
DIRECTORS, SENIOR MANAGEMENT AND STAFF

BOARD OF DIRECTORS

Our Board consists of six Directors, of whom three are [●] Directors and the remaining three are [●] Directors.

Members of our Board

Name	Age	Date of appointment	Position	Roles and responsibilities
Mr. Zhu Gen Rong	50	26 June 2012	[●] Director (Chairman)	Overseeing overall operation strategic planning, development, and management of the senior executives of our Group. He is also a member of the [●] Committee.
Mr. Zhong Xin Gang	44	6 May 2013	[●] Director	Strategic planning, execution and day-to-day management and administration of our Group’s sludge treatment product department.
Mr. Jin Hao	42	6 May 2013	[●] Director	Strategic planning, execution and day-to-day management and administration of our Group’s industrial automation system department.
Mr. Kong Chi Mo	38	6 May 2013	[●] Director	Serving as the chairman of the [●] Committee and a member of the [●] Committee and [●] Committee.
Mr. Dai Tian Zhu	59	6 May 2013	[●] Director	Serving as the chairman of the [●] Committee and a member of the [●] Committee and [●] Committee.
Ms. Chen Jin Mei	60	6 May 2013	[●] Director	Serving as the chairman of the [●] Committee and a member of the [●] Committee and [●] Committee.

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[●] Directors

Mr. Zhu Gen Rong (朱根榮), aged 50, is the chairman of our Board and an [●] Director. He is also a member of the [●] Committee and one of our [●]. Mr. Zhu oversees the overall operation and is responsible for the overall strategic planning, development, and management of our Group. Mr. Zhu has approximately 20 years of experience in the mechanical and engineering industry. Prior to founding our Group, Mr. Zhu worked at the Hangzhou Project and Research Institute of Electro-mechanic in Light Industry (輕工業杭州機電設計研究院) from 1984 to 1993, a state-owned entity principally engaged in the business of, among others, research in the technology for wood pulp, paper-making, and the automation of electric instruments and he took up several positions including the deputy head of the product development department. He then worked as general manager at Hangzhou Huazhang Microelectronics Company Limited (杭州華章微電子公司) from 1993 to 1996, a company principally engaged in the business of manufacturing of mixed integrated circuit and electrical ballast, accepting tenders for projects of industrial automation system, and the purchasing of materials and equipment for industrial automation systems. He also founded Hangzhou Yiyi Consultation (then known as Hangzhou Huazhang Electric Engineering Company Limited) in December 1996, Hangzhou Rongtai Electric in December 1998 and Shanghai Yunjie Consultation (then known as Shanghai Huazhang Electric Control Engineering Company Limited) in May 1999, of which the businesses of all three companies were then transferred to Huazhang Automation (Zhejiang) in November 2006. Hangzhou Rongtai Electric has been deregistered as at the Latest Practicable Date. Mr. Zhu founded Huazhang Technology, the PRC operating subsidiary of our Company, in July 2001. Mr. Zhu obtained a diploma in industrial electrical automation (工業電氣自動化) from Nanjing Electrical School (南京機電學校) in July 1984. He has been the vice president of the China Association of the Federation of Industry and Commerce (中華全國工商業聯合會紙業商會) since October 2009.

Mr. Zhong Xin Gang (鍾新鋼), aged 44, is an [●] Director. Mr. Zhong oversees and is responsible for the strategic planning, execution and day-to-day management and administration of our Group’s sludge treatment products department. Mr. Zhong has approximately 21 years of experience in the mechanical and engineering industry. Mr. Zhong joined our Group in July 2011 and is currently the general manager of the environmental protection department at Huazhang Technology. Prior to joining our Group, Mr. Zhong worked at Hangzhou Better Filter Press Company Limited (杭州貝特過濾機有限公司) which is principally engaged in the manufacture and sale of filter presses, in 2003 and held the position of a director, among others, during the period between 2003 and 2011. He previously worked at Hangzhou Xingyuan Filter Technology Company Limited (杭州興源過濾科技股份有限公司) which is principally engaged in the manufacture and sale of filter presses, from August 1991 to April 2003 and was the chief of the technical department. Mr. Zhong obtained a bachelor’s degree in chemical engineering from Zhejiang University (浙江大學) in July 1991. Mr. Zhong was also previously a committee member of the China Institute of Mechanical Engineering and Fluid Engineering (中國機械工程學會流體工程學會) in 2001, and a council member of the China Association of General Machinery Industry, Separation Machinery Branch (中國通用機械工業協會分離機械分會) from 2004 to 2012.

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Mr. Jin Hao (金皓), aged 42, is an [●] Director. Mr. Jin oversees and is responsible for the strategic planning, execution and day-to-day management and administration of our Group’s industrial automation system department. Mr. Jin has approximately 19 years of experience in the mechanical and engineering industry. Mr. Jin joined our Group in 2001. Mr. Jin worked at Hangzhou Huazhang Microelectronics Company Limited (杭州華章微電子公司) from January 1993 to December 1995 as project person in charge. Mr. Jin joined Hangzhou Yiyi Consultation (formerly known as Hangzhou Huazhang Electric Engineering Company Limited) in 1996 and worked as the general manager in the engineering department until 2001. He served as the engineering general manager at Huazhang Technology from 2001 to 2009 and has served as the general manager of the industrial automation department of Huazhang Technology since 2009. Mr. Jin obtained a bachelor’s degree in electrical engineering from Zhejiang University (浙江大學) in June 1993.

[●] Directors

Mr. Dai Tian Zhu (戴天柱), aged 59, is an [●] Director and the chairman of the [●] Committee, and a member of the [●] Committee and the [●] Committee respectively. Mr. Dai was appointed as an [●] Director on 6 May 2013. Mr. Dai obtained a bachelor’s degree in pulp and paper process from the Zhejiang University of Technology (浙江工業大學) (formerly known as Zhejiang Institute of Technology (浙江工學院)) in January 1982. He then obtained a master degree in economy planning and management from the Chinese Academy of Social Sciences Graduate School (中國社會科學院研究生院) in January 1989. In July 1997, Mr. Dai obtained a doctorate degree in economics from the Chinese Academy of Social Sciences Graduate School (中國社會科學院研究生院) in July 1997. He was a member of the Eighth Chinese People’s Political Consultative Conference of Zhejiang Province (中國人民政治協商會議浙江省第八屆委員會), and a member of the Economic Commission of Zhejiang Province (浙江省第八屆省政協經濟委員會委員) in 1998. Mr. Dai was the deputy director of Centre of Scientific Research of Zhejiang University of Finance and Economics (浙江財經學學院研究所) in 1998, a professor of the department of finance of the academic committee of the Shanghai Institute of Foreign Trade (上海對外貿易學院) from March 2006. Mr. Dai served as an independent director in Tian He Securities Company Limited (天和證券經紀有限公司) from December 2003 to December 2006. He was the main editor of teaching material “Theory and practice of [●] banking operations” (投資銀行運作理論與實務) for high school students.

Ms. Chen Jin Mei (陳錦梅), aged 60, is an [●] Director, and is the chairman of the [●] Committee, and a member of the [●] Committee and the [●] Committee respectively. Ms. Chen was appointed as an [●] Director on 6 May 2013.

Ms. Chen joined the Hangzhou Municipal Finance Bureau (杭州市財政局) in November 1969. Ms. Chen was the deputy director general of Hangzhou Municipal Finance Bureau from July 1997 to June 2002 and the director general of Hangzhou Local Tax Bureau from June 2002 to April 2011. She then retired from her duties at the Hangzhou Municipal Finance Bureau in August 2012. Ms. Chen obtained a bachelor’s degree in accounting from the Hangzhou Institute of Electronic Engineering (杭州電子工程學院) in July 1997. She obtained several master’s degrees in (i) management engineering from Zhejiang University (浙江大學) in June

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1998; (ii) political economics from Zhejiang Provincial Party School (中共浙江省委黨校) in July 2000; and (iii) business administration from the Macau University of Science and Technology (澳門科技大學) in August 2005. She also obtained the qualification of a professor-level senior accountant (教授級高級會計師) in December 2010. As at the Latest Practicable Date, Ms. Chen was an independent director of Shenzhen Victor Onward Textile Industrial Co., Ltd, a company listed on Shenzhen [●] (stock code: 000018).

Mr. Kong Chi Mo (江智武), aged 38, *FCCA, FCIS, FCS (PE) & MHKIoD* is an [●] Director. He is the chairman of the [●] Committee and a member of the [●] Committee and [●] Committee respectively. Mr. Kong was appointed as an [●] Director on 6 May 2013. He has over 15 years of experience in the accounting, corporate governance and capital market. Mr. Kong has been the chief financial officer of China Vanadium Titano-Magnetite Mining Company Limited (Stock code: 00893) (“China VTM”) since May 2008. Prior to joining China VTM, Mr. Kong joined KPMG in October 1999 and was a senior manager when he left in December 2007. Prior to joining KPMG, Mr. Kong worked as a tax associate at PricewaterhouseCoopers from March 1998 to October 1999. Mr. Kong has been a fellow member of the Association of Chartered Certified Accountants since February 2008, a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators since February 2012, and a member of the Hong Kong Institute of Directors (“HKIoD”) since May 2010. Mr. Kong received bronze certificates of merit in continuing professional development in 2010 and 2011 respectively from the HKIoD. Mr. Kong obtained a bachelor’s degree in business administration from The Chinese University of Hong Kong on 11 December 1997.

SENIOR MANAGEMENT

Mr. Liu Chuan Jiang (劉川江), aged 50, is the deputy general manager and quality assurance director of Huazhang Technology. Mr. Liu has approximately 21 years of experience in the mechanical and engineering industry. He joined our Group in 2001 and is currently the deputy general manager and quality assurance director of Huazhang Technology and was also previously the technical director of Huazhang Technology. Mr. Liu worked at the Hangzhou Project and Research Institute of Electro-mechanic in Light Industry (輕工業杭州機電設計研究院) as engineer from April 1989 to January 1994. He then worked as technical director at Hangzhou Huazhang Microelectronics Company Limited (杭州華章微電子公司) from 1994 to 1996 and in Hangzhou Huazhang Electric Engineering Company Limited from 1996 to 2001. Mr. Liu obtained a bachelor’s degree in electrical engineering and computer science from the Southwest Jiaotong University (西南交通大學電氣工程及計算機科學學士) in August 1984 and a master’s degree in electrical engineering from the Shanghai Railway Institute (上海鐵道學院電氣工程系碩士學位) in October 1989. Mr. Liu obtained his professional qualification as an engineer by the Department of Light Industry (中華人民共和國輕工業部) of the PRC in July 1991. Mr. Liu is one of our [●] and as at the Latest Practicable Date, Mr. Liu was interested in approximately 17.95% of the entire issued share capital of Lian Shun, which in turn held approximately 77.9% of the issued share capital of Florescent Holdings, our [●]. Save as disclosed, Mr. Liu has no relationship with any other Directors, senior management.

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Mr. Tang Zhi Chao (唐志超), aged 54, is the deputy general manager and procurement director of Huazhang Technology. Mr. Tang has over nine years of experience in the mechanical and engineering industry. Mr. Tang joined our Group in 2003 and worked as the general manager of the sludge treatment products department of Huazhang Technology. Mr. Tang obtained a diploma in pulp and paper technology from the Zhejiang Institute of Technology, Hangzhou Campus (浙江工學院杭州分校) in January 1982. As at the Latest Practicable Date, Mr. Tang was interested in 15.76% of the entire issued share capital of Qunyu, which in turn held 22.1% of the issued share capital of Florescent Holdings, our [●]. Save as disclosed, Mr. Tang has no relationship with any other Directors, senior management.

Mr. So, Alan Wai Shing (蘇偉成), aged 46, joined our Group in May 2012 and is the chief financial controller of Huazhang Technology. He has approximately 19 years of experience in audit work and has been an associate of the Hong Kong Society of Accountants since May 1999, as well as a registered practising member of the Hong Kong Institute of Certified Public Accountants since January 2012. Prior to joining our Group, Mr. So worked at various institutions, including accounting firms, and held the position of Audit Assistant Manager at RSM Nelson Wheeler from January 1999 to February 2001. Mr. So obtained a bachelor’s degree in business majoring in accounting from the Edith Cowan University, Western Australia, Australia, in February 1993, and a master’s degree in business administration from the Open University of Hong Kong in December 2003. Mr. So did not have any shareholding interest in our Company as at the Latest Practicable Date. Save as disclosed, Mr. So has no relationship with any Directors, senior management.

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Mr. Jin Hao (金皓), aged 42, who is an [●] Director, is the [●] of our Company. For details of his qualifications and experience, please refer to the paragraph headed “[●] Directors” in this section.

COMPANY SECRETARY

Mr. So, Alan Wai Shing (蘇偉成), aged 46, was appointed as our company secretary of our Company on 6 May 2013. Mr. So is ordinarily resident in Hong Kong. For details of his qualification and experience, please refer to the paragraph headed “Senior Management” in this section.

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REMUNERATION OF DIRECTORS AND HIGHEST PAID INDIVIDUALS DURING THE TWO YEARS ENDED 30 JUNE 2011 AND 2012 AND THE SIX MONTHS ENDED 31 DECEMBER 2012

Our Group reimburses our Directors for expenses which are necessarily and reasonably incurred for providing services to our Group by executing their functions in relation to our Group's operations. Our Directors receive, in their capacity as our Group's employees, compensation in the form of salaries and other allowances, discretionary bonus and benefits in kind. During each of the two years ended 30 June 2011 and 2012 and the six months ended 31 December 2012, the aggregate amount of salaries and other allowances and benefits in kind paid to our Directors were about HK\$1.9 million, HK\$2.5 million and HK\$1.2 respectively.

During the two years ended 30 June 2011 and 2012 and the six months ended 31 December 2012, the remuneration of our Directors was determined with reference to their respective experience, responsibilities with our Group and general market conditions. Any discretionary bonus (if any) payable to our Directors is linked to the performance of our Group and of individual Director. Our Company intends to continue its remuneration policy after the [●], subject to the review by and the recommendation of the [●] committee of our Company.

None of our Directors have been paid any sum of money for each of the two years ended 30 June 2012 as an inducement to join or upon joining our Company; or for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

Further information on the remuneration of each Director during the two years ended 30 June 2011 and 2012 and the six months ended 31 December 2012 as well as information on the highest paid individuals is set out in notes 21(a) and 21(b) to the accountant's report as set out in Appendix I to this document.

[●] COMMITTEE, [●] COMMITTEE AND [●] COMMITTEE

[●] Committee

Our Company has established an [●] committee on [●]. The primary duties of the [●] Committee are to review and supervise the financial reporting process and internal control systems of our Group. The [●] Committee has three members comprising our three [●] Directors, namely, Mr. Dai Tian Zhu, Ms. Chen Jin Mei and Mr. Kong Chi Mo. The chairman of the [●] Committee is Mr. Kong Chi Mo.

[●] Committee

Our Company established a [●] committee on [●]. The [●] Committee comprises three [●] Directors, namely, Mr. Dai Tian Zhu, Ms. Chen Jin Mei and Mr. Kong Chi Mo. The primary duties of the [●] Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The chairman of the [●] Committee is Ms. Chen Jin Mei.

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[●] Committee

Our Company established a [●] on [●]. The [●] Committee comprises one [●] Director, namely, Mr. Zhu and three [●] Directors, namely, Mr. Dai Tian Zhu, Ms. Chen Jin Mei and Mr. Kong Chi Mo. The primary duties of the [●] are to make recommendations to our Board regarding candidates to fill vacancies on our Board. The chairman of the [●] Committee is Mr. Dai Tian Zhu.

STAFF

Overview of staff number

The following table below shows the number of employees of our Group by function as at Latest Practicable Date:

Function	Number of employees
Production	72
Research and development	39
Technical	17
Sales and marketing	19
Procurement and warehouse	13
Maintenance services	13
General administration and management	12
Quality control	8
Accounting and finance	5
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Total	<u>198</u>

EMPLOYEE BENEFITS

Our Group also makes contributions to the retirement fund in compliance in all material respects with the requirements of the laws and regulations of the jurisdictions where it operates.

As at the Latest Practicable Date, our Group had two employees in Hong Kong. Our Group will contribute to the mandatory provident fund in accordance with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and relevant requirements based on 5% of the relevant incomes of the relevant employee.

During the two years ended 30 June 2011 and 2012 and the six months ended 31 December 2012, the aggregate employee social benefit expenses amounted to approximately HK\$3.3 million, HK\$4.2 million and HK\$3.0 million for the two years ended 30 June 2011 and 2012 and the six months ended 31 December 2012 respectively.

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OUR RELATIONSHIP WITH OUR STAFF

Our Directors are of the view that our staff is one of the most valuable assets of our Group and have contributed to the success of our Group. Since its establishment, we have not experienced any disruption to its business operations as a result of labour disputes, nor has it experienced any material difficulty in recruiting or retaining its experienced staff. Our Directors believe that we have maintained a very good relationship with our staff.