

HONG KONG APPLIED SCIENCE AND TECHNOLOGY
RESEARCH INSTITUTE COMPANY LIMITED
香港應用科技研究院有限公司



Statement from Dr. Robert J. Yang upon his Resignation

[Hong Kong, 24 April 2007] - I am issuing this press statement to announce my resignation from the Chief Executive Officer's position at ASTRI effective immediately.

To build a quality administration system for ASTRI has always been one of my top priorities ever since I became its CEO in 2004. During this time we have established more than 40 operating processes and 140 associated procedures covering essentially all aspects of ASTRI's administration, and also achieved ISO 9001:2000 certification for these processes and procedures as the basis to build a quality management framework for the long term. Nonetheless, the implementation of these efforts were apparently not fast enough, and the media's reports this past week on the Audit Commission's observations had inevitably affected ASTRI's image and reputation unfavorably. As the CEO of the organization, I consider it my duty to resign and take all the blames.

By resigning, I also hope people can now start to balance their attention toward the many outstanding achievements ASTRI has already attained as a young R&D institution. With the guidance of our Board and the dedicated efforts of our 300+ research staff, we have made tremendous progress as an industry-focused R&D center in these past 3 years. Our research program has yielded a substantial number of world-class technologies, and we were able to expand the number of technologies we transferred to industry by more than 15 times from 2 to 31 such transfers per year in just 3 years. The number of patents we filed during the same period also expanded more than 10 times to over 60 per year. These kinds of target-driven, substance-based operating results have in fact already ranked ASTRI among the very top of all R&D institutions of the world in terms of R&D output productivity. Furthermore, we have now also built a solid position as a well-recognized producer of world-class intellectual properties in China – a position Hong Kong's government and industry can surely leverage to achieve their strategic objectives in the vast technological future that is taking shape there.

A young research organization probably will always need to go through a process of learning by doing. With time and the right kind of management system in place it will be sure to improve and mature. The important thing is the strategic value it brings. For that I leave with the positive outlook that ASTRI has already built the foundation to become a strategic asset for Hong Kong for a long time to come.

Robert J. Yang, PhD
April 24, 2007

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