

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

DIRECTORS

The Board consists of six Directors, including three executive Directors and three independent non-executive Directors.

Executive Directors

Mr. Lin Shengxiong (林生雄), aged 47, is the chairman and an executive Director of the Company. Mr. Lin is one of the founders of the Group and a substantial shareholder of the Company. Mr. Lin was appointed as a Director on 7 October 2009. He is responsible for all strategic planning, financial and production management of the Group. Mr. Lin has over 24 years of experience in the polymers and plastics industry. He has extensive experience in corporate development and strategic, financial and production management. In September 1992, Mr. Lin was approved as assistant accountant by Sanming City Accounting Career Enhancement Panel* (三明市會計職改領導小組). Prior to serving as the chairman of Fujian Sijia in September 2002, Mr. Lin worked as the costing accountant of Fujian Sanming Plastics Factory* (福建三明塑料廠) from September 1985 to October 1989. During the course of his work, he was required to be familiar with the business and industry including technologies, formulae and production techniques in manufacturing of polymer films. During the material time, Fujian Sanming Plastics Factory was a state-owned entity. He served as head of financial department and assistant to general manager of Fujian Sanming Fuchang Plastics Co., Ltd.* (福建三明福昌塑膠有限公司) from October 1989 to December 1999 responsible for the inventory control and quality control of its polymers and plastics products. Mr. Lin was a director and the general manager of Zhuhai Doumen Plato Plastics Co., Ltd.* (珠海斗門柏拉圖塑膠有限公司) from January 2000 to January 2002 in-charge of production and sales of its polymers and plastics products. Mr. Lin was elected as vice chairman of the 3rd session of the Fujian branch of China Chamber of International Commerce (中國國際商會福建商會) in June 2004. During that year, he also held the post of Committee Member of the 5th session of the Sanming City Sanyuan District Committee* (三明市三元區第五屆委員會) in January. Mr. Lin was elected as a committee member of the 4th session of the Fujian Association of Enterprises with Foreign Investment in November 2007 and a committee member of the 3rd committee of the Fujian Federation of Industry & Commerce in April 2007. He graduated from Sanming Industrial Institute* (三明工業學校) majoring in finance in July 1985. Mr. Lin obtained certificates in finance and accounting and finance from Shanghai Institute of Finance and Commerce Management* (上海市財貿管理幹部學院) and Lixin Accounting Institute* (立信會計高等專科學院) in June 1990 and July 1992 respectively. Mr. Lin further completed certificate course for graduate students in world economics in Graduate Students' College of Xiamen University (廈門大學研究生院) in September 2001.

Mr. Zhang Hongwang (張宏旺), aged 33, is an executive Director of the Company, who is the son-in-law of Mr. Lin's elder brother. Mr. Zhang was appointed as a Director on 7 October 2009. He is responsible for the strategic planning and operations of the Group. Mr. Zhang has over 13 years of experience in the polymers and plastic industry. He has extensive experience in financial management and operation. Since February 2002, Mr. Zhang served as the general manager of Fujian Sijia, responsible for products promotion, formulating and implementing development strategies and operation plans of the Group. Prior to joining the Group, Mr. Zhang served as the accountant and was later promoted as

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accounting manager of Fujian Sanming Yongfeng Plastics Co., Ltd.* (福建三明市永豐塑膠有限公司) from September 1996 to October 2000. Subsequently, Mr. Zhang acted as general manager of Fujian Fang Ya from October 2000 to December 2002 responsible for the production, sales and operation in manufacturing PVC rain coats. Through the above work experience with these companies, Mr. Zhang gained substantial knowledge and experience in technologies, formulae and production techniques in manufacturing of PVC products. He obtained a certificate in finance and accounting (財務與會計) from Fujian Sanming College of Finance* (福建三明財經學校) in July 1996. He has also completed the certificate course for senior business management chief executive seminars in Qinghua University in December 2007 (高級工商管理總裁研修班).

Mr. Huang Wanneng (黃萬能), aged 42, is an executive Director of the Company. Mr. Huang was appointed as a Director on 7 October 2009. He is principally responsible for the research and development of the Group. Mr. Huang is a mechanical engineer and has about 20 years of experience in the polymer and plastic industry. He has extensive experience in on-site management, development of technology and equipments and improvement in production techniques. Mr. Huang served as deputy general manager and chief engineer of Fujian Sijia, mainly responsible for the new equipments, technology and product development, equipment management and technology reform of equipments since September 2002. Prior to joining the group, Mr. Huang worked for Fujian Hongming Plastics Co., Ltd.* (福建省宏明塑膠股份有限公司) where he served various positions, namely, workshop technician, workshop supervisor, equipment engineer and department chief of equipment department from July 1989 to August 2002. During this period, Mr. Huang specialized in management of production automation system used in the manufacturing of polymer and plastics products. He obtained his bachelor's degree in electric engineering from Southeast University in July 1989.

Independent non-executive Directors

Mr. Chan Tsz Fu, Jacky (陳子虎), aged 35, an independent non-executive Director of the Group. Mr. Chan was appointed on 6 January 2010. Mr. Chan has over 15 years of experience in auditing and has established Jacky Chan CPA Ltd. in April 2007. Mr. Chan was a qualified accountant and company secretary of Dahe Media Co., Ltd. (stock code: 8243), a company listed on the Hong Kong Stock Exchange, from 31 July 2005 to 1 September 2006. Prior to that, he served Fujian Zhenyun Plastics Industry Co., Ltd., a company listed on the Singapore Stock Exchange, as chief financial officer during the period from November 2006 to January 2008. Mr. Chan is also an independent non-executive director of Addchance Holdings Limited (stock code: 3344), a company listed on the Hong Kong Stock Exchange, since June 2005. Mr. Chan is a fellow member of the Association of Chartered Certified Accountants, a member of Hong Kong Institute of Certified Public Accountants, a member of the Taxation Institute of Hong Kong and a practicing certified public accountant.

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Mr. Cai Weican (蔡維燦), aged 50, is an independent non-executive Director of the Company. Mr. Cai was appointed a Director on 6 January 2010. Mr. Cai joined Sanming Vocational and Technical College (三明職業技術學院) since June 2005, holding various positions ranging from senior lecturer assistant professor, senior accountant of the Financial and Accounting Department, Second Convenor (presiding over works) of the Department of Economics and Management, party sub-committee secretary of the Department of Humanity, Economics and Management. Mr. Cai is currently the deputy supervisor and party sub-committee secretary of the Department of Economics and Management at Sanming Vocational and Technical College (三明職業技術學院). Prior to that, Mr. Cai served as an assistant professor, lecturer and research supervisor of Financial and Accounting Department at the Sanming Municipal Supply and Marketing Institute* (三明供銷學校) for the period from August 1981 to April 1994. Subsequently, Mr. Cai served as a lecturer, senior lecturer and research supervisor of Financial and Accounting Department at Sanming College of Finance* (三明財經學校) and was a member of the Community Party disciplinary sub-committee at the Sanming Finance Institute* (三明財經學校) for the period from May 1994 to May 2005. He obtained a bachelor's degree in Hunan University specializing in accounting in 2004.

Mr. Choi Tze Kit, Sammy (蔡子傑), aged 47, an independent non-executive Director of the Group. Mr. Choi was appointed a Director on 6 January 2010. Mr. Choi graduated from the Hong Kong Shue Yan College (presently known as Hong Kong Shue Yan University). He is an associate member of the Institute of Chartered Accountants in England and Wales, a fellow member of the Chartered Association Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Mr. Choi is also a council member of the Society of Chinese Accountants & Auditors. He was an independent non-executive director of Yun Sky Chemical (International) Holdings Limited (formerly known as Swank International Manufacturing Company Limited), from July 2005 to September 2008, the issued shares of which are listed in Hong Kong Stock Exchange (Stock Code: 663). He has over 20 years of experience in finance and auditing. Mr. Choi is also currently an independent non-executive director of Fufeng Group Limited, a company listed on the Hong Kong Stock Exchange (stock code: 546).

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

Save as disclosed in this prospectus, none of the Directors is interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

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SENIOR MANAGEMENT

Mr. Chan Wing Hang (陳永恒), FCCA, CPA, aged 32, is the chief financial officer and company secretary of the Company and is responsible for the overall financial control, company secretarial and compliance functions of the Company. He is a fellow of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Company, Mr. Chan was the financial controller, qualified accountant and company secretary of China National Materials Company Limited (中國中材股份有限公司) (stock code: 1893), the shares of which are listed on the main board of Hong Kong Stock Exchange. He has also served as the assistant financial controller, qualified accountant and company secretary of Western Mining Company Limited (西部礦業股份有限公司) (stock code: 601168), the shares of which are listed on the Shanghai Stock Exchange. Prior to that, Mr. Chan was also the qualified accountant and company secretary of Shinhint Acoustic Link Holdings Limited (成謙聲匯控股有限公司) (stock code: 2728), the shares of which are listed on the main board of Hong Kong Stock Exchange. Mr. Chan has more than 10 years of experience in accounting, finance, compliance, company secretarial and initial public offerings. He graduated from City University of Hong Kong (香港城市大學) in November 1999 with a degree of Bachelor of Business Administration (Honours) in Accountancy.

Mr. Lai Derong (賴德榮), aged 37, is the deputy general manager and the production plant manager of the Group and is primarily responsible for overseeing the production management of the Group. Mr. Lai joined us in June 2008. Prior to joining the Group, he worked for Intex Group from July 1994 to July 2005 and served various positions as technician, team leader and division head of production and management department. From August 2005 to May 2008, he served as manager of Polytree Group, mainly responsible for the technology, production and management of the factory. Mr. Lai obtained a diploma in marketing from Fujian Institute of Economics and Management* (福建經濟管理干部學院) in July 1994.

Mr. Huang Daohuo (黃道火), aged 37, is the division head of sales support of the Group, primarily responsible for overseeing the after-sale technical support service of the Group. Before joining the Group in July 2003, Mr. Huang served as chief operator (主操) and supervisor (領班) of Fujian Sanming Fuchang Plastics Co., Ltd.* (福建三明福昌塑膠有限公司) from March 1992 to July 2000, and as supervisor (領班) of Fuzhou Fuhua Plastics Co., Ltd.* (福建福華塑膠有限公司) from August 2000 to March 2003. Mr. Huang graduated from high school in July 1991.

Mr. Jiang Shisheng (蔣石生), aged 40, is the division head of technology of the Group, primarily responsible for technological development of the Group. Mr. Jiang was approved as an engineer by Fujian Provincial Bureau of Personnel in December 1998. Prior to joining the Group in August 2006, Mr. Jiang served various positions as crafts technician, supervisor of technological development department and supervisor of technical center of Fujian Hongming Plastics Co., Ltd* (福建宏明塑膠股份有限公司) from July 1992 to August 2003, crafts engineer of Sanming Mingxin Plastics Co., Ltd* (三明明鑫塑膠有限公司) from August 1993 to July 1999, and supervisor of technical department of

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Zhejiang Longyue Technology Co., Ltd. (浙江龍躍科技有限公司) from August 2003 to April 2006. Mr. Jiang obtained a bachelors degree in rubber and plastics engineering from Tianjin University of Light Industry* (天津輕工業學院).

Mr. Wu Yonggui (伍永貴), aged 30, is the division head of finance of the Group, mainly responsible for accounting and audit of the Group. Mr. Wu is also an accountant and assistant economist. Before joining the Group in January 2006, Mr. Wu held various posts with Xiamen Huier-Kang Food Co., Ltd.* (廈門惠爾康食品有限公司), namely, costs analyst, production planning officer and costs accountant for the period from July 2003 to December 2004. From January 2005 to December 2005, he worked as sales accountant for Fujian Huier-Kang Dairy Co., Ltd.* (福建惠爾康乳業有限公司) Mr. Wu graduated from Jimei University majoring financial management (with human resource management).

Ms. Luo Xiaoyan (羅小炎), aged 24, is the division head of the procurement department of the Group and is primarily responsible for the procurement and quality control of the procured materials. Ms. Luo joined Fujian Sijia in August 2005 and worked as inspector in the production department. Since February 2006, she served various positions in the procurement department from merchandiser to assistant to the division head. Ms. Luo graduated from Liming Vocational University (黎明職業大學) majoring in marketing in July 2005.

Ms. Zou Xiaoyan (鄒小艷), aged 26, is the division head of the international trade department of the Group and is primarily responsible for the international sales and marketing, market expansion and establishment of sales network of the Group's products. Ms. Zou joined Fujian Sijia in June 2006 as international trade salesperson and was promoted as the division head of the international trade department in March 2009. She graduated from Zhangzhou Normal University majoring in English language in 2006.

Mr. Liu Jun (劉俊), aged 29, is the assistant to general manager and the division head of the marketing department of the Group, mainly responsible for marketing and formulating future product structure of the Group. Mr. Liu joined Fujian Sijia in May 2003. He served as merchandiser from 2003 to 2005 and as assistant to the division head of the marketing department in July 2005 and was later promoted to the division head of the marketing department in October 2006. Prior to joining us, Mr. Liu worked in the quality control department and production and management department of Quanzhou Rada Light Industry Co., Ltd. (泉州立大輕工有限公司). He obtained a certificate in Chinese language from Yunyang Teachers' College (鄭陽師範高等專科學校) in July 2001.

COMPANY SECRETARY

Mr. Chan Wing Hang (陳永恒), for further details, please see the sub-section headed "Senior Management" above.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong and in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Given that the Group's principal business operations are located, managed and conducted in the PRC, most of the Group's senior management reside in the PRC and currently, none of its executive Directors ordinarily resides in Hong Kong. The Group does not and, for the foreseeable future, will not have sufficient management presence in Hong Kong. Accordingly, the Group has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted the Group, a waiver from strict compliance with the requirements of Rule 8.12 of the Listing Rules. For details, please see the paragraph headed "Management presence in Hong Kong" under the section headed "Waiver from Strict Compliance with Listing Rules and Exemption from the Companies Ordinance" in this prospectus.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The Group reimburses its Directors for expenses which are necessarily and reasonably incurred for providing services to the Group's executing their functions in relation to the Group's operations. The Group's executive Directors are also the Group's employees and receive, in their capacity as the Group's employees, compensation in the form of salaries and other allowances and benefits in kind. During each of the three financial years ended 31 December 2007, 2008 and 2009, the aggregate amount of salaries and other allowances and benefits in kind paid to the Directors was about RMB184,000, RMB260,000 and RMB364,000, respectively.

During the Track Record Period, the remuneration of the Directors was determined with reference to their respective experience, responsibilities with the Group and general market conditions. Any discretionary bonus (if any) is linked to the performance of the Group and of individual Director. The Company intends to continue its remuneration policy after Listing, subject to the review by and the recommendation of, the remuneration of the Company.

Under the arrangements currently in force, the aggregate remuneration, excluding discretionary bonuses, payable to the Directors for the year ending 31 December 2010 is estimated to be about HK\$1,848,000.

None of the Group's five highest paid individuals has been paid any sum of money for each of the three years ended 31 December 2009 as (i) an inducement to join or upon joining the Company; or (ii) for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

Further information on the remuneration of each Director during the Track Record Period as well as information on the highest paid individuals is set out in note 9 to the consolidated financial statement included in the accountants' report as set out in Appendix I to this prospectus.

SHARE OPTION SCHEME

The Company has conditionally adopted the Share Option Scheme, the purpose of which is to provide incentives to the relevant participants to contribute to the Company and to enable the Company to recruit high-calibre employees and attract human resources that are valuable to the Group. The principal terms of such scheme are summarized in the paragraph headed “Share Option Scheme” in Appendix V to this prospectus.

BOARD COMMITTEES

Audit committee

The Company has established an audit committee on 15 January 2010 which has adopted written terms of reference in compliance with the Code on Corporate Governance Practice set out in Appendix 14 of the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group.

The audit committee has three members comprising three independent non-executive Directors, namely, Mr. Chan Tsz Fu, Jacky, Mr. Cai Weican and Mr. Choi Tze Kit, Sammy. Mr. Chan Tsz Fu, Jacky is the chairman of the Group’s audit committee.

Remuneration committee

The Company has established a remuneration committee on 15 January 2010 in compliance with the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules. The primary duties of the remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management of the Group.

The remuneration committee comprises three independent non-executive Directors, namely, Mr. Chan Tsz Fu, Jacky, Mr. Cai Weican, and Mr. Choi Tze Kit, Sammy. Mr. Choi Tze Kit, Sammy is the chairman of the remuneration committee.

Nomination committee

The Company established a nomination committee on 15 January 2010 in compliance with the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules. The nomination committee will make recommendations to the Board on the appointment of executive Directors and senior management and review the structure, size and composition of the Board on a regular basis.

The nomination committee comprises three independent non-executive Directors, namely, Mr. Chan Tsz Fu, Jacky, Mr. Cai Weican, and Mr. Choi Tze Kit, Sammy. Mr. Cai Weican is the chairman of the Group’s nomination committee.

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CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. To accomplish this, the Company intends to comply with the code provisions set out in the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules after the Listing.

EMPLOYEES

As at the Latest Practicable Date, the Group had a total of 555 full-time employees, details of which are set out below:

	No. of employees
Management	3
Finance	26
Human Resources	36
Production	381
Sales	69
Procurement	9
Research and Development	31
Total	555

THE GROUP'S RELATIONSHIP WITH EMPLOYEES

The Group recognizes the importance of good relationships with employees. The Group believes that it has good working relationships with its employees and has not experienced any material disruption of its normal business operations due to strikes or labour disputes, nor has it experienced any difficulties in recruitment and retention of experienced staff.

WELFARE CONTRIBUTIONS

The Group contributes to various social insurance plans namely, pension contribution plans, unemployment insurance plans, medical insurance plans, work-related injury insurance plans and maternity insurance plans and housing funds for its employees in the PRC.

The total amount of contributions the Group made for the various social insurance and housing funds under such social insurance plans for each of the three financial years ended 31 December 2007, 2008 and 2009, amounted to about RMB2.3 million, RMB993,000 and RMB1.2 million, respectively. The total amount of contribution the Group made for pension program for each of the financial years ended 31 December 2007, 2008 and 2009 amount to about RMB1.4 million, RMB557,000 and RMB559,000 respectively. The Group confirms, and has obtained written confirmations from the relevant authorities, that it has complied in all material respects the social insurance and housing funds obligations of the Group.

COMPLIANCE ADVISOR

The Company has appointed Piper Jaffray Asia as its compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will advise the Company on the following matters:

- (i) the publication of any regulatory announcement, circular or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (iii) where the Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- (iv) where the Hong Kong Stock Exchange makes an enquiry of the Company regarding unusual movements in the price or trading volume of the Shares.

The term of the appointment will commence on the Listing Date and end on the date on which the Company distributes its annual report in respect of its financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.