

DIRECTORS, SENIOR MANAGEMENT AND STAFF

DIRECTORS

Executive Directors

Mr. YEUNG Kui Wong, aged 48, is the founder, chairman and managing Director of the Group. Mr. Yeung has over 15 years of experience in the industry of household electrical appliances and is responsible for the management of the Group's overall business, including product development, engineering and distribution. Mr. Yeung is also responsible for supervising the operations of the Group's business and maintaining the relationships with the major customers of the Group. Mr. Yeung was awarded as an honorary citizen of Dongguan City (東莞市榮譽市民) on 28th December, 2001.

Mr. HUNG Kwok Wa, aged 34, is the executive Director. Mr. Hung joined the Group in January 2002 and was appointed as Director on 18th April, 2002. He is responsible for financial planning and related financial activities of the Group. Prior to joining the Group, Mr. Hung has worked for several commercial banks in Hong Kong since 1994 to 1998 including Sanwa Bank, Credit Commercial De France and The Industrial Bank of Japan as well as KPMG Peat Marwick, an international certified public accountants firm and has over 8 years of extensive experience in financial related industry. Mr. Hung graduated from the University of Hong Kong with a bachelor's degree in social sciences in 1993 and has been an associate member of the Association of Chartered Certified Accountants since 1997. On 4th December, 2000, Mr. Hung was appointed as an executive director of Linefan Technology Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange whose principal activities are engaged in the sales, development and implementation of enterprise software applications.

Mr. LAI Wing Chuen, aged 50, is the marketing Director of the Group. Mr. Lai has over 20 years of working experience in the industry of household electrical appliances. Before joining the Group, Mr. Lai worked for a trading company for over 3 years as a manager responsible for sales, marketing, shipping and banking etc. and he has been working for the Group as a marketing director of Housely for over 8 years. Mr. Lai was appointed as Director on 18th April, 2002 and is responsible for the sales and marketing department of the Group. Prior to his appointment as an executive Director, he was responsible for the sales and marketing activities of the Group. He holds a bachelor's degree in commercial management from Wah Kiu College of the Republic of China in 1981. He joined the Group in 1994.

Particulars of service agreements

- (a) Each of the executive Directors has entered into a service agreement with the Company, the particulars of which are set out below:
 - (i) each service agreement is of three years' duration commencing from 1st May, 2002, and will continue thereafter for successive terms of one year until terminated by either party giving to the other not less than three months' advance written notice of termination;
 - (ii) the annual salary for each of Mr. Yeung, Mr. Hung and Mr. Lai Wing Chuen is HK\$1,950,000, HK\$1,560,000 and HK\$600,600 respectively. For the period from 30th April, 2004, such salary will be reviewed annually by the Board; and

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- (iii) each of these executive Directors is entitled to such management bonus by reference to the audited consolidated net profits of the Group after taxation and minority interests but before extraordinary items (“Net Profits”) as the Board may approve provided that the aggregate amount of management bonuses payable to all executive Directors in respect of any financial year of the Group shall not exceed 10% of the Net Profits for the relevant financial year.
- (b) Each executive Director shall abstain from voting and not be counted in the quorum in respect of any resolution of the Board regarding the amount of annual salary and management bonus payable to himself.
- (c) Save as disclosed herein, none of the Directors has entered into any service agreements with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

Directors’ remuneration

- (a) An aggregate of approximately HK\$473,000 was paid to the Directors as remuneration for the year ended 30th April, 2002. Further information in respect of the Directors’ remuneration is set out in Appendix I to this prospectus.
- (b) An aggregate sum of approximately HK\$4,110,600 would be paid to the Directors as remuneration by the Group in respect of the year ending 30th April, 2003 pursuant to the present arrangement excluding management bonus.

Independent non-executive Directors

Mr. LUO, Ben Jin, aged 38, graduated in 湖南商業專科學校 in 1987 and is now the managing director of the accountancy firm, Moore Stephens International, in Shenzhen, the PRC, which he has joined since early 1990’s. Mr. Luo was appointed as an independent non-executive Director on 23rd April, 2002. He has obtained the certificate for certified public auditors of the PRC, the qualification certificate of asset valuer of the PRC, the qualification certificate of specialty and technology in accounting of the PRC, qualification certificate of specialty and technology in auditing of the PRC. Mr. Luo is also the registered tax agent of the PRC. Mr. Luo also has 15 years experience in accounting and auditing on enterprise and at institution level. He is now the committee member of Shenzhen Certified Public Accountant Association (深圳市註冊會計協會) and Shenzhen Enterprise Management Association (深圳市企業管理協會)

Mr. LAU Tai Chim, aged 51, is a solicitor practising law in Hong Kong in the firm T. C. Lau & Co.. He holds a bachelor degree in laws from the University of Buckingham in England in 1981. Apart from practising as a solicitor in Hong Kong, Mr. Lau is also a solicitor in England and Wales and the Republic of Singapore, who has cultivated over 18 years of law practising experience. Further, Mr. Lau is also a notary public and an attesting officer appointed by Ministry of Justice in Beijing, PRC. Mr. Lau was appointed as an independent non-executive Director on 26th April, 2002.

The Company has not and will not enter into any service agreement with the independent non-executive Directors.

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AUDIT COMMITTEE

The Company has established an audit committee on 26th November, 2002 with written terms of reference in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group.

The audit committee has 2 members, namely Mr. Luo Ben Jin and Mr. Lau Tai Chim, both being independent non-executive Directors. Mr. Lau Tai Chim was appointed as the chairman of the audit committee.

COMPANY SECRETARY

Mr. LO Hang Fong, aged 39, a solicitor practising in Hong Kong and currently a partner of Stevenson, Wong & Co., Solicitors and Notaries, was appointed as the company secretary of the Company in November 2002. He was awarded the degree of laws in the University of Bristol in England in 1986 and obtained a diploma in Chinese laws from the China Law Society in 1991. Mr. Lo has over 12 years of experience in corporate advisory on mergers and acquisitions, initial public offerings and loan syndication. Mr. Lo is not a full-time employee of the Company.

SENIOR MANAGEMENT

Mr. LAM Wah Ping Sigmund Lester, aged 55, is the sales manager of the Group responsible for sales and marketing activities of the Group. He has over 16 years of experience in sales operation management. Mr. Lam joined the Group in 2000.

Mr. KONG Kwok Pun Anthony, aged 39, is the financial controller of the Group supervising all the finance and accounting matters of the Group. He graduated from City Polytechnic of Hong Kong with a Higher Diploma of Accountancy and Napier University with a bachelor of arts in accounting. He also holds a diploma of investment analysis and portfolio management from the Hong Kong Security Institute. He is the associate member of the Hong Kong Security Institute. Mr. Kong has over 12 years of experience in corporate finance, accounting and auditing both in Hong Kong and Greater China. Prior to his present engagement, Mr. Kong worked as the finance and accounting manager with a listed company. He joined the Group in June 2001.

Mr. CHENG Wing Cheong, aged 37, is the accountant of the Group responsible for its financial and accounting management in Hong Kong. He has over 15 years of experience in accounting and joined the Group in 1993.

Mr. YUEN Man Yiu, aged 36, is the technical manager of the Group responsible for product engineering, quality control and compliance with international safety standards. He holds a higher diploma in applied science from the Hong Kong Polytechnic University. He joined the Group in 1995.

Mr. YU Hung Wong, aged 48, is the factory manager responsible for production operation management of the Group's factory in Dongguan, Guangdong Province, the PRC. He has over 24 years of management experience in household electrical appliances production and technical and quality control. Mr. Yu is familiar with ISO 9002 quality assurance system and joined the Group in 1993.

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Mr. YANG Bing Car, aged 49, is responsible for the general management of the Group's factory in Dongguan, Guangdong Province, the PRC, and liaising with various local government authorities in the PRC. Mr. Yang has over 20 years of operational and management experience in the industry of the household electrical appliances in the PRC. He joined the Group in 1989. Mr. Yang is the brother of Mr. Yeung.

Mr. YANG Bing Qiu, aged 34, is the administration manager of the Group's factory in Dongguan, Guangdong Province, the PRC. He is responsible for the administration and management of the factory and has over 8 years of experience in management. He joined the Group in 1994. Mr. Yang is the brother of Mr. Yeung.

Mr. ZHANG Zhang Zhou, aged 36, is the PRC accounting manager of the Group. He is responsible for the Group's accounts management in the PRC. He holds a bachelor's degree in economics from the Wu Han University in the PRC. He has over 14 years of experience in accounting and finance. He joined the Group in 1996.

STAFF

Overview of number of staff

As at the Latest Practicable Date, the Group employed 1,385 full time employees in the PRC and in Hong Kong. A breakdown of its workforce by function is as follows:

	The PRC	Hong Kong	Total
Accounting and finance	12	2	14
General and administration	71	1	72
Engineering	115	3	118
Research and development	52	0	52
Management	2	2	4
Sales and marketing	0	4	4
Production	1,035	0	1,035
Purchasing	10	0	10
Quality control	25	0	25
Transportation and shipping	46	5	51
	1,368	17	1,385
Total	1,368	17	1,385

Relationship with staff

The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

The Directors have confirmed that the Group has complied with all the relevant laws, regulations and requirements in relation to child protection, fair labour standards, working conditions and code of conduct for its employees or workers under the respective regions in which the Group carries out its business, and in the contracts with its customers.

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Benefit scheme

The Group has implemented a provident fund scheme for its permanent staff in Hong Kong in compliance with the requirements of the Mandatory Provident Fund (Chapter 485 of Laws of Hong Kong) in Hong Kong since 10th August, 2000 where the Group has to contribute 5% of the executive Directors' and Hong Kong employees' salaries (up to a maximum of HK\$1,000) on a monthly basis to the provident fund. In addition, the Group is required to participate in the state-sponsored retirement plans for its employees in the PRC, pursuant to which the Group has to contribute 11% of the average monthly salary of the employees in the PRC as fixed by the local people's government to the retirement plans. The Group has also provided a social insurance scheme in the PRC where the Group has to contribute 1.5% of the average monthly salary of the employees in the PRC as fixed by the local people's government to the insurance scheme.

SHARE OPTION SCHEME

The Company has conditionally adopted the Share Option Scheme whereby full-time or part-time employees of the Group, including any executive, non-executive and independent non-executive Directors, advisors and consultants of the Group, may be granted options to acquire Shares. The principal terms of the Share Option Scheme are set out in the section headed "Share Option Scheme" in Appendix IV to this prospectus.