

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

The Board consists of three executive Directors and three independent non-executive Directors. The following table sets forth the information regarding the Directors:

Name	Age	Date of joining the Group	Date of appointment as a Director	Position	Roles and responsibilities	Relationship with other Director(s) and/or senior management
Mr. YIP Pak Hung (葉柏雄)	56	16 January 1993	15 May 2015	Executive Director, Chairman of the Board and the compliance officer	Overall management and corporate policy making of the Group’s business operations	Nil
Mr. WAI Yat Kin (韋日堅)	55	12 December 1991	15 May 2015	Executive Director and Chief Executive Officer	Overall strategic planning, management and administration of the Group’s business operations	Nil
Mr. LUI Bun Yuen, Danny (呂品源)	51	14 January 1992	15 May 2015	Executive Director	Overall management of the Group’s business operations and development	Nil
Ms. LAI Pik Chi, Peggy (黎碧芝)	50	22 September 2015	22 September 2015	Independent non-executive Director	Providing independent judgment on the Group’s strategy, performance, resources and standard of conduct	Nil
Mr. LAM Chi Wai, Peter (林志偉)	55	22 September 2015	22 September 2015	Independent non-executive Director	Providing independent judgment on the Group’s strategy, performance, resources and standard of conduct	Nil
Dr. YEUNG Kit Ming (楊傑明)	57	22 September 2015	22 September 2015	Independent non-executive Director	Providing independent judgment on the Group’s strategy, performance, resources and standard of conduct	Nil

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Executive Directors

Mr. YIP Pak Hung (葉柏雄), aged 56, was appointed as a Director on 15 May 2015 and then was appointed as an executive Director, chairman of the Board and the compliance officer of the Company on 26 June 2015. Mr. Yip is primarily responsible for the overall management and corporate policy making of the Group’s business operations. He is also a director of AcouSystem, BuildMax (HK), KPa Contracting, KPa Engineering, KPa (HK), Light Dimension, Sun Pool and Youkang.

Mr. Yip obtained a bachelor degree of arts from the faculty of science and mathematics of University of Windsor in Canada in June 1983. He joined the Group and was appointed as a director of KPa Engineering on 16 January 1993. Prior to joining the Group, Mr. Yip has accumulated approximately 8 years of sales experience in different industries from 1984 to 1992. Mr. Yip has more than 20 years of experience in the structural engineering and construction industry. He has held a leadership role in the overall management and administration of the Group’s business operation since he joined the Group.

Mr. Yip has been a director of Constar Engineering Limited (“Constar”), a private company incorporated in Hong Kong in 1994, and was subsequently struck off by the Company Registry as a defunct company and was dissolved on 5 September 2003 pursuant to section 291 of the Predecessor Companies Ordinance. Constar was set up to market and promote the flagpole business. However, owing to (i) the comparatively small scale of the flagpole business of Constar; and (ii) the fact that Constar had not carried out any substantial business since incorporation, Constar subsequently became a defunct company. Pursuant to section 291 of the Predecessor Companies Ordinance, where the Registrar of Companies has reasonable cause to believe that a company is not carrying on business or in operation, the Registrar may strike the name of the company off the register after the expiration of a specified period. Mr. Yip confirmed that the said company was solvent and it had not carried out any substantial business at the time of it being struck off.

Mr. WAI Yat Kin (韋日堅), aged 55, was appointed as a Director on 15 May 2015 and then was appointed as an executive Director and the chief executive officer of the Company on 26 June 2015. Mr. Wai is the co-founder of the Group and is primarily responsible for the overall strategic planning, management and administration of the Group’s business operations. He is also a director of AcouSystem, BuildMax (HK), KPa Contracting, KPa Engineering, KPa (HK), Light Dimension, Sun Pool and Youkang.

Mr. Wai completed his secondary education in Hong Kong in 1978. He has more than 25 years of experience in the structural engineering and construction industry. Prior to founding the Group, Mr. Wai was employed by Tak Cheong (Yau Kee) Engineering Limited as a sales manager for the department of waterproofing product and skylight and metal work product during November 1988 to January 1992. Mr. Wai has handled and overseen numerous construction projects undertaken by the Group and he has extensive knowledge in business development of building material products.

Mr. LUI Bun Yuen, Danny (呂品源), aged 51, was appointed as a Director on 15 May 2015 and then was appointed as an executive Director of the Company on 26 June 2015. Mr. Lui is primarily responsible for the overall management of the Group’s business operations and development. He is also a director of AcouSystem, BuildMax (HK), KPa Contracting, KPa Engineering, KPa (HK), KPa (SZ), Light Dimension, Sun Pool and Youkang.

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Mr. Lui completed his secondary education in Hong Kong in 1981. Mr. Lui has more than 30 years of experience in the structural engineering and construction industry. Prior to joining the Group, Mr. Lui has served as a draftsman in several construction and drafting companies. Mr. Lui was employed by Brian Clouston and Partners Hong Kong as a draftsman from October 1982 to February 1985. Mr. Lui was employed by Tak Cheong (Yau Kee) Engineering Limited as a contract co-ordinator in June 1985 and was subsequently promoted to the position as a sales engineer in June 1986 and remained in that position until he left such company in May 1989. From 1990 to 1992, Mr. Lui worked for a foreign exchange company as a broker and a Japanese glass trading company as a sales executive. He joined the Group and was appointed as a director of KPa Engineering on 14 January 1992. Mr. Lui has handled and overseen numerous construction projects undertaken by the Group, he is responsible for the overall management of the Group’s operations and development.

Independent non-executive Directors

Ms. LAI Pik Chi, Peggy (黎碧芝), aged 50, was appointed as an independent non-executive Director on 22 September 2015 and is responsible for providing independent judgment on the Group’s strategy, performance, resources and standard of conduct. She is the chairman of the audit committee and a member of both the remuneration committee and the nomination committee of the Company. Ms. Lai obtained a master degree of business administration from the University of Manchester in the United Kingdom in June 2010. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of both the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants.

Ms. Lai has over 20 years of auditing, accounting, financial management experience. She was employed by Chung Nam Watch Co., Ltd. as the financial controller from November 2004 to June 2008. Ms. Lai served as an executive director from October 2008 to May 2011, and the chairman of the board from January 2009 to May 2011 of Mandarin Entertainment (Holdings) Limited (now known as Cheung Wo International Holdings Limited) (stock code: 9), a company listed on the Main Board. She is currently the chief financial officer and company secretary of CIG Yangtze Ports PLC (stock code: 8233), a company listed on GEM.

Mr. LAM Chi Wai, Peter (林志偉), aged 55, was appointed as an independent non-executive Director on 22 September 2015 and is responsible for providing independent judgment on the Group’s strategy, performance, resources and standard of conduct. He is the chairman of the remuneration committee and a member of both the audit committee and the nomination committee of the Company. Mr. Lam obtained a diploma in business administration from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) in July 1986. Mr. Lam also obtained a bachelor degree of business administration from Hong Kong Shue Yan University in October 2010. He is an affiliate member of the Chartered Institute of Marketing.

Mr. Lam has approximately 20 years of experience in sales and marketing in the timepiece industry. From 1986 to 1995, he worked in the sales and/or marketing department for various watch trading companies. In 1995, Mr. Lam and his business partners set up a watch-selling business and its holding company, Powerwell Pacific Holdings Limited (stock code: 8265), subsequently listed on GEM on 26 January 2011 and he was appointed as an executive director of that holding company from July 2010 to September 2014.

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Dr. YEUNG Kit Ming (楊傑明), aged 57, was appointed as an independent non-executive Director on 22 September 2015 and is responsible for providing independent judgment on the Group’s strategy, performance, resources and standard of conduct. He is the chairman of the nomination committee and a member of both the audit committee and the remuneration committee of the Company. Dr. Yeung obtained his bachelor degree of science from the University of Hong Kong in November 1981 and a doctoral degree in philosophy from University of California, San Diego in the US in June 1987. From August 1990 to September 2004, Dr. Yeung worked at the Chinese University of Hong Kong as a lecturer and later became a teaching fellow.

Disclosure required under Rule 17.50(2) of the GEM Listing Rules

Save as disclosed above, each of the Directors confirm with respect to him/her that: (i) he/she has not held directorships in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he/she does not hold any other position in the Company or any of its subsidiaries; (iii) save as disclosed in the section headed “Further information about Directors, management and staff — Disclosure of interests of Directors” as set out in Appendix V to this [REDACTED], he/she does not have any interests in the Shares within the meaning of Part XV of the SFO; (iv) there is no other information that should be disclosed for pursuant to Rule 17.50(2) of the GEM Listing Rules; and (v) to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters with respect to the appointment of the Directors that need to be brought to the attention of the Shareholders.

SENIOR MANAGEMENT

The following table sets forth the information regarding the senior management team of the Group:

<u>Name</u>	<u>Age</u>	<u>Date of joining the Group</u>	<u>Position</u>	<u>Relationship with other Director(s) and/or senior management</u>
Mr. YIP Pak Hung (葉柏雄)	56	16 January 1993	Executive Director and Chairman of the Board	Nil
Mr. WAI Yat Kin (韋日堅)	55	12 December 1991	Executive Director and Chief executive officer	Nil
Mr. LUI Bun Yuen, Danny (呂品源)	51	14 January 1992	Executive Director	Nil
Mr. LIU Yuen Wai (廖遠維)	42	15 August 2001	General manager	Nil
Mr. CHAN Chi Ming (陳志明)	44	10 August 1992	Project manager	Nil
Mr. TSUNG Shu Sin (叢書善)	58	18 April 2005	Project manager	Nil
Mr. CHAN Ngai Fan (陳毅奮)	35	15 May 2015	Financial controller	Nil
Mr. CHAN Sun Kwong (陳晨光)	48	26 June 2015	Company secretary	Nil

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Mr. YIP Pak Hung (葉柏雄) is an executive Director of the Company and the chairman of the Board. For his biographical information, please refer to the section headed “Directors and senior management — Directors — Executive Directors” above.

Mr. WAI Yat Kin (韋日堅) is an executive Director and the chief executive officer of the Company. For his biographical information, please refer to the section headed “Directors and senior management — Directors — Executive Directors” above.

Mr. LUI Bun Yuen, Danny (呂品源) is an executive Director of the Company. For his biographical information, please refer to the section headed “Directors and senior management — Directors — Executive Directors” above.

Mr. LIU Yuen Wai (廖遠維), aged 42, is the general manager of the Group and is primarily responsible for overseeing the management and operation of the Group’s business segment in relation to trading of building material products. Mr. Liu is also a director of BuildMax (HK).

Mr. Liu obtained a diploma in civil engineering technology from Humber College in Canada in June 1994. He has over 14 years of experience in the building material products industry. Prior to joining the Group, he worked as a project engineer and a project manager in an engineering company. Mr. Liu has not held any directorship in any public listed company in the past three years immediately preceding the date of this [REDACTED].

Mr. CHAN Chi Ming (陳志明), aged 44, is a project manager of the Group and is primarily responsible for the overall management of site works, quality control and work safety supervision in relation to the design and build projects of the Group. Mr. Chan is also a director of BuildMax (HK) and is primarily responsible for the supervision of the operation of the Group’s business segment in relation to trading of building material products.

Mr. Chan completed his secondary education in Hong Kong in 1988. He has over 20 years of experience in the structural engineering and building material products industry. Mr. Chan was first employed by the Group as a draftsman in August 1992 and was subsequently promoted to the position as an assistant project manager and project manager in July 1997 and May 2004 respectively. Mr. Chan has not held any directorship in any public listed company during the three years immediately preceding the date of this [REDACTED].

Mr. TSUNG Shu Sin (叢書善), aged 58, is a project manager of the Group. He is primarily responsible for the overall management of site works, quality control and work safety supervision over the design and build projects of the Group. Mr. Tsung has over 20 years of experience in the structural engineering industry. He joined the Group in April 2005 as a project manager. Prior to joining the Group, Mr. Tsung had been employed by several construction companies where he was responsible for supervision of site works and overall management of construction projects. Mr. Tsung has over 20 years of experience in project management and site supervision in the structural engineering industry.

Mr. Tsung obtained a bachelor degree of science in architectural engineering from the University of Texas at Austin, United States in December 1985 and a master of engineering in civil engineering from the University of Texas at Arlington, United States in December 1989. He has been a member of The Chartered Institute of Building since May 2005. Mr. Tsung has not held any directorship in any public listed company during the three years immediately preceding the date of this [REDACTED].

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Mr. CHAN Ngai Fan (陳毅奮), aged 35, is the financial controller of the Group and is responsible for the financial reporting, treasury, financial control matters of the Group. Mr. Chan has over 12 years of experience in auditing, accounting and financial management. During August 2007 to February 2011, Mr. Chan worked in the Assurance Department of an international accounting firm and his last position held was assistant manager — assurance. Prior to joining the Group, he was the financial controller of a private company in the PRC.

Mr. Chan obtained a bachelor degree of arts in accountancy and a master degree of corporate governance from The Hong Kong Polytechnic University in December 2007 and October 2013 respectively. He has been a member of the Hong Kong Institute of Certified Public Accountants since February 2011 and is registered as a certified public accountant since January 2015. Mr. Chan has not held any directorship in any public listed company during the three years immediately preceding the date of this [REDACTED].

COMPANY SECRETARY

Mr. CHAN Sun Kwong (陳晨光), aged 48, is the company secretary of the Group. He is primarily responsible for the company secretarial matters of the Group. Mr. Chan has over 20 years of experience in accounting, auditing, banking and company secretarial fields. For the period from January 1992 to March 1998, Mr. Chan served as financial controller (last position) in UDL Management Limited. He also served as company secretary of UDL Holdings Limited (stock code: 620) from January 1992 to September 1997 and as company secretary of KEL Holdings Limited (now known as Chinese People Holdings Company Limited) (stock code: 681) from March 1997 to September 1997. He has been the sole proprietor of Ken Chan & Co. Certified Public Accountants, since July 1998. He also served as company secretary of Ming Hing Holdings Limited (now known as Peace Map Holding Limited) (stock code: 402) from November 2005 to October 2006, an independent non-executive director of Anex International Holdings Limited (now known as Sustainable Forest Holdings Limited) (stock code: 723) from February 2006 to January 2008 and company secretary of Powerwell Pacific Holdings Limited (stock code: 8265) from December 2010 to September 2014. He was the company secretary and an executive director of Sam Woo Holdings Limited (now known as Noble Century Investment Holdings Limited) (stock code: 2322) from March 2003 to June 2011. Mr. Chan served as an independent non-executive director of Creative Energy Solutions Holdings Limited (stock code: 8109) from July 2010 to November 2010 and Megalogic Technology Holdings Limited (stock code: 8242) from December 2011 to April 2015.

Mr. Chan currently holds the following positions in the companies listed on the Stock Exchange:

<u>Company</u>	<u>Stock Code</u>	<u>Position currently held by Mr. Chan</u>
Pak Tak International Limited	2668	Independent non-executive Director
Sam Woo Construction Group Limited	3822	Company secretary

Mr. Chan obtained a diploma of business administration from the Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) in July 1990. He is a fellow member of the Hong Kong Institute of Chartered Secretaries, the Institute of Chartered Secretaries and Administrators in the

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United Kingdom, the Chartered Association of Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. Mr. Chan is also an accredited mediator of The Hong Kong Mediation Centre.

COMPLIANCE OFFICER

Mr. Yip is the compliance officer of the Group. For his biographical information, please refer to the section headed “Directors and senior management — Directors — Executive Directors” above. For Mr. Yip’s capability to discharge his duties as the compliance officer, please refer to the section headed “Business — Non-compliance — The implications of possible non-compliances on the Directors’ integrity, competence and suitability to act as directors of the Company and Mr. Yip’s suitability to act as the compliance officer.”

REMUNERATION POLICY

The executive Directors, the independent non-executive Directors and senior management receive compensation in the form of fees, salaries, contributions to pension schemes, other allowances, other benefits in kind and/or discretionary bonuses with reference to those paid by comparable companies, time commitment and performance of the Directors and senior management, as well as the performance of the Group. The Group also reimburses the Directors and senior management for expenses which are necessarily and reasonably incurred for provision of services to the Group or executing their functions in relation to the Group’s operations. The Group regularly reviews and determines the remuneration and compensation packages of the Directors and senior management by reference to, among other things, market level of remuneration and compensation paid by comparable companies, respective responsibilities of the Directors and performance of the Group.

After the [REDACTED], the remuneration committee will review and determine the remuneration and compensation packages of the Directors with reference to their experience, responsibilities, workload, time devoted to the Group and performance of the Group. The Directors may also be offered options under the Share Option Scheme.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

During the Track Record Period, the aggregate amount of remuneration, including fees, salaries, contributions to pension schemes, other allowances, other benefits in kind and/or discretionary bonuses, paid to the Directors were approximately HK\$4.6 million and HK\$3.7 million, respectively. The emoluments of the Directors during the Track Record Period are set out as below:

	For the year ended 31 March	
	2014	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries, allowances and other benefits	3,995	3,646
Discretionary bonuses	526	—
Pension schemes contributions	45	57
	<u>4,566</u>	<u>3,703</u>

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Among the Group's five highest paid individuals during the Track Record Period, three of them were the Group's Directors whose emoluments are disclosed above. Set out below is the summary of the emoluments in respect of the remaining two highest paid individuals during the Track Record Period:

	For the year ended	
	31 March	
	2014	2015
	HK\$'000	HK\$'000
Salaries, allowances and other benefits	1,680	1,498
Contribution to pension scheme	30	53
	<u>1,710</u>	<u>1,551</u>

The emoluments of each of the aforementioned two non-Director highest paid individuals were below HK\$1,000,000.

Under the arrangements currently proposed, conditional upon the [REDACTED], the basic annual remuneration (excluding payment of any discretionary benefits or bonus or other fringe benefits) payable by the Group to each of the Directors will be as below:

	HK\$
Executive Directors	
Mr. Yip	1,690,000
Mr. Wai	1,690,000
Mr. Lui	1,690,000
	HK\$
Independent non-executive Directors	
Ms. Lai Pik Chi, Peggy	180,000
Mr. Lam Chi Wai, Peter	180,000
Dr. Yeung Kit Ming	180,000

During the Track Record Period, no emoluments were paid by the Group to the above highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office as a director or management of any members of the Group.

BOARD COMMITTEES

Audit Committee

The Company established the audit committee on 22 September 2015 with written terms of reference in compliance with the GEM Listing Rules. The audit committee comprises three independent non-executive Directors, namely Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming with Ms. Lai Pik Chi, Peggy being the chairman of the audit committee. The duties of the audit

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committee include reviewing, in draft form, the annual report and accounts, half-year report and quarterly reports and providing advice and comments to the Board. In this regard, members of the audit committee will liaise with the Board, the senior management, the reporting accountants and auditors. The audit committee will also consider any significant or usual items that are, or may need to be, reflected in such reports and accounts and give consideration to any matters that have been raised by the accounting staff, compliance officers or auditors. Members of the audit committee are also responsible for reviewing the Group’s financial reporting process and internal control system.

Remuneration Committee

The Company established the remuneration committee on 22 September 2015 which, at present, comprises Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming with Mr. Lam Chi Wai, Peter being the chairman of the committee. Written terms of reference in compliance with paragraph B.1.2 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules have been adopted. Amongst other things, the primary duties of the remuneration committee are to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of independent non-executive Directors.

Nomination Committee

The Company established the nomination committee on 22 September 2015. The nomination committee comprises Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming. Dr. Yeung Kit Ming has been appointed as the chairman of the nomination committee. Written terms of reference in compliance with paragraph A.5.2 of the Code on Corporate Governance Practices as set out in Appendix 15 to GEM Listing Rules have been adopted. The nomination committee is mainly responsible for making recommendations to the Board on appointment of Directors and succession planning for the Directors.

CORPORATE GOVERNANCE

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Group will comply with the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules and the associated GEM Listing Rules.

COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Messis Capital to be the compliance adviser, who will have access to all relevant records and information relating to the Group that it may reasonably require to properly perform its duties. Pursuant to Rule 6A.23 of the GEM Listing Rules, the Group must consult with and, if necessary, seek advice from the compliance adviser on a timely basis in the following circumstances:

- (i) before the publication of any regulatory announcement, circular or financial report;

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- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated by the Group, including share issues and share repurchases;
- (iii) where the Group proposes to use the proceeds of the [REDACTED] in a manner different from that detailed in this [REDACTED] or where the business activities, developments or results of the Group deviate from any forecast, estimate or other information in this [REDACTED]; and
- (iv) where the Stock Exchange makes an inquiry of the Company under Rule 17.11 of the GEM Listing Rules.

The terms of appointment shall commence on the [REDACTED] and end on the date on which the Group complies with Rule 18.03 of the GEM Listing Rules in respect of the financial results for the second full financial year after the [REDACTED], or until the agreement is terminated, whichever is the earlier.