Group's compensation and benefits policy is to firstly comply with all necessary employment laws of the various countries that we have business investment and secondly to introduce benefits that help to attract and retain quality staff. We participate frequently in salary surveys and studies to ensure that our practices are constantly being reviewed and that they keep up with time.

We provide our employees with a range of benefits which differ between category of employees, including staff quarters, medical and hospitalization benefits, employees provident fund contributions, educational assistance and group personal accident and term life insurance.

**Training and development**

We invest in continuing education and training programs for our management staff and factory and forest workers with a view to constantly upgrading their skills and knowledge. Our Group has in place comprehensive performance management system and competency framework to assess employees' competency levels and skills required for the various jobs available within our Group. We also continuously monitor and evaluate our



employee training and development program for succession planning purposes to ensure that our Group has sufficient competent workforce to manage its businesses.

### **Our Group's relationship with our employees**

Our Group maintains good working relations with its employees although we have had various employment issues such as demand for wage increments and employee dismissal issues from time to time during the ordinary course of our business. Our Group has not experienced any significant problems with the recruitment and retention of experienced employees. We have not suffered from any material disruption to our normal business operations as a result of any labor dispute, strike or employee dispute.

### **COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT**

Our Directors receive compensation in the form of director's fees, salaries, discretionary bonuses, housing allowances, retirement scheme contribution, other allowances and benefits in kind.

The aggregate amount of director's fees, salaries, discretionary bonuses, housing allowances, retirement scheme contributions, other allowances and benefits in kind paid/payable to our Directors which is attributable to services provided for the benefit of our Group for the three years ended June 30, 2006 and the three months ended September 30, 2006 was approximately US\$249,000, US\$296,000, US\$538,000 and US\$208,000, respectively.

The five highest paid individuals of our Group include one Director for the financial year ended June 30, 2004, two Directors for the financial year ended June 30, 2005 and one Director for the financial year ended June 30, 2006, whose aggregate compensation has been included in the aggregate compensation of our Directors above. Excluding the compensation of such Directors, the aggregate amount of salaries, discretionary bonuses, housing allowances, retirement scheme contributions, other allowances and benefits in kind paid by our Group to them which is attributable to services provided for the benefit of our Group during the three financial years ended June 30, 2004, 2005 and 2006 and the three months ended September 30, 2006 was approximately US\$456,000, US\$450,000, US\$808,000 and US\$146,000, respectively.

Save as disclosed above, no other payments which are attributable to services provided for the benefit of our Group have been paid or are payable, in respect of the three years ended June 30, 2006 and the three months ended September 30, 2006 by our Group to our Directors and the remaining highest paid individuals of our Group.

Under the arrangements currently in force, the aggregate remuneration payable to, and benefits in kind receivable by, our Directors which is attributable to services provided for the benefit of our Group for the year ending June 30, 2007, but excluding discretionary management bonuses, are estimated to be approximately US\$1.0 million.

**COMPLIANCE ADVISER**

We have appointed CIMB-GK Securities (HK) Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules to provide advisory services to us. We will consult with and, if necessary, seek advice from our compliance adviser on a timely basis in the following circumstances:

- (i) before our publication of any regulatory announcement (whether required by the Listing Rules or requested by the Stock Exchange or otherwise), circular or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction under Chapters 14 or 14A of the Listing Rules, is contemplated by us, including share issues and share repurchases;
- (iii) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviate from any forecast, estimates, or other information in this Prospectus; and
- (iv) where the Stock Exchange makes an inquiry of us under Rule 13.10 of the Listing Rules.

The term of the appointment shall commence on the Listing Date and end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date.