

DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

DIRECTORS

Our Board is responsible and has general powers for the management and conduct of our business. The following table sets forth information regarding members of the Board:

Name	Age	Position
Dr. Jack Lau	42	Chairman, Chief Executive Officer and Executive Director
Prof. Tsui Chi Ying	49	Executive Director
Mr. Chui, Shing Yip Jeff	51	Executive Director
Prof. Cheng, Roger Shu Kwan	44	non-executive Director
Prof. Chu Ching Wu, Paul	69	independent non-executive Director
Dr. Lam Lee Kiu-yue, Alice Piera	69	independent non-executive Director
Mr. Shu Wa Tung, Laurence	37	independent non-executive Director
Dr. Wu Po Him, Philip	63	independent non-executive Director

Executive Directors

Dr. Jack Lau, aged 42, is one of the founders of our Group. He is the Chairman and Chief Executive Officer of our Company. He was appointed as an Executive Director on 11 September 2009. In addition, he is currently an Adjunct Associate Professor at the HKUST. He received his Bachelor's and Master's degrees from the University of California, Berkeley in Electrical Engineering and Computer Sciences. He obtained his Ph.D. degree from HKUST in Electrical and Electronic Engineering and became the first Doctoral graduate of HKUST. Dr. Lau filed his first patent in the US at the age of 24. After obtaining his Ph.D., Dr. Lau pursued his research interest at Stanford University from 1995 to 1996 and returned to HKUST in 1996. He was subsequently granted tenure and was promoted to Associate Professor. Dr. Lau had previously worked at a number of technology firms in the Silicon Valley. Dr. Lau currently holds more than 10 registered patents. Furthermore, Dr. Lau has published at various leading IEEE journals and conferences. Dr. Lau has received numerous awards. In 2000, Dr. Lau was awarded 十大傑出青年 (Top Ten Outstanding Young Person) by Hong Kong Junior Chamber. In 2005, he was awarded the 香港青年工業家獎 (Young Industrialist Award of Hong Kong) by the Hong Kong Young Industrialists Council. In 2009, Dr. Lau was awarded 世界傑出青年華商 (World Outstanding Young Chinese Entrepreneur) by the World Federation of Chinese Entrepreneurs Organization, and Ernst & Young Entrepreneur Of The Year China by Ernst & Young.

Prof. Tsui Chi Ying, aged 49, was one of the founders of our Group and was appointed as an Executive Director on 18 September 2009. He received his Bachelor's degree in Electrical Engineering from the University of Hong Kong in 1982 and Doctorate degree in Computer Engineering from the University of Southern California in 1994. He joined the Department of Electrical and Electronic Engineering, HKUST in 1994 and is currently an Associate Professor in the department. Prof. Tsui has received various awards including Best Paper awards from IEEE Transactions on VLSI Systems, IEEE International

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Symposium on Circuits and Systems and IEEE International Symposium on Low Power Electronics and Design. He has served on the editor board of Integration, the International VLSI Journal. He has also served on the technical program committees of many international conferences and symposiums, including Design Automation Conference, International Symposium on Low Power Electronics and Design, Asia and South Pacific Design Automation Conference and the IEEE, VLSI Symposium. He is the holder of 6 registered patents in the US.

Mr. Chui, Shing Yip Jeff, aged 51, joined our Group in July 2007 as the Director of Corporate Planning, and was appointed as an Executive Director of PD (BVI) in August 2007. He was appointed as an Executive Director of our Company on 18 September 2009. Prior to joining our Group, Mr. Chui worked at IBM from 1982 to 2007, in multiple disciplinary areas including software development, service delivery, sales and marketing in information technology industry. Mr. Chui was IBM's Linux Business Leader for Hong Kong and Asia Pacific before he joined our Group. Leveraging on his rich management experience from IBM, Mr. Chui has taken the lead in transforming our Company into a structured enterprise class company, with efficient and standardized processes. Under his leadership, our Company obtained the ISO 9001/14001 certification in 2008. Mr. Chui obtained his Bachelor's degree in Science from the University of Toronto in 1979.

Non-executive Director

Prof. Cheng, Roger Shu Kwan, aged 44, is one of the founders of our Group. He was appointed as a non-executive Director of our Company on 18 September 2009. Prof. Cheng is currently a Professor in the Department of Electronic and Computer Engineering of HKUST. He was an Assistant Professor in the Electrical and Computer Engineering Department of University of Colorado at Boulder from 1991 to 1995, before he joined HKUST in June 1995. Prof. Cheng received his Bachelor's degree in Science from Drexel University, Philadelphia, Pennsylvania, in 1987, and his Ph.D. degree from Princeton University, Princeton, New Jersey, in 1991, both in Electrical Engineering. Prof. Cheng is currently an Editor for the IEEE Transactions and Wireless Communications and had served as Associate Editor for the IEEE Transactions on Communications, Guest Editor of the special issue on Multimedia Network Radios in the IEEE Journal on selected areas in Communications, Associate Editor of the IEEE Transaction on Signal Processing, and the membership chair for the IEEE Information Theory Society. Prof. Cheng also held visiting positions and had also served as a consultant for industrial projects sponsored by various communication system and IC companies in Hong Kong, US and China. His current research interests are in wireless communications and networks including multi-user cooperative communications, MIMO, OFDM, resource allocations, digital implementation of communication systems, information theory, and coding.

Independent non-executive Directors

Prof. Chu Ching Wu, Paul, aged 69, was appointed as an independent non-executive Director of our Company on 18 September 2009. Professor Chu was the President of the HKUST from July 2001 to August 2009. He is also the Executive Director of Texas Center for Superconductivity and the T. L. L. Temple Chair of Science at the University of Houston. In 2007, he was appointed as a Member of the US President's Committee on the National Medal of Science, responsible for the selection of recipients for this top scientific honor in the US. Professor Chu had conducted industrial research at Bell Laboratories at Murray Hill, New Jersey before he held academic positions at Cleveland State University and the University of Houston. In 1990, he was selected as the Best Researcher in the US by the US News and World Report. He received his Bachelor of Science degree from Cheng-Kung University in Taiwan in 1962, a Master of Science degree from Fordham University, New York in 1965, and a Ph.D. degree from the University of California, San Diego in 1968.

Dr. Lam Lee Kiu-yue, Alice Piera, aged 69, was appointed as an independent non-executive Director of our Company on 18 September 2009. Dr. Lam has over 18 years of experience in banking and finance. Dr. Lam joined Hang Seng Bank Limited in 1978 and was appointed as a Director in 1989. She was the Director and General Manager of Hang Seng Bank Limited from 1990 to 1993, and was appointed as the Deputy Chief Executive in October 1993. From April 1994 to March 1996, Dr. Lam was the Managing Director and Deputy Chief Executive of Hang Seng Bank Limited (stock code: 00011). From 1999 to 2007, Dr. Lam worked as the Chairman of the University Grants Committee. She was an independent non-executive Director of iMerchants Limited (stock code: 08009) from March 2000 to July 2005 and the Vice-Chairman of the Chinese University of Hong Kong from 1997 to 1998. She graduated from the University of Hong Kong in 1963 with a Bachelor of Arts degree. She attended the Solicitors' Professional Course and attained a Solicitors' Practising Certificate in 1978. In 1992, Dr. Lam was awarded an honorary Doctor of Laws degree by the Chinese University of Hong Kong. In 2003, Dr. Lam was honoured awarded the Gold Bauhinia Star by the Hong Kong government in recognition of her service to the Hong Kong community.

Mr. Shu Wa Tung, Laurence, aged 37, was appointed as an independent non-executive Director of our Company on 18 September 2009. Mr. Shu is currently an independent non-executive Director and serves on the audit committee of Greater China Holdings Limited (Stock Code: 00431). Mr. Shu graduated from Deakin University in Australia with a Bachelor Degree in Business majoring in Accounting in September 1994. Mr. Shu is a Certified Public Accountant of the HKICPA and a Certified Practising Accountant of CPA Australia. He has over 13 years of experience in audit, corporate finance and corporate advisory services. Mr. Shu worked in Deloitte Touche Tohmatsu since March 1994, and was a Manager of the Reorganisation Services Group when he left Deloitte Touche Tohmatsu in October 2000. Mr. Shu was subsequently employed by ICEA Capital Limited as a Manager in the Equity Capital Market of the Corporate Finance Division from November 2000 to 4 June 2001, responsible for the daily management of listing application projects and advising on merger and acquisition cases. He then worked in Deloitte & Touche Corporate Finance Limited (a service company of Deloitte Touche Tohmatsu) as a Manager from July 2001 to November 2002. From November 2002 to April

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2005, Mr. Shu held the position of Associate Director in Goldbond Capital (Asia) Limited. He served as the Chief Financial Officer and the Company Secretary of Texhong Textile Group Limited (Stock Code: 02678) for the period from May 2005 to July 2008 overseeing the company's financial management function.

Dr. Wu Po Him, Philip, aged 63, was appointed as an independent non-executive Director of our Company on 18 September 2009. He is currently a non-executive Director of Wing Lung Bank Ltd. He joined Wing Lung Bank Ltd. in 1975. He served as an Executive Director of Wing Lung Bank Ltd. since 1982 and as the Chief Executive of Wing Lung Bank Ltd. since 2005 until his retirement in 2008. During his tenure as an Executive Director of Wing Lung Bank Ltd., he was also director of all major subsidiaries of Wing Lung Bank Ltd. and some joint venture companies in which Wing Lung Bank Ltd. co-invested with other banks, including but not limited to, Joint Electronic Teller Services Limited, Bank Consortium Holding Limited, BC Reinsurance Limited and Hong Kong Life Insurance Limited. Currently he is a director of Wu Jieh Yee Company Limited and the Hong Kong Academy For Gifted Education Limited. He was the Chairman of the Committee on Museums from November 2004 to January 2007 and is currently an Adjunct Professor in the Faculty of Business Administration of The Chinese University of Hong Kong. Dr. Wu graduated from The University of Hong Kong with a Bachelor of Arts degree in November 1968. He obtained his Master of Business Administration degree in September 1970 from the California State University and his Doctor of Philosophy degree in economics in December 1974 from the University of Oklahoma. In December 1999, Dr. Wu was conferred an honorary degree of Doctor of Business Administration by The Open University of Hong Kong in recognition of his contribution to adult education and finance. In 2005, Dr. Wu was awarded the Bronze Bauhinia Star by the Hong Kong government in recognition of his service to the Hong Kong community.

Our independent non-executive Directors provide advice to us on compliance, corporate governance, development and business strategies.

Save as disclosed above, there are no other matters concerning all our Directors' appointment that need to be brought to the attention of our Shareholders and the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

SENIOR MANAGEMENT

Mr. Cheng Lap Hing, Martin, aged 41, our Assistant Director of project management, joined our Group in September 2001 as a Product Engineering Manager. He was promoted to his current position in February 2009. Prior to joining our Group, Mr. Cheng was an Engineering Design Manager from March 1999 to September 2001 at Vtech Communications Limited, responsible for production support, customer support and new product development. Prior to that, he was a Manager of R&D, responsible for setting up a research and development department in the PRC, from April 1997 to March 1999 at Surface Mount Technology International Limited, where he started his career in April 1991. Mr. Cheng graduated from the Hong Kong Polytechnic University in November 1991 with a Higher Diploma in Electronic Engineering, from the University of London in 1999 with a Bachelor of Science (Hons) degree in Computing and Information System, and from the Open University of Hong Kong in 2008 with a Bachelor of Science (Hons) degree in Electronics.

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Mr. Choi Koon Yin, Felix, aged 34, is our Assistant Director (Research and Development). Mr. Choi joined our Group in August 1999 as an engineer and he is one of the founding staff. He was responsible for software research and development. The software products include embedded device, desktop program and internal web-based system. During the past 10 years, he was the Software Architect on various projects, including some of our largest customers. He also directed the product failure analysis and worked with the team on continuous improvements. His effort was recognized and promoted to Assistant Director (Research and Development) in 2008. Mr. Choi graduated from HKUST with a Bachelor's degree in Computer Engineering in 1997. He continued his studies upon graduation in Electrical and Electronic Engineering at HKUST, and obtained his Master of Philosophy degree in 2000.

Mr. Ho Sai Hung, Francis, aged 45, is our Industrial Design Manager. Mr. Ho graduated from the Hong Kong Polytechnic University in 1989 with a Bachelor of Arts degree in Industrial Design. Mr. Ho has worked for Wah Ming Optical Manufacturing Limited as a designer from November 1989 to October 1990, and for Team Concepts Electronics Limited between April 1991 and June 1992 and was responsible for concept creation and product design. Mr. Ho served as a Free Lance Industrial Designer in Jetton Industrial Limited from June 1992 to April 1993, and had worked for Group Sense Limited during the period between May 1993 to October 1995, and from April 1996 to May 1998 was responsible for idea generation, product design and design project development. Before joining our Group in October 2004, Mr. Ho was the Design Manager of Ewig Industries Co., Ltd between May 1999 and November 1999. Mr. Ho then joined Artek Electrical Appliances Company Limited as a Product Designer from May 2001 to March 2002. Mr. Ho has over 15 years' experience of concept creation, product design and design management in consumer electronics industry.

Mr. Kow Ping, aged 40, is our Vice President of Strategic Accounts. After graduating with a Bachelor of Applied Science degree in Computer Technology from Nanyang Technological University (Singapore) in 1993, he has worked in various companies on both sides of the Pacific. Prior to joining our Group in July 2006 as the Vice President of Strategic Accounts, Mr. Kow was the Country Manager of Cornice Inc. supporting Cornice Inc.'s customers in China, Hong Kong and South East Asia who build consumer electronic devices with embedded hard disk drives. Before that, in March 2000, he had co-founded WebPro Limited in Hong Kong with venture funds managed by Walden Investments. Mr. Kow had earlier worked in the US for various companies such as VIA-Cyrix Corporation (which later became part of National Semiconductor Corporation) from June 1997 to January 2000, where he was the Marketing Manager responsible for the world wide marketing for x86 processors and also at the Texas Instruments Taiwan Limited from June 1993 to June 1997, where he handled strategic marketing responsible for the marketing of products such as x86 processors and wireless communications products. Given his accomplishments and work ethics, Mr. Kow was seconded to the US organization of Texas Instruments as an expatriate, managing a variety of major business and marketing program involving the sales and marketing of 486 CPU microprocessors to the Asia market place from May 1996 to June 1997.

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Mr. Lai Sai Kit, Dennis, aged 34, is our Assistant Director of project development division. Mr. Lai graduated from the HKUST with a Bachelor's degree in Electronic Engineering in 1997, and obtained his Master of Philosophy degree in Electrical and Electronic Engineering from HKUST in 1999. Mr. Lai had worked as our Specialist of Digital Signal Processing Engineering from October 1999 to March 2003. From April 2003 to June 2004, Mr. Lai had worked as a project leader for a listed company in Japan, TEAC Audio Co. Ltd. Mr. Lai rejoined our Group as our Design Service Manager in December 2004. Mr. Lai has over 10 years of experience in technical development, technical management and project management. Mr. Lai has assisted in the development of the US patents "Method of automatically selecting multimedia files for transfer between two storage mediums," and "Digital multimedia jukebox". Mr. Lai was awarded a Chapter Award in an IEEE conference of wireless technology, VTC2000-Spring.

Mr. Lam Fui Yee, aged 56, is our Financial Controller. He joined our Group in December 2007 as our Financial Controller. Before joining our Group, he was the Chief Financial Officer (China) of Grande Group (Hong Kong) Limited (Stock code: 00186). Mr. Lam had worked in several multinational companies such as Motorola Semiconductors Hong Kong Limited, PepsiCo Inc., Linx Asia Limited and Amoco Chemical Asia Pacific Limited in accounting and finance positions for over 15 years. Mr. Lam has over 25 years' experience in corporate accounting and financial management. Mr. Lam graduated from the Chinese University of Hong Kong in 1980 with a Bachelor of Business Administration degree and from the HKUST with a Master of Business Administration degree in November 1996. He has been an associate member of the HKICPA since April 1996, and a fellow member of the Association of Chartered Certified Accountants since November 2000.

Mr. Lee Rabi, aged 36, is our Finance Director and is responsible for supervising the corporate finance exercises of our Group. He joined our Group as our Senior Manager of the Corporate Finance Department in December 2008. He graduated from City University of Hong Kong with a Bachelor's degree in Accountancy in November 1997 and has been a member of the HKICPA since January 2001. Prior to joining our Group, he worked in Ernst & Young from September 1997 to November 2008 where he acquired auditing experience in various industries, including property development, marine transportation and manufacturing. He was a Senior Manager when he left Ernst & Young in November 2008.

Mr. Leung Yuk Hang, aged 35, was appointed as our Assistant Director in February 2009. He oversees our MRP/SAP system which facilitate our supply chain management. Prior to becoming Assistant Director, Mr. Leung was our Operation Manager who oversaw our entire mainland China operation between April 2006 and February 2008. In that role, he directed work on the significant expansion of our mainland China operation and our business process optimization for our ISO 9001 and ISO 14001 certification. Mr. Leung served as our Project Manager before April 2006 and was responsible for compiling the project management methodology of the company. Mr. Leung graduated from HKUST in 2000 with a Master of Philosophy degree in Electrical and Electronic Engineering. He was conferred with the Project Management Professional (PMP) certification in 2005.

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Mr. Ng Kin Ping, Anvil, aged 34, is our Assistant Director. He is responsible for technical development and project management. Mr. Ng joined our Group in August 1999 as an Engineer and he is one of our founding staff. Mr. Ng started his career on system design, and focused on project management in later stage. He was promoted to Senior Project Manager in September 2006 and led the work on technical, project management. Under his leadership, our Company optimized the work flow for project management flow. With over 10 years of experience in project management, Mr. Ng helped our Group develop a number of new products for our major customers. His effort was recognized and was promoted to the position of Assistant Director in February 2009. Mr. Ng graduated from HKUST with a Bachelor's degree in Electronic Engineering in 1997. He continued to study at HKUST upon graduation and obtained his Master of Philosophy degree in Electrical and Electronic Engineering in 1999.

Mr. Gilad Simhony, aged 42, has been serving as the Vice President of Sales for our Group since September 2004. Mr. Simhony graduated from the Bar-Ilan University in Israel in 1993 with a Bachelor's degree in Law, and is a member of the Bar Association of the Israeli Bar since November 1994. Mr. Simhony founded Webdiving Ltd, a high-tech start up company, in 1998. He later worked for Comverse Technology, Inc. (NASDAQ: CMTV), which pioneered the network based voice mail and other added value services such as network based entrainment applications, from October 2001 to February 2003 as a Senior Director in charge of sales and business development for the Voice CD group. Mr. Simhony worked for M-Systems Flash Disk Pioneers Ltd. (NASDAQ: FLSH), which pioneered the USB flash drive and other flash based memory innovations, between March 2003 to October 2004 as a Vice President of sales for the SmartCaps unit. Mr. Simhony has over 12 years of experience in sales and senior management positions in the dynamic "high-tech" industry; including his tenure at the abovementioned NASDAQ listed companies.

Mr. Tao Hong Ming, aged 42, is our Senior Vice President and is responsible for sales and marketing, project management and operation. Mr. Tao graduated from the Hong Kong Polytechnic University in 1990 with a Bachelor's degree in Electronic Engineering. He was with our Group from July 2001 to March 2007 before he left to join Shenzhen Sangfei Consumer Communications Co., Ltd. as Director of Business Line Management in August 2007. He later rejoined our Group in June 2008, responsible for Mobile Phone business management. He previously worked as a Business Development Manager at VTech Communications Limited responsible for business development and project management of contract manufacturing business. Mr. Tao has over 18 years of working experience in engineering, sales and marketing, project management and operation in electronics business.

Mr. Wong Siu Pang, Ben, aged 41, is our Business Development Director. Mr. Wong is responsible for exploring new market opportunities and customers for our Group. Prior to joining our Group in August 2008 as our Business Development Director, Mr. Wong had over 18 years of experience in sales and marketing in the field of electronic components and products. He worked for Toshiba Electronics Asia Ltd. as Assistant Manager between July 1990 and April 1996, and for Zilog Asia Ltd. as District Sales Manager between April 1997 and March 2001, responsible for the sales and marketing of electronic components. Mr. Wong joined Zi Corporation (H.K.) Limited as a Business Manager-Bluetooth. He was the Vice President of Sunlink International Group between March 2003 and July 2006, and

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was responsible for the business unit of multimedia product development and sales. Mr. Wong was then employed by Taiyo Technology (H.K.) Limited as a Vice President from September 2006 to November 2007. He obtained his Bachelor of Science degree in Electronics from the Chinese University of Hong Kong in 1990 and his Master of Science degree in Electronic Engineering from the Hong Kong Polytechnic University in 1995.

Mr. Wong Kin Chun, Steven, aged 55, is our Operation Director. He joined our Group in October 2008 as our Senior Purchasing Manager. Mr. Wong has over 20 years of experience in manufacturing operations, business and product development and has strong implementation knowledge in logistics and supply chain management. He is experienced in developing and implementing material requirements planning (“MRP”) system. Prior to joining our group, Mr. Wong worked at Binatone Electronics International Limited, a company engaged in the research, production and marketing of innovative design and manufacturing of communication devices, as the Manufacturing Director from September 1998 to August 2007. Prior to that he served as a Manager in the EDP, Materials and Strategic Business Development departments, at S. Megga Telecommunications Limited, a manufacturer of telecommunication products from April 1988 to September 1995. Mr. Wong graduated from York University in June 1986 with a bachelor’s degree in arts.

Ms. Wong Yin Mei, Venus, aged 31, our Assistant Director – Marketing, is responsible for sales and marketing activities, customer service and product development. She joined our Group in November 2005 as Project Marketing Manager. Ms. Wong has about 10 years of working experience in both technical marketing and management in the electronics industry. Before joining our Group, Ms. Wong was a marketing assistant in JD Rising Company. She was subsequently employed by Beijing Design & Creation (Hong Kong) Co. Ltd. in May 2002, responsible for technical marketing, IP licensing, design service and business development. She was the Marketing Manager when she left Beijing Design & Creation (Hong Kong) Company Limited. Ms. Wong graduated from The University of Hong Kong with a Bachelor Degree in Management Studies and from HKUST with a Master of Science in Engineering Enterprise Management.

COMPANY SECRETARY

Ms. Wong Yuk Hing Juliana, aged 37, was appointed as the Company Secretary of our Company in September 2009. Ms. Wong is a solicitor of the High Court of Hong Kong. She is currently a solicitor at Messrs. Philip K.H. Wong, Kennedy Y.H. Wong & Co., Solicitors & Notaries, with her practice focusing on corporate and commercial, including company secretarial and compliance work for companies listed in Hong Kong and Shanghai, mergers and acquisitions, corporate finance and other business transactions. Prior to joining the legal profession, Ms. Wong had experience in the media and entertainment industry, including working at the in-house legal department of a listed company, and acquired extensive knowledge in handling financing, production, distribution and licensing contracts and copyright matters. In addition to her qualification in law, Ms. Wong holds a Bachelor’s degree in Political Science from the University of California, Berkeley and a Master of Business Administration degree from The Chinese University of Hong Kong.

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REMUNERATION POLICY

Our Directors and senior management receive compensation in the form of salaries, benefits in kind and discretionary bonuses in relation to the performance of our Group. We also reimburse them for expenses which are necessarily and reasonably incurred for the provision of services to us or executing their functions in relation to our operations. We regularly review and determine the remuneration and compensation package of our Directors and senior management, by reference to, among other things, market level of salaries paid by comparable companies, the respective responsibilities of our Directors and the performance of our Group.

After the Listing, our Directors and senior management may also receive options to be granted under the Share Option Scheme.

OUR GROUP'S RELATIONSHIP WITH STAFF

We recognize the importance of a good relationship with our employees. The remuneration payable to our employees includes salaries and allowances. We continue to provide training to our staff to enhance technical and product knowledge as well as knowledge of industry quality standards and work place safety standards.

HUMAN RESOURCES

As at the Latest Practicable Date, we had approximately 238 employees, including a total of 82 permanent employees located in Hong Kong and 156 employees in Shenzhen, the PRC. We have an internship program with HKUST and as such, from time to time, we hire HKUST students, usually in our research and development department, as interns for a few months' time. As at the Latest Practicable Date, we did not have any intern staffs. The following table shows a breakdown of our employees by function as at the Latest Practicable Date:

Functions	Hong Kong	Shenzhen
Management	4	0
Finance and administration	8	10
Sales and marketing	12	5
Research and development	44	60
Production engineering	0	30
Industrial and packaging design	4	5
Purchasing and logistic management	6	29
Quality assurance	1	14
Information technology and other support	3	3
Subtotal	82	156
Total		238

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We consider our highly skilled and experienced employees to be a key factor in our business success. Our future success will be dependent on our ability to attract, retain and motivate highly skilled and experienced management and engineering personnel. During the Track Record Period, we have not experienced any significant difficulties in recruiting our employees, and have not experienced any significant staff turnover or labor disputes. We believe that our employee relations are satisfactory in general. We believe that our management policies, working environment, career prospects and benefits extended to our employees have contributed to building a good employee relations and employee retention. We provide on-the-job training for our employees to equip them with the skills and knowledge relevant to their work. We have also implemented programs to recognize employees' efforts to further their studies in electronic engineering, computer engineering or related disciplines.

We also participate in the mandatory provident fund as required under the relevant Hong Kong laws and regulations, as well as the PRC government-sponsored social security system as required under the relevant PRC laws and regulations. The social security system in the PRC includes retirement, work injury, medical care, unemployment and other insurance coverage for our employees. In addition, we also maintain medical and work related insurance schemes for our employees in Hong Kong and the PRC.

BOARD COMMITTEES

Audit committee

Our Company established an audit committee pursuant to a resolution of our Directors passed on 27 November 2009 in compliance with Rule 5.28 of the GEM Listing Rules. Written terms of reference in compliance with paragraph C3.3 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules has been adopted. The primary duties of the audit committee are mainly to make recommendation to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee internal control procedures of our Company. At present, the audit committee of our Company consists of three members who are Dr. Lam Lee Kiu-yue, Alice Piera, Mr. Shu Wa Tung, Laurence, and Dr. Wu Po Him, Philip. Mr. Shu Wa Tung, Laurence is the chairman of the audit committee.

Remuneration committee

Our Company established a remuneration committee on 27 November 2009 with written terms of reference in compliance with paragraph B1.1 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of our Group; review performance based remuneration; and ensure none of our Directors determine their own remuneration. The remuneration committee consists of three members, namely Dr. Lam Lee Kiu-yue, Alice Piera, Mr. Shu Wa Tung, Laurence, and Dr. Wu Po Him, Philip. Dr. Wu Po Him, Philip is the chairman of the remuneration committee.

Nomination committee

We established a nomination committee on 27 November 2009. Written terms of reference in compliance with paragraph A4.4 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules have been adopted. The primary function of the nomination committee is to make recommendations to the Board regarding candidates to fill vacancies on the Board. The nomination committee consists of three members, comprising Dr. Lam Lee Kiu-yue, Alice Piera, Mr. Shu Wa Tung, Laurence, and Dr. Wu Po Him, Philip. The chairman of the nomination committee is Dr. Lam Lee Kiu-yue, Alice Piera.

COMPLIANCE ADVISOR

In accordance with Rule 6A.19 of the GEM Listing Rules, our Company will appoint Quam Capital Limited to be the compliance advisor, who will have access to our Company's authorized representatives, Directors and other officers at all times. The compliance advisor will advise our Company on on-going compliance requirements and other issues under the GEM Listing Rules and other applicable laws and regulations in Hong Kong after the listing of our Company. The material terms of the compliance advisor's agreement entered into between our Company and the compliance advisor are as follows:

- (i) the compliance advisor's appointment for a period commencing on the date of listing of the Shares and ending on the date on which our Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year commencing after the date of the Listing, i.e. 31 December 2011, or until the agreement is terminated, whichever is earlier;
- (ii) the compliance advisor shall provide our Company with guidance and advice as to compliance with the requirements under the GEM Listing Rules and applicable laws, rules, codes and guidelines;
- (iii) our Company agrees to indemnify the compliance advisor against all actions, claims and proceedings from time to time made against, and all losses and damage suffered and all payments, costs, expenses and legal fees made or incurred by the compliance advisor arising out of or in connection with any willful default, fraud or gross negligence on the part of our Company in its performance of the agreement, provided that this indemnity shall not apply to any action or loss which is finally judicially determined to have been caused by, or to the extent of, the willful default, fraud or gross negligence on the part of the compliance advisor;
- (iv) our Company shall have the right, without compensation to terminate the appointment of the compliance advisor under the agreement only if the compliance advisor's work is of an unacceptable standard or if there is a material dispute (which cannot be resolved within thirty (30) days) over fees payable by our Company to the compliance advisor as permitted by Rule 6A.26 of the GEM Listing Rules. The compliance advisor shall have the right to resign or terminate its appointment as a compliance advisor under the agreement at any time without compensation being payable to our Company by giving not less than thirty (30) days written notice to our Company.