

SUPPLEMENTAL WITNESS STATEMENT OF PANG YIU KAI

I, Pang Yiu Kai c/o 10 Lo Ping Road, Tai Po, New Territories, Hong Kong DO SAY as follows:-

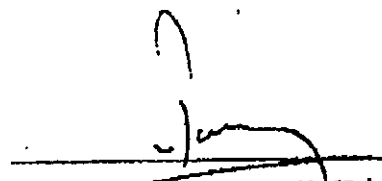
1. I make this supplemental statement in response to further questions raised in the letter from Wilkinson & Grist to Johnson Stokes & Master dated 11th April 2007.
2. I would respond to the three questions of Wilkinson & Grist as set out below.
 - (i) During the period January 2006 to February 2007, I, as a Council Officer, had discussions with the Council Chairman concerning deeper collaboration, federal arrangement and other forms of deeper co-operation with other Institutions with the Council Chairman on the occasions that we met at Council/HKIED meetings and also conversations over the telephone. These discussions did not contemplate a full merger of the HKIED.

Details of the communications I received from EMB officials (including the SEM and PSEM) on the question of merger (in the loose sense, as including deep collaboration etc) are provided in my earlier statement. I recall the issue of "full merger" was not discussed.

To the best of my recollection, I did not receive any other communication from any EMB officers on the question of merger of the HKIED with other institutions.
 - (ii) I received written communication (such as council papers) from the Council Chairman on the question of re-appointment of the President during the period Jan 2006 to Feb 2007 via the Council Secretariat. As a Council Officer, I had discussed the re-appointment process and shared views with the Council Chairman on the occasions we met at Council/HKIED meetings and sometimes over the telephone.

I did not receive any communication from any EMB officers on re-appointment of the President.

I would like to clarify that my voting on reappointment of the President was purely according to my conscience, and not affected by any communication with the Council Chairman
 - (iii) I did not receive any communication from either the Council Chairman or any EMB officers in which the question of re-appointment of the President was linked to the question of full merger of HKIED.
3. To the extent the HKIED has written records of these meetings or discussions which I have referred to above, I understand they have already been disclosed to the Commission. If there are no formal records of these discussions, I cannot now recall the dates or specifics of these communications.



Pang Yiu Kai

Dated: 14 April 2007