

# Corporate Governance Report

## 企業管治報告

The quality of corporate governance of a company mirrors its commitment in accountability, transparency and responsibility to its stockholders.

公司的企業管治質素反映了其對股東的承諾：問責、透明度及承擔。



### Commitment in corporate governance

The Company is committed to good corporate governance principles and practice and its board of directors (“Board”) recognizes that it is essential to safeguard the interests of stockholders, customers and employees and uphold accountability, transparency and responsibility of the Company. The Company has complied with the code provisions (“Code Provisions”) in the Code on Corporate Governance Practices (“CG Code”) set out in Appendix 14 of the rules (“Listing Rules”) governing the listing of securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) throughout the year ended 31st March 2006 except for deviations from the A.2.1, A.4.2 and A.5.4 of the Code Provisions in the CG Code, particulars of which are set out below and were previously disclosed in the Company’s latest interim report for the six months ended 30th September 2005. With a view to monitor and continuously improve its performance, the Company reviews its corporate governance practices from time to time and always aims to enhance its corporate governance practices in line with local and international practices.

### 企業管治承諾

本公司致力維持良好企業管治原則及常規，本公司董事會（「董事會」）深信保障股東、客戶與僱員之權益，並提升公司問責、透明度及責任感尤為重要。截至二零零六年三月三十一日止年度，本公司已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「管治守則」）之守則條文（「守則條文」），惟偏離管治守則守則條文第A.2.1、A.4.2及A.5.4條者則除外，有關詳情載於下文，亦已於本公司截至二零零五年九月三十日止六個月之最近期中期報告披露。為了監察及持續改善表現，本公司不時檢討其企業管治常規，並不斷致力提升本公司之企業管治常規達到本地及國際常規之水平。

The Company is honoured to have received the “Grand Prix for Best Overall Investor Relations – Small/Mid-cap Company” and its chief financial officer (“CFO”) and executive director, Mr. LOOK, Guy, was one of the two “Highly Commended” in the “Best Investor Relations Officer – Small/Mid-cap Company” in the “Investor Relations Magazine Hong Kong and Taiwan Awards 2005” organized by a leading trade magazine, Investor Relations Magazine in United Kingdom. The Company was in the top quartile for corporate governance standards among large-cap and blue-chip companies, according to an annual survey by CLSA and the Asian Corporate Governance Association in 2005. The Company’s continuous efforts and commitment to high standards in corporate governance practices have earned recognition from shareholders and the investment community including analysts, bankers and institutional investors.

本公司於英國著名商貿雜誌投資者關係(Investor Relations Magazine)舉辦之二零零五年度《IR雜誌香港及台灣獎項》中·獲得「最佳整體投資者關係大獎」(中／小型公司組別)·而首席財務總監(「首席財務總監」)及執行董事陸楷先生在「最佳投資者關係專員」(中／小型公司組別)選舉中獲選為兩位獲「高度評價」之專員之一。據里昂證券及亞洲企業管治協會於二零零五年進行的年度調查顯示·本公司的企業管治水平與多間大型及藍籌公司並列於最佳的首百分之二十五獲評選的公司之內。本公司致力維持高水平企業管治常規之努力及承諾·備受股東以及分析員、銀行家及機構投資者等投資界人士高度評價。

## Composition of the Board and various Board Committees

## 董事會及各董事委員會之組成



### A.1 The Board

#### Principle

An issuer should be headed by an effective board which should assume responsibility for leadership and control of the issuer and be collectively responsible for promoting the success of the issuer by directing and supervising the issuer's affairs. Directors should take decisions objectively in the interests of the issuer.

### A.1 董事會

#### 原則

發行人應以一個行之有效的董事會為首；董事會應負有領導及監控發行人的責任，並應集體負責統管並監督發行人事務以促使發行人成功。董事應該客觀行事，所作決策須符合發行人利益。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.1.1	Board meetings should be held at least 4 time a year at approximately quarterly intervals.  董事會會議應每年召開至少4次，大約每季一次。	Yes  有	The Board meets physically and regularly. Eight Board meetings were held during the year ended 31st March 2006 and at least once quarterly. The CEO and CFO were invited to attend certain Board committee meetings, and other senior management may from time to time be invited to attend Board meetings to make presentations or answer the Board's enquiries.  董事會實際及定期召開會議，於截至二零零六年三月三十一日止年度，董事會共舉行了8次會議，最少每季舉行一次。行政總裁及首席財務總監曾獲邀出席若干董事委員會會議，而其他高級管理人員亦會不時獲邀出席董事會會議，並向董事會匯報或向董事會解釋提問。
A.1.2	All directors should be given opportunity to include matters in the agenda for regular board meetings.  全體董事應有機會於定期董事會會議議程內提出議題。	Yes  有	Agenda for Board and Board Committee meetings are sent to all directors in advance and they are given opportunities with reasonable time to include relevant matters for discussion in the Board meetings.  本公司於董事會及董事委員會會議舉行前向全體董事分發董事會會議議程，並於合理時間內讓董事可以提呈於董事會會議內討論的事項。
A.1.3	At least 14 days notice should be given for regular board meetings.  於定期之董事會會議前應發出至少14天通知。	Yes  有	Timetable for regular Board meetings are scheduled well in advance to facilitate and maximize the attendance and participation of directors whilst reasonable notices are given for all other Board meetings.  本公司會預先製定期之董事會會議時間表，方便董事安排出席，以確保有最高的出席率，而就所有其他董事會會議，本公司亦會發出合理時間之通知。
A.1.4	Directors should have access to company secretary's advice.  董事應可取得公司秘書之意見。	Yes  有	Directors have access to the advice and services of the company secretary of the Company ("Company Secretary") to ensure that Board procedures, and all applicable rules and regulations, are followed.  董事可取得本公司之公司秘書（「公司秘書」）提供意見及服務，確保董事會程序及所有適用規則及規例均獲得遵守。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.1.5	Board minutes and committee minutes should be kept by company secretary and open for inspection.  公司秘書應負責備存董事會會議記錄及委員會會議記錄，以供查閱。	Yes  有	Minutes of the Board meetings and Board committees meetings are kept by the Company Secretary and they are open for inspection at reasonable time upon reasonable notice by any director.  董事會會議及董事委員會會議記錄由公司秘書備存，任何董事可發出合理通知，要求於合理時段查閱。
A.1.6	Minutes should record sufficient detail, concerns raised and dissenting views and draft and final versions should be sent to directors for comments and record.  會議記錄應作足夠詳細的記錄，包括提出的疑慮或表達的反對意見，而初稿與最終定稿應發送予董事以供表達意見及存檔。	Yes  有	Minutes of the Board and Board committees recorded in sufficient detail the matters considered by the Board and the Board committees and decisions reached, including any concerns raised by directors or dissenting views expressed. Draft and final versions of minutes of the Board and Board Committee were sent to all the relevant directors for their comment and records respectively, in both cases within a reasonable time after the Board and Board committee meetings were held.  董事會及董事委員會之會議記錄已作足夠詳細的記錄，包括董事會及董事委員會曾考慮之事宜及所作決定，包括董事提出之關注事項及所發表之反對意見。董事會及董事委員會會議記錄初稿及最終定稿均於董事及董事委員會會議後合理時間內送呈所有相關董事，以供表達意見及存檔。
A.1.7	Upon reasonable request, there should be procedure agreed by the board to enable directors to seek independent professional advice at the Company's expenses.  董事會應該商定程序，讓董事按合理要求，可尋求獨立專業意見，有關費用由本公司承擔。	Yes  有	The Company established a guideline for directors to obtain independent professional advice ("Independent Advice Guideline") to enable the directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Company's expense. The Board shall resolve to provide separate independent professional advice to directors to assist the relevant director or directors to discharge his/ their duties to the Company pursuant to the Independent Advice Guideline.  本公司已制定指引供董事按合理要求，在適當情況下尋求獨立專業意見（「獨立意見指引」），有關費用由本公司承擔。董事會將根據獨立意見指引議決向董事提供獨立專業意見，以助有關董事履行彼或彼等對本公司的責任。
A.1.8	If substantial shareholder/director has conflict of interest in a material matter, the matter should be dealt with by board meeting with independent non-executive directors with no material interest present.  倘大股東／董事於重大事項中出現利益衝突，該事項應透過並無重大利益之獨立非執行董事召開之董事會會議解決。	Yes  有	If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall not be dealt with by way of circulation or by a committee (except an appropriate Board committee set up for that purpose pursuant to a resolution passed in a Board meeting) but a Board meeting shall be held, during which such director must abstain from voting. INEDs who, and whose associates, have no material interest in the transaction shall be present at such Board meeting.  倘董事會認為大股東或董事於某一事項中出現利益衝突，而董事會決定該事項為重大，則該事項不會以傳閱文件或委員會方式處理（根據董事會會議通過之決議案就該事項成立之適當董事委員會除外），而會舉行一次董事會會議商討有關事項，該董事屆時於會議上必須放棄投票。於事件中本身及其聯繫人均沒有重大利益的獨立非執行董事將可出席該董事會會議。

# Corporate Governance Report

## 企業管治報告

The business and affairs of the Company and its subsidiaries (“Group”) shall be under the direction of and vest with the Board pursuant to the articles of association of the Company (“Articles of Association”). The Board is elected by the shareholders and is the ultimate decision making body of the Group except in respect of matters reserved for shareholders. The Board accepts that it is ultimately accountable and responsible for the performance and affairs of the Group. However, while the Board retains oversight responsibility, certain of that authority is necessarily delegated by the Board to the management in order to enable the management to develop and implement the Company’s strategic plans and annual operating plans, and to conduct the Company’s day-to-day activities. The Board diligently monitors the management’s performance in that regard but responsibility for conducting the Company’s day-to-day operations rests with the management.

The Board appointed four Board committees, namely executive committee, audit committee, compensation committee and nomination committee to oversee particular aspects of the Group’s affairs. Compositions and responsibilities of these Board committees are set out in latter part of this report. The Company shall review the said delegation arrangements on a periodic basis to ensure that they remain appropriate to its needs. The Board and the Board committee work under well established corporate governance practices and its terms of reference which reinforces the responsibilities of directors in accordance with the requirements of the Listing Rules and other relevant statutory requirements.

本公司及其附屬公司（「本集團」）之業務及事務乃根據本公司組織章程細則（「章程細則」）由董事會領導及授權。董事會乃由股東選出，且為本集團最終決策單位，惟須由股東處理之事宜則除外。董事會須就本集團之表現及事務最終問責及負責。儘管董事會保留監察責任，其若干權力仍須下放予管理層，使管理層可以發展和推行本公司的策略性計劃和年度營運方案與及進行本公司日常之活動。董事會盡心監察管理層之表現，惟本公司日常運作則留待管理層處理。

董事會已委任四個董事委員會，分別為行政委員會、審核委員會、薪酬委員會及提名委員會，以監察集團事務的各特定範疇。此等董事委員會之組成及責任載於本報告其後部分。本公司會定期檢討上述委派權力之安排，以確保其切合所需。董事會及董事委員會按照良好的企業管治常規及其職權範圍運作，此等常規及職權範圍乃根據上市規則及其他有關法定要求規定，旨在加強董事之責承。

The directors' attendance at the Board and Board committee meetings of the Company during the year ended 31st March 2006 are set out in the following table ("Meeting Schedule"):

## Meeting attendance

Name of directors 董事姓名	Board meeting 董事會會議	Executive committee meeting 行政委員會會議	Audit committee meeting 審核委員會會議	Compensation committee meeting 薪酬委員會會議	Nomination committee meeting 提名委員會會議
<b>Executive directors 執行董事</b>					
Mr. KWOK, Siu Ming, Simon 郭少明先生	8	11	4 (Note 1) (附註1)	2 (Note 2) (附註2)	1 (Note 3) (附註3)
Mrs. KWOK LAW, Kwai Chun, Eleanor 郭羅桂珍女士	8	9	n/a 不適用	2	1
Mr. LOOK, Guy 陸楷先生	8	11	4 (Note 1) (附註1)	n/a 不適用	n/a 不適用
<b>Non-executive director 非執行董事</b>					
Mrs. LEE LOOK, Ngan Kwan, Christina 利陸雁群女士	8	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用
<b>INEDs 獨立非執行董事</b>					
Professor CHAN, Yuk Shee 陳玉樹教授	8	n/a 不適用	6	n/a 不適用	n/a 不適用
Dr. LEUNG, Kwok Fai, Thomas 梁國輝博士	8	n/a 不適用	6	2	1
Ms. TAM, Wai Chu, Maria 譚惠珠小姐	7	n/a 不適用	4	2	1
<b>Total Meetings Held 會議總數</b>	<b>8</b>	<b>11</b>	<b>6</b>	<b>2</b>	<b>1</b>

Notes:

- (1) Mr. KWOK, Siu Ming, Simon and Mr. LOOK, Guy attended four audit committee meetings as invitees.
- (2) Mr. KWOK, Siu Ming, Simon attended two compensation committee meetings as an invitee.
- (3) Mr. KWOK, Siu Ming, Simon attended the nomination committee meeting as an invitee.

截至二零零六年三月三十一日止年度，董事出席本公司董事會及董事委員會會議之記錄載於下表（「會議時間表」）：

## 會議出席記錄

附註：

- (1) 郭少明先生與陸楷先生以受邀者身分出席四次審核委員會會議。
- (2) 郭少明先生以受邀者身分出席兩次薪酬委員會會議。
- (3) 郭少明先生以受邀者身分出席提名委員會會議。

### A.2 Chairman and chief executive officer

#### Principle

There are two key aspects of the management of every issuer – the management of the board and the day-to-day management of the issuer's business. There should be a clear division of these responsibilities at the board level to ensure a balance of power and authority, so that power is not concentrated in any one individual.

### A.2 主席及行政總裁

#### 原則

每家發行人在經營管理上皆有兩大方面 – 董事會的經營管理和發行人業務的日常管理。在董事會層面，這兩者之間必須清楚區分，以確保權力和授權分布均衡，不致權力僅集中於一位人士。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.2.1	Roles of chairman and CEO should be separate, clearly established and set out in writing.  主席與行政總裁之角色應有區分、清楚界定並以書面列載。	Please refer to the remarks  請參閱備註	<i>Considered reasons for deviation:-</i>  Mr. KWOK, Siu Ming, Simon has been both the chairman and CEO of the Company whose responsibilities were clearly set out in writing and approved by the Board effective on 1st April 2005. Given the Group's current stage of development, the Board considers that vesting the roles of chairman and CEO in the same person facilitates the execution of the Group's business strategies and maximizes effectiveness of its operation. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.  <i>經考慮偏離之理由：</i>  郭少明先生一直身兼本公司主席及行政總裁兩職，其職責已清楚界定並以書面列載，並獲董事會通過，於二零零五年四月一日起生效。按本集團目前之發展情形，董事會認為由同一人身兼主席及行政總裁，有利執行本集團之商業策略和發揮集團之最高營運效益，惟董事會會不時檢討有關架構，當情況合適時，會考慮作出適當的安排。
A.2.2	Chairman should ensure directors are briefed on issues arising at board meetings.  主席應確保於董事會會議上董事均知悉當前的事項。	Yes  有	Pursuant to its terms of reference effective on 1st April 2005, the chairman shall ensure the Board address the major issues of the Company, and that these issues are presented in a manner which facilitates thorough discussion and the appropriate resolution and all directors are properly briefed on issues arising at the Board meetings. He shall also ensure that directors receive adequate information, which must be complete and reliable, in a timely manner.  根據於二零零五年四月一日起生效之主席職權範圍，主席須確保董事會獲悉本公司主要事項，該等事項提呈董事會之形式亦必須有助討論及適當議決，而全體董事亦應就提呈董事會會議之事項獲恰當簡報。主席亦須確保董事獲取足夠、完整、可靠且適時的資料。
A.2.3	Chairman should ensure directors receive timely and adequate information.  主席應確保董事獲取適時且足夠資料。	Yes  有	



## A.3 Board composition

### Principle

The board should have a balance of skills and experience appropriate for the requirements of the business of the issuer. The board should ensure that changes to its composition can be managed without undue disruption. The board should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the board, which can effectively exercise independent judgment. Non-executive directors should be of sufficient calibre and number for their views to carry weight.

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.3.1	Independent non-executive directors should be expressly identified as such in all communications disclosing its names.  於所有載有董事姓名的公司通訊刊物中，應清楚列明獨立非執行董事之身分。	Yes  有	The INEDs are expressly identified in all corporate communications that disclose the names of the directors of the Company.  獨立非執行董事之身分均於所有載有董事姓名的公司通訊刊物中清楚列明。

The Board currently comprises three executive directors, namely Mr. KWOK, Siu Ming, Simon, Mrs. KWOK LAW, Kwai Chun, Eleanor and Mr. LOOK, Guy, and four non-executive directors in which three of them are INEDs, representing more than one-third of the Board. The INEDs are Professor CHAN, Yuk Shee, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria who offer diversified expertise and serve to advise the Board and management on strategy development and provide checks and balances for safeguarding the interest of the shareholders and the Group as a whole. The Company has received annual written confirmation from each of the INEDs that they have met all the independent guidelines set out in Rule 3.13 of the Listing Rules. Biographies with relevant relationships among members of the Board, if any, are shown on page 50 under the section "Biographical Details of Directors and Senior Management." Terms of appointment of non-executive directors are shown on page 114 of the Report of the Directors.

## A.3 董事會組成

### 原則

董事會應根據發行人業務而具備適當所需技巧和經驗。董事會應確保其組成人員的變動不會帶來不適當的干擾。董事會中執行董事與非執行董事（包括獨立非執行董事）的組合應該保持均衡，以使董事會上有強大的獨立元素，能夠有效地作出獨立判斷。非執行董事應有足夠才幹和人數，以使其意見具有影響力。

董事會現包括三名執行董事，分別為郭少明先生、郭羅桂珍女士與陸楷先生，以及四名非執行董事，其中三人為獨立非執行董事，佔董事會人數超過三分之一。獨立非執行董事為陳玉樹教授、梁國輝博士與譚惠珠小姐，彼等提供不同之專業知識及向董事會和管理層提供策略發展之意見，並為保障股東及本集團整體利益擔當審核及協調工作。本公司已收到各獨立非執行董事之年度書面確認，證明彼等符合上市規則第3.13條所載之所有獨立指引。彼等之履歷以及與董事會成員間之關係（如有）載於第50頁之「董事及高級管理人員簡介」一節。非執行董事之任期載於第114頁之「董事會報告」。



### A.4 Appointments, re-election and removal

#### Principle

There should be a formal, considered and transparent procedure for the appointment of new directors to the board. There should be plans in place for orderly succession for appointments to the board. All directors should be subject to re-election at regular intervals. An issuer must explain the reasons for the resignation or removal of any director.

### A.4 委任、重選和罷免

#### 原則

董事會應制定正式、經審慎考慮並具透明度的新董事委任程序，並應設定有秩序的董事接任計劃。所有董事均應每隔若干時距即重新選舉。發行人必須就任何董事辭任或遭罷免解釋原因。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.4.1	<p>Non-executive directors should be appointed for specific term, subject to re-election.</p> <p>非執行董事的委任應有指定任期並須接受重新選舉。</p>	<p>Yes</p> <p>有</p>	<p>All the non-executive directors were appointed for a specific term, subject to re-election pursuant to the Articles of Association.</p> <p>根據章程細則，全體非執行董事的委任均有指定任期，且須重選。</p>
A.4.2	<p>All directors appointed to fill casual vacancy subject to election by shareholders at the first general meeting; every director subject to retirement by rotation at least once every 3 years.</p> <p>所有獲委任填補臨時空缺之董事須於首次股東大會上接受股東選舉；每名董事應輪流退任，至少每三年一次。</p>	<p>Please refer to the remarks</p> <p>請參閱備註</p>	<p>According to the Articles of Association effective before 25th August 2005, at each annual general meeting, one-third of the directors (other than the managing director or joint managing director) for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not exceeding, one third, shall retire from office by rotation. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.</p> <p>To ensure full compliance with the Code Provision A. 4.2, relevant amendments to the Articles of Association were proposed and approved by shareholders of the Company at the 2005 annual general meeting ("AGM") held on 25th August 2005 ("AGM 2005").</p> <p>Pursuant to the Articles of Association, Mrs. KWOK LAW, Kwai Chun, Eleanor, Mr. LOOK, Guy and Ms. TAM, Wai Chu, Maria, shall be subject to retirement by rotation and re-election at the AGM to be held on 24th August 2006 ("AGM 2006").</p> <p>根據二零零五年八月二十五日生效之章程細則，於每屆股東週年大會上，當三分之一之在任董事（董事總經理或聯名董事總經理除外），或倘其人數並非三或三之倍數，則最接近但不多於三分之一的董事人數，須輪值告退，而每年須告退之董事為自上次當選後任期最長之董事，但若有多位董事乃於同一日當選，則以抽籤決定須告退之董事（除非該等董事另有協定者則作別論）。行將告退之董事的任期須於大會結束時屆滿，並應合資格膺選連任。</p> <p>為確保全面符合守則條文第A.4.2條，董事會已建議修訂有關之章程細則，修訂亦於二零零五年八月二十五日舉行之二零零五年股東週年大會（「股東週年大會」）（「二零零五年股東週年大會」）上獲本公司股東通過。</p> <p>根據章程細則，郭羅桂珍女士、陸楷先生及譚惠珠小姐將於二零零六年八月二十四日舉行之股東週年大會（「二零零六年股東週年大會」）輪值告退並願膺選連任。</p>

The Board had established a nomination committee on 31st March 2005, whose members are Ms. TAM, Wai Chu, Maria, being the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Dr. LEUNG, Kwok Fai, Thomas.

The terms of reference of the nomination committee adopted on 31st March 2005, which is made available on the website of the Group, has set out details of its role and functions, nomination procedures and the process and criteria adopted for selection and recommendation of candidates for directorship of the Company, summary of which is set out below.

The Nomination Committee is responsible for, inter alia:-

- (i) determining the policy for the nomination of directors;
- (ii) reviewing the structure, size and composition (including the skills, knowledge and expertise) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- (iii) identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorship;
- (iv) assessing the independence of INEDs; and
- (v) making recommendations to the Board on the relevant matters relating to the appointment or re-appointment of directors.

When selecting and recommending candidates for directorship for the Board's consideration, the nomination committee shall review a potential candidate and consider various factors including but without limitation to:-

- (i) the skills, experience, expertise and personal qualities that will best complement the Board's effectiveness;
- (ii) the capability of the candidate to devote the necessary time and commitment to the role and this involves a consideration of matters such as other Board or executive appointments and succession planning for directors in particular the chairman and the CEO; and

董事會於二零零五年三月三十一日成立提名委員會，成員為譚惠珠小姐（主席）、郭羅桂珍女士及梁國輝博士。

本集團網站登載於二零零五年三月三十一日採納之提名委員會職權範圍，載有該委員會角色和職能、以及挑選及建議合適人選加入本公司董事會之提名程序、過程及準則概述如下。

提名委員會負責，其中包括：

- (i) 釐定提名董事之政策；
- (ii) 定期檢討董事會之架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出之變動向董事會作出建議；
- (iii) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會作出建議；
- (iv) 評核獨立非執行董事之獨立性；及
- (v) 就董事委任或重新委任向董事會作出建議。

當挑選董事人選並作出建議供董事會考慮時，提名委員會須審閱有機會的候選人及考慮（包括但不限於）以下各項因素：

- (i) 其技能、經驗、專業知識及個人質素以符合董事會最大效益；
- (ii) 候選人可就出任董事一職付出之時間及承擔，包括考慮其他董事會或行政任命、及董事接任之計劃，尤其是主席及行政總裁等；及

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(iii) the potential conflicts of interest and independence.

During the year ended 31st March 2006, the nomination committee considered and recommended re-appointment of directors Professor CHAN, Yuk Shee and Dr. LEUNG, Kwok Fai, Thomas and made recommendations to the Board on relevant matters relating to appointment or re-appointment of directors of the Company. The nomination committee had held a meeting on 31st March 2006 in which all nomination committee members attended, particulars of the said meeting was set out in the Meeting Schedule.

(iii) 潛在之利益衝突及獨立身分。

截至二零零六年三月三十一日止年度，提名委員會考慮並建議重新委任董事陳玉樹教授及梁國輝博士，並就有關委任或重新委任本公司董事之事宜向董事會作出建議。提名委員會於二零零六年三月三十一日舉行會議，所有提名委員會成員均有出席，上述會議詳情載於會議時間表。

### A.5 Responsibilities of directors

#### Principle

Every director is required to keep abreast of his responsibilities as a director of an issuer and of the conduct, business activities and development of that issuer. Given the essential unitary nature of the board, non-executive directors have the same duties of care and skill and fiduciary duties as executive directors.

### A.5 董事責任

#### 原則

每名董事須不時瞭解其作為發行人董事的職責，以及發行人的經營方式、業務活動及發展。由於董事會本質上是一個一體組織，非執行董事應有與執行董事相同的受信責任以及以應有謹慎態度和技能行事的責任。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.5.1	<p>Every newly appointed director should receive a comprehensive, formal induction, and subsequent briefing and development as is necessary.</p> <p>每名新委任的董事均應獲得全面、正式之就任須知，其後亦應獲得所需之簡介及專業發展。</p>	<p>Yes</p> <p>有</p>	<p>The Company has adopted policy on the induction for newly appointed directors ("Induction Policy"). A comprehensive, formal and tailored induction shall be provided by the senior management to familiarize the newly appointed director with the Company's operations, business environment and plans, financial positions, his/her responsibilities under statute and common law, the Listing Rules, applicable legal and other regulatory requirements and business and governance policies respectively.</p> <p>Subsequent briefing and professional development shall be provided to the newly appointed director as and when necessary.</p> <p>本公司已為新委任董事之就任須知採納政策（「就任須知政策」）。高級管理層將提供全面、正式兼特為其而設之就任須知以供新委任董事了解本公司之運作、營商環境及計劃、財務狀況，以及其根據法規及普通法、上市規則、適用法律規定及其他監管規定以及業務及管治政策下各自之職責。</p> <p>倘有需要，其後亦會向新委任董事提供所需之簡介及專業發展。</p>

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.5.2	<p>Functions of non-executive directors should include A.5.2 of the Code Provision in the CG Code.</p> <p>非執行董事之職能應包括管治守則中之守則條文第A.5.2條。</p>	<p>Yes</p> <p>有</p>	<p>Strategic planning and monitoring the Company's performance are, among others, the major functions of the directors. The Board shall be accountable and responsible for the performance and affairs of the Company.</p> <p>董事主要職能為(其中包括)策略計劃及監察本公司之表現。董事會會就本公司表現及事務問責及負責。</p>
A.5.3	<p>Directors should give sufficient time and attention to company's affairs.</p> <p>董事應付出足夠時間及精神以處理公司的事務。</p>	<p>Yes</p> <p>有</p>	<p>Directors are aware that they shall give sufficient time and attention to the affairs of the Company.</p> <p>董事知悉彼應付出足夠時間及精神以處理公司的事務。</p>
A.5.4	<p>Directors must comply with model code for securities transaction by directors of listed issuers ("Model Code") in Appendix 10 of the Listing Rules, and the board should establish written guidelines on no less exacting terms than the Model Code for relevant employees in respect of their dealings in company's shares.</p> <p>董事應遵守上市規則附錄十之上市發行人董事進行證券交易的標準守則(「標準守則」),而董事會亦應就有關僱員買賣公司股份制訂條款不比標準守則寬鬆之書面指引。</p>	<p>Please refer to remarks</p> <p>請參閱備註</p>	<p>The Company adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code ("Company's Code"). Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard set out in the Model Code and the Company's Code.</p> <p>The Board also established a policy, which was approved and adopted by the Board effective on 1st May 2005, with no less exacting terms than the Model Code for the relevant employees in respect of their dealings in the securities of the Company.</p> <p>本公司已就董事進行的證券交易,採納一套不低於標準守則所訂標準的守則(「本公司守則」)。經向全體董事作出特定查詢,全體董事均確認已遵守標準守則及本公司守則規定之標準。</p> <p>董事會亦就有關僱員買賣本公司證券設定書面指引,指引的內容不比標準守則寬鬆,該指引獲董事會通過和採納,由二零零五年五月一日起生效。</p>

### A.6 Supply of and access to information

#### Principle

Directors should be provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities as directors of an issuer.

### A.6 資料提供及使用

#### 原則

董事應獲提供適當的適時資料，其形式及素質須使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為發行人董事的職責及責任。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
A.6.1	<p>Agenda and board papers should be sent to directors at least 3 days before regular board meeting or committee meeting.</p> <p>議程及董事會文件應於定期董事會會議或委員會會議日期最少三天前發出予董事。</p>	<p>Yes</p> <p>有</p>	<p>In respect of regular Board meetings, and so far as practicable in all other cases, Board papers are dispatched to Board and Board Committee members not less than 3 days or such other agreed period before Board or Board committee meetings.</p> <p>董事會之定期會議，及董事會其他所有會議在切實可行的情況下，董事會會議文件均於董事會及董事委員會會議日期不少於三天或經協定之時間前發出予董事會或董事委員會成員。</p>
A.6.2	<p>Management should supply board and its committees with adequate information in timely manner. Each director should have separate and independent access to the issuer's senior management.</p> <p>管理層應適時向董事會及委員會提供充足資料，而每名董事應有自行接觸發行人高級管理人員的獨立途徑。</p>	<p>Yes</p> <p>有</p>	<p>Each director is given contact details of the senior management and is accessible to them to obtain information and for enquiries when required.</p> <p>各董事均獲高級管理人員之聯絡資料，有需要時可加以聯絡索取資料及查詢。</p>
A.6.3	<p>Directors are entitled to have access to Board papers and related materials.</p> <p>董事均有權查閱董事會文件及相關資料。</p>	<p>Yes</p> <p>有</p>	<p>Board papers and minutes are made available for inspection by the directors and Board committee members. Where queries are raised by directors, the Company shall respond as promptly and fully as possible.</p> <p>董事會文件及會議記錄可供董事及董事委員會成員查閱。倘董事遇有疑問，本公司將盡快作出全面的回應。</p>

## B. Remuneration of directors and senior management

### B.1 The level and make-up of remuneration and disclosure

#### Principle

An issuer should disclose information relating to its directors' remuneration policy and other remuneration related matters. There should be a formal and transparent procedure for setting policy on executive directors' remuneration and for fixing the remuneration packages for all directors. Levels of remuneration should be sufficient to attract and retain the directors needed to run the company successfully, but companies should avoid paying more than is necessary for this purpose. No director should be involved in deciding his own remuneration.

## B. 董事及高級管理人員薪酬

### B.1 薪酬及披露的水平及組成

#### 原則

發行人應披露其董事酬金政策及其他薪酬相關事宜的資料；應設有正規而具透明度的程序，以制訂有關執行董事酬金的政策及釐訂各董事的薪酬待遇。所定薪酬的水平應足以吸引及挽留公司成功營運所需的一眾董事，但公司應避免為此支付過多的酬金。任何董事不得參與訂定本身的酬金。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
B.1.1	Issuers should establish remuneration committee, majority of which shall be independent non-executive directors.  發行人應成立薪酬委員會，其大部分成員應為獨立非執行董事。	Yes  有	Please refer to the section below. 請參閱下文。
B.1.2	Remuneration committee should consult chairman and/or CEO about proposals relating to remuneration of other executive directors.  薪酬委員會應就其他執行董事的薪酬之建議諮詢主席及／或行政總裁。	Yes  有	
B.1.3	Terms of reference of the remuneration committee should include B.1.3 of the Code Provision in the CG Code.  薪酬委員會之職權範圍應包括管治守則中之守則條文第B.1.3條。	Yes  有	
B.1.4	Remuneration committee should make available its terms of reference explaining its role and the authority delegated to it by the board.  薪酬委員會應公開其職權範圍，解釋其角色及董事會轉授予其的權力。	Yes  有	
B.1.5	Remuneration committee should be provided with sufficient resources to discharge its duties.  薪酬委員會應獲供充足資源以履行其職責。	Yes  有	

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A compensation committee had been first formed in December 1999 and was then formally established in March 2000. There are three compensation committee members currently, namely Dr. LEUNG, Kwok Fai, Thomas, who presides as the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Ms. TAM, Wai Chu, Maria, the majority of which are INEDs.

The role and authorities of the compensation committee, including those set out in B.1.3 of the Code Provision in the CG Code, were clearly set out in its terms of reference which are available at the Company's website and on request. Pursuant to its terms of reference, the compensation committee should be provided with sufficient resources to discharge its duties, including obtaining independent professional advice in appropriate circumstances as and when deemed necessary and fit pursuant to the Independent Advice Guideline adopted by the Company from time to time.

During the year ended 31st March 2006, there were two compensation committee meetings held in which all compensation committee members attended, particulars of the meetings were set out in the Meeting Schedule. The compensation committee had, among others, reviewed the remuneration of the executive and non-executive directors of the Company and approved performance-based remuneration by reference to corporate goals and objectives resolved by the Board and/or the management from time to time. The chairman and CEO was invited to attend the compensation committee meeting for consultation about proposals relating to the remuneration of other executive directors.

### Emolument policy and long-term incentive plan

The Group provides competitive remuneration packages which consist of base compensation, incentives and fringe benefits, for recruiting, retaining and motivating the experienced or potential personnel.

Generally base compensation forms a significant element of the remuneration packages. The Group paid a competitive base compensation with reference to the prevailing market conditions and the respective duties and responsibility of the relevant employee(s).

薪酬委員會最初於一九九九年十二月成立，其後於二零零零年三月正式組成。現有的三名薪酬委員會成員包括梁國輝博士（主席）、郭羅桂珍女士及譚惠珠小姐，其大部分成員均為獨立非執行董事。

薪酬委員會之角色及權力，包括管治守則中之守則條文第B.1.3條所載者，清楚載列於其職權範圍內，有關文件已於本公司網站登載，並可於作出要求時供查閱。按有關職權範圍，薪酬委員會應獲提供充足資源，包括根據本公司不時採納之獨立意見指引，以及被視為有需要及適當時於適當情況獲取獨立專業意見，以履行其責任。

截至二零零六年三月三十一日止年度，曾舉行兩次薪酬委員會會議，全體薪酬委員會成員均有出席，而出席記錄載於會議時間表。薪酬委員會已（其中包括）檢討本公司執行與非執行董事之薪酬，委員會亦參照董事會及／或管理層不時制訂之公司目標，批准按表現發放花紅。主席及行政總裁獲邀出席薪酬委員會會議，就有關其他執行董事之薪酬作出諮詢。

### 袍金政策及長期獎勵計劃

本集團提供具競爭力之薪酬組合，包括底薪、獎金及其他福利，以招聘、挽留及激勵富經驗或有潛質之人才。

一般而言，底薪為構成薪酬計劃之主要元素。本集團參照當時市況及有關僱員之相關職務及責任，提供具競爭力之底薪。



Incentives are given in form of various kinds of bonus and an opportunity to participate in the Group's long-term success through its share option schemes adopted on 22nd May 1997 and 29th August 2002 respectively ("Share Option Schemes"). Details of the Share Option Schemes are set out in page 97 of this annual report.

Fringe benefits like provident fund benefits, medical insurance, life and personal accident insurance, employee compensation and business travel insurance are also offered to the Group's employees.

With reference to the directors' expertise and experience, duties and responsibility, the industry standards, prevailing market conditions and the Group's performance, the directors' emolument is recommended by the compensation committee and approved and determined by the Board. The emolument of directors mainly consists of base compensation and share options, particulars of which are set out in the note 7 to the financial statements in this annual report.

本公司的獎勵計劃乃透過不同形式之花紅發放以及讓同事有機會按分別於一九九七年五月二十二日及二零零二年八月二十九日採納之購股權計劃（「購股權計劃」）分享本集團長遠的成就。購股權計劃詳情載於本年報第97頁。

本集團員工亦享有其他福利包括公積金、醫療保險、人壽及個人意外保險、員工補償及公幹旅遊保險。

薪酬委員會參照董事之專業知識及經驗、職務及責任、行業準則、當時市況及本集團之表現，就董事袍金作出建議，並由董事會批准及釐定。董事袍金主要包括底薪及購股權，有關詳情載於本年報財務報表附註7。

# Corporate Governance Report

## 企業管治報告

### C. Accountability and audit

#### C.1 Financial Reporting

##### Principle

The board should present a balanced, clear and comprehensible assessment of the company's performance, position and prospects.

### C. 問責及核數

#### C.1 財務匯報

##### 原則

董事會應平衡、清晰及全面地評核公司的表現、情況及前景。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
C.1.1	<p>Management should provide information to the board to enable the board to make informed assessment of financial situation.</p> <p>管理層應向董事會提供資料，確保董事會能作出有根據的財務狀況評審。</p>	<p>Yes</p> <p>有</p>	<p>Please refer to the section below. 請參閱下文。</p>
C.1.2	<p>Directors should acknowledge responsibility for preparing accounts, on a going concern basis and there should be a statement by auditors about their reporting responsibilities in the auditors' report on the financial statements. The corporate governance report should contain sufficient information to enable investors to understand severity and significance of matters at hand.</p> <p>董事應承認他們有按持續經營基礎而編製賬目之責任；核數師亦應在財務報表之核數師報告中就他們之申報責任作出聲明；企業管治報告應載有足夠資料，確保投資者明白事件之嚴重性及重大意義。</p>	<p>Yes</p> <p>有</p>	
C.1.3	<p>Board should present a balanced, clear and understandable assessment including in the reports to regulators and to information required to be disclosed pursuant to statutory requirements.</p> <p>董事會應向監管者呈交平衡、清晰及易明之評估包括報告，以及根據法例規定要求披露資料。</p>	<p>Yes</p> <p>有</p>	

Management shall provide explanation and information to the Board so as to will enable the Board to make an informed assessment of the financial and other information put before the Board for approval. The Auditors' Report on pages 121 to 122 of this annual report has set out the reporting responsibilities of PricewaterhouseCoopers ("PwC"), the auditors of the Company.

The directors of the Company acknowledged their responsibility for preparation of financial statements which give a true and fair view of the Group's state of affairs of the results and cashflow for the year. In preparing the financial statements for the year ended 31st March 2006, the directors have:

- (i) approved the adoption of all applicable Hong Kong Financial Reporting Standards which are issued by the Hong Kong Institute of Certified Public Accountants;
- (ii) selected and applied consistently appropriate accounting policies;
- (iii) made judgments and estimates that are prudent and reasonable; and
- (iv) prepared the financial statements on the going concern basis.

The Board recognizes the importance of good corporate governance and transparency and its accountability to shareholders, it shall present a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures of the Group as required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements. The Company has announced its annual and interim results well before the prescribed period of four months after the financial year and three months after the end of first six months of the financial year respectively as required by the Listing Rules.

管理層須向董事會提供解釋及資料，令董事會能就財務及其他資料作出有根據的評估以呈交董事會批准。本年報第121至122頁核數師報告已列載本公司核數師羅兵咸永道會計師事務所（「羅兵咸永道」）之申報責任。

本公司董事承認彼等有編製真實且公平之財務報表的責任，以呈示本集團年內的業績狀況及現金流量。就編製截至二零零六年三月三十一日止年度之財務報表，董事已：

- (i) 批准採納香港會計師公會頒佈之所有適用香港財務報告準則；
- (ii) 挑選及貫徹應用適當之會計政策；
- (iii) 作出審慎且合理之判斷及估計；及
- (iv) 以持續經營基準編製財務報表。

董事會清楚良好企業管治及透明度之重要性，以及其對股東之問責，其於本集團之年報及中期報告、其他股價敏感公佈及其他根據上市規則要求須予披露之財務資料，以及向監管者提交之報告以至根據法例規定須予披露之資料，均已進行持平、清晰而容易理解的評估。本公司公佈其年度及中期業績的日期遠早於上市規則規定須要於財政年度後四個月內及財政年度首六個月結束後三個月內分別公佈年度及中期業績的要求。

# Corporate Governance Report

## 企業管治報告

### C.2 Internal controls

#### Principle

The board should ensure that the issuer maintains sound and effective internal controls to safeguard the shareholders' investment and the issuer's assets.

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
C.2.1	Directors should at least annually review effectiveness of internal control by the Group and state so in corporate governance report.  董事應最少每年檢討本集團內部監控之有效性，並於企業管治報告中匯報。	Yes  有	Please refer to the section below. 請參閱下文。

#### Internal control and risk management

Recognising that a well-designed system of internal control is crucial to safeguard the assets of the Company and to ensure the reliability of financial reporting as well as compliance with laws and regulations, the Company is committed to set up and maintain a good system of internal control which is devised to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives. The Board also acknowledges that it has overall responsibility for the Company's internal control, financial control and risk management system and shall monitor its effectiveness from time to time.

The internal audit and management services department ("IA Department") is responsible for internal audit function of the Company and monitors the internal control procedures and systems and reports its findings and recommendations, if any, to the audit committee on a quarterly basis.

Based on the assessment of risk exposure, the IA Department formulates an audit plan annually, which ensures the annual audit programs cover all high-risk areas, for the approval of the audit committee. The scopes and frequencies of audit reviews shall be determined according to risk assessment. Special reviews may also be performed on areas of concern identified by management or the audit committee from time to time.

### C.2 內部監控

#### 原則

董事會應確保發行人的內部監控系統穩健妥善而且有效，以保障股東的投資及發行人的資產。

#### 內部監控及風險管理

設計完善之內部監控制度對保障本公司財產、確保財務報告可靠性以及遵守法例及規則甚為重要，所以本公司致力設立並維持一個良好的內部監控系統，以提供合理，惟非絕對之保證，以防出現嚴重誤報或損失的情況，並管理，而非杜絕運作系統及達致集團目標出現失誤之風險。董事會亦明白其對本公司內部監控、財務控制及風險管理制度之整體責任，並不時監察其效能。

內部審核及管理服務部（「內審部」）負責本公司內部審核及監督內部監控程序及系統，並按季度向審核委員會匯報其發現及建議（如有）。

內審部會根據面對風險之評估從而每年制訂審核計劃，以確保年度審核工作涵蓋所有高風險範圍，審核計劃須呈交審核委員會批准。審核檢討之範圍及次數乃按風險評估而決定，亦會因應管理層或審核委員會所關注之事項不時進行特別檢討。

## Control processes

The Board establishes and maintains a sound internal control system through the following major processes:

- (i) systems and procedures are in place to identify and measure risks on an ongoing basis. Senior management shall review and define the annual risk assessment process and monitor the progress of risk mitigation plans;
- (ii) an organization structure with defined lines of responsibility and delegation of authority is devised;
- (iii) the Board shall review its strategic plans and objectives on an annual basis. The annual strategic plans shall lay down the basis for resources and financial budgeting;
- (iv) financial performance will be analysed against budget quarterly with variances being accounted for and appropriate actions will be taken to rectify deficiencies; and
- (v) the IA Department shall independently evaluate the adequacy and effectiveness of major controls over principal operations. Major findings and recommendations, if any, shall be reported to the audit committee on a quarterly basis.

## Risk assessment

The Company is committed to conduct a quality and comprehensive review of the effectiveness of the internal control systems. A team comprising professionals within the Company as well as experts from an independent risk consulting firm was established to perform a risk management assessment exercise in December 2005, in which the Company involved its entire management team to evaluate and assume overall responsibilities of the effectiveness of the Company's internal control systems.

Risk assessment, being the first step of the review, is the process of identifying, sourcing and evaluating individual risks and the interrelationships between risks. This provides a systematic approach to determine the key areas to which high priorities as well as resources should be given.

## 監控程序

董事會透過以下主要程序設立及維持良好的內部監控系統：

- (i) 設有系統及程序以持續識別及量度風險。高級管理層須將檢討及訂定年度風險評估程序以及監督減輕風險計劃之進度；
- (ii) 訂明職責及權限之組織架構；
- (iii) 董事會須每年檢討其策略計劃及目標，此計劃須列明資源及財政預算之基準；
- (iv) 每季按預算分析財務表現，並就有關之差異採取適當的行動以調整預算不足額；及
- (v) 內審部獨立評估主要業務的主要監控之完備性及效能，每季向審核委員會匯報主要結果及建議（如有）。

## 風險評估

本公司致力就內部監控系統之效能進行高質素及全面的檢討。於二零零五年十二月，集團成立一支由本公司專業人才及來自一家獨立風險顧問公司專家組成的隊伍，進行風險管理評估。據此，本公司每位管理層人員須評估及承擔本公司內部監控系統效能之整體責任。

風險評估是為識別、尋找及評估個別風險及風險間關係的第一個檢討程序，此乃提供一個有系統的方法以釐定優先處理及調撥資源之事項。

# Corporate Governance Report

## 企業管治報告

In conducting the risk assessment, management embraces a “top-down” approach as recommended by the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”). Management defined the objectives of the Company and the related risk categories impacting those objectives.

For the purpose of risk assessment, management adopted a risk model, which categorized the various risks impacting the Company into the following three major risk areas:

1. environmental risks – uncertainties affecting the viability of the business model;
2. process risks – uncertainties affecting the execution of the business model; and
3. information for decision-making risks – uncertainties over the relevance and reliability of information.

By utilising an outsourced facilitating function, interviews with each member of management team were arranged so as to discuss, identify and customize the objectives and risks encountered by the Company.

All members of management team were invited to participate in a workshop to discuss the results of the interviews. Through discussion and anonymous voting mechanism, the key risks had been ranked in terms of significance and likelihood. Response strategies and mitigation plans with respect to each key risk identified were planned and put into action.

A regular progress update protocol to the Board and the audit committee was established to enhance the accountability and quality of the risk management process.

管理人員採用Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 建議的「由上而下」的方法進行風險評估。管理人員界定本公司目標及影響該等目標的有關風險種類。

管理人員就風險評估採納一項風險模式，就各項會影響本公司之風險分為以下三大主要風險類別：

1. 環境風險—影響經營模式可行性的不明朗因素；
2. 過程風險—影響實行經營模型的不明朗因素；及
3. 決策資訊風險—資訊相關度及可靠性的不明朗因素。

透過外判組織，促成了管理層各成員之會面，從而商討、識別及制定本公司之目標及須面對的風險。

管理層各成員均獲邀參與工作坊以商討會面結果。透過討論及不記名投票機制，按重要程度及可能性排列主要風險，並就各項已識別的主要風險制定及採取回應策略及減輕風險計劃。

設立定期向董事會及審核委員會提交最新進展報告書之機制，以提升風險管理過程的問責性及質素。

### Annual internal control assessment

During the year ended 31st March 2006, the IA Department adopted a risk-based approach focusing on processes and controls that were material. Material or significant control weaknesses were reported quarterly to the audit committee. The Board, through the audit committee, had reviewed the effectiveness of the system of internal control of the Group which covered all material controls, including financial, operational and compliance controls and risk management functions and was satisfied that the Group in 2005 fully complied with the Code Provision on internal controls as set forth in the CG Code.

### C.3 Audit committee

#### Principle

The Board should establish formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the company's auditors. The audit committee established by an issuer pursuant to the Listing Rules should have clear terms of reference.

### 年度內部監控評估

截至二零零六年三月三十一日止年度，內審部採納了專注於主要流程及監控的風險基準方法，並每季向審核委員會匯報重大或顯著的監控弱點。董事會透過審核委員會檢討本集團內部監控系統之效能，內部監控系統涵蓋所有重大監控事項，包括財務、營運及遵守法規事宜以及風險管理功能，並且確信本集團於二零零五年已全面遵守上文管治守則所載有關內部監控之條文。

### C.3 審核委員會

#### 原則

董事會應就如何應用財務匯報及內部監控原則及如何維持與公司核數師適當的關係作出正規及具透明度的安排。發行人根據《上市規則》成立的審核委員會須具有清晰的職權範圍。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
C.3.1	Minutes of audit committee should be kept and sent to all members for comment and records within reasonable time.  應存置及於合理時間內將審核委員會之會議記錄送交全體成員，供表達意見及作其記錄之用。	Yes  有	Pursuant to its terms of reference, minutes of audit committee were kept and sent to all its committee members within reasonable time.  已根據審核委員會之職權範圍，存置及於合理時間內將委員會之會議記錄送交全體成員。
C.3.2	A former partner of the issuer's audit firm should not act as a member of the audit committee.  發行人外聘之審核公司的前合夥人不應成為審核委員會成員。	Yes  有	The current audit committee members are not former partner of the Company's existing auditing firm.  現時的審核委員會成員並非本公司現時外聘之審核公司之前合夥人。
C.3.3	The terms of reference of audit committee should include terms set out pursuant to C.3.3 of the Code Provision in the CG Code.  審核委員會之職權範圍應包括管治守則中之守則條文第C.3.3條所載之條款。	Yes  有	The terms of reference of the audit committee, which have included the role and authority delegated to it by the Board together with C.3.3 of the Code Provision, are available at the Group's website and on request.  審核委員會之職權範圍已包括其角色及董事會授予其之權限以及守則條文第C.3.3條，此等資料已於本集團網站登載及按要求供查閱。



# Corporate Governance Report

## 企業管治報告

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
C.3.4	Audit committee should make available its terms of reference.  審核委員會應公開其職權範圍。	Yes  有	Please refer to the section above. 請參閱上文。
C.3.5	Disclosure of any disagreement between board and audit committee on selection, appointment, resignation or dismissal of external auditors. The issuer should state recommendation and reasons for difference in view in corporate governance report.  披露董事會與審核委員會就外聘核數師的甄選、委任、辭任或罷免所持的不同意見。發行人應在企業管治報告內闡述其建議及持不同意見之理由。	Yes  有	The audit committee recommended and the Board agreed that the Company shall re-appoint PwC to be the Company's auditors and the recommendation will be put forward for the approval of shareholders at the AGM 2006.  審核委員會建議，而董事會同意本公司續聘羅兵咸永道為本公司核數師，推薦建議將於二零零六年股東週年大會上提呈股東通過。
C.3.6	Sufficient resources should be provided to the audit committee to discharge its duties.  應向審核委員會提供充足資源以讓其履行職責。	Yes  有	Pursuant to its terms of reference, the audit committee should be provided with sufficient resources, including advice of professional firms, to discharge its duties, if necessary.  根據審核委員會的職權範圍，該委員會應獲提供充足資源，包括專業公司之意見（如有需要），以讓其履行職責。

The Company established an audit committee with written terms of reference on 13th October 1999. The current audit committee members are Professor CHAN, Yuk Shee who presides as chairman, Dr. LEUNG, Kwok Fai, Thomas and Ms. TAM, Wai Chu, Maria, all of which are INEDs and at least one of whom possess the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The audit committee is responsible for, inter alia, reviewing and monitoring the relationship between the Company and its auditors, reviewing of the financial information of the Company and overseeing the Company's financial controls, internal control and risk management systems. The audit committee members have met with external and internal auditors and discussed the general scope of the audit works and reviewed the audit reports and the interim and annual accounts of the Group. During the year, the audit committee met privately with the external auditors, without the presence of the executive directors of the Company, to discuss matters or issues arising from the audit and any other matters the external auditor may wish to raise.

本公司於一九九九年十月十三日成立審核委員會，並訂明其職權範圍。審核委員會現有成員為陳玉樹教授（主席）、梁國輝博士及譚惠珠小姐，彼等均為獨立非執行董事，彼等中最少一人擁有上市規則第3.10(2)條要求的適當專業資格或會計或相關財務管理專業知識。

審核委員會須負責（其中包括）檢討及監察本公司與其核數師之關係、審閱本公司財務資料、監管本公司財務監控、內部監控及風險管理制度。審核委員會成員須與外聘及內部核數師會面，商討審核工作一般範疇及審閱本集團審核報告、中期及全年賬目。年內，審核委員會曾單獨與外聘核數師會面，商討審核出現的事宜或事項以及外聘核數師可能提出的任何其他事宜，而本公司執行董事並無出席有關會議。

There were six audit committee meetings during the year ended 31st March 2006 and the chairman and CEO, the CFO, other members of the senior management team and the external auditors of the Company shall be invited, as and when necessary, to join the discussion of the audit committee meetings. Particulars of the Board committee members' individual attendance and other details of the meetings were set out in the Meeting Schedule. The following is a summary of works performed by the audit committee during the year:

- |   |   |
|---|---|
| (i) review of the Group's final and interim results statements and the related result announcements and documents prior to Board approval;  | (i) 於提呈董事會批准前，審閱本集團年度及中期業績報表以及相關業績公佈及文件；                            |
| (ii) review of the development in accounting standards and its effects on the Group;  | (ii) 檢討會計準則之發展及其對本集團之影響；  |
| (iii) review of external auditor's audit plan and its nature and scope, the external auditors' reports and the letter of representation by the Company and other matters or issues raised by the external auditors;                 | (iii) 檢討外聘核數師之審核計劃、性質及範疇、外聘核數師報告及本公司發出之聲明函件以及外聘核數師提出的任何其他事宜或事項；     |
| (iv) review of the risk management assessment report by the external consultants and their recommendations;   | (iv) 審閱外聘顧問進行之風險管理評估報告及其建議；   |
| (v) review of, and with recommendation to the Board, the adoption of the policy on provision of audit and non-audit services by external auditors and the semi-annual summary of audit and non-audit services by external auditors; | (v) 檢討就外聘核數師提供審核及非審核服務所採納之政策，並就此向董事會提出建議，以及審閱外聘核數師提供之審核及非審核服務之半年摘要； |
| (vi) review and approval of the contingency plan for avian flu and pandemic influenza;  | (vi) 審閱及批准有關禽流感及流行性感冒之應變計劃；   |
| (vii) review of the independence of the external auditors and approval of its engagement letters and audit fee;   | (vii) 檢討外聘核數師之獨立性及批准有關之應聘書及審核費用；                                    |
| (viii) review of, and with recommendation to the Board, the foreign currency and treasury policy of the Group; and  | (viii) 檢討本集團之外幣及庫存政策，並就此向董事會提出建議；及                                  |
| (ix) review of quarterly internal audit reports by the IA Department in respect of the Group's internal control system and procedures, its effectiveness and the regular updates on key risk areas of financial control.            | (ix) 審閱內審部提呈之季度內部審核報告，該報告涵蓋內部監控制度和程序、其效能以及定期更新之財務監控主要風險範疇。          |

截至二零零六年三月三十一日止年度，曾舉行六次審核委員會會議。當有需要時，本公司主席及行政總裁、首席財務總監、其他高級管理人員及外聘核數師亦會獲邀參與審核委員會會議之討論。董事委員會成員的出席率及會議其他詳情已載於會議時間表內。下列為審核委員會於年內所進行的工作摘要：

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All issues raised by the audit committee were addressed and/or dealt with by the senior management of the Company and the work, findings and recommendations of the audit committee were reported to the Board from time to time. During the year ended 31st March 2006, no issues brought to the attention of senior management and the Board was of sufficient importance to require disclosure in the annual report under the Listing Rules.

During the year ended 31st March 2006, the fees paid to the Company's external auditors amounted to approximately HK\$1,960,400, comprising the audit fees of HK\$1,643,200 and non-audit fees of HK\$317,200 respectively. The non-audit services consist mainly of tax advisory services and interim review.

由審核委員會提出的所有事宜已獲本公司高級管理人員知悉及／或處理，而審核委員會的工作、結果及推薦建議亦已不時向董事會匯報。截至二零零六年三月三十一日止年度，高級管理人員及董事會並無得悉任何事項須要根據上市規則於年報內披露。

截至二零零六年三月三十一日止年度，支付予本公司外聘核數師的費用約為1,960,400港元。審核及非審核服務之有關費用分別約為1,643,200港元及317,200港元。非審核服務主要包括稅務顧問服務及中期審閱。

### D. Delegation by the board

#### D.1 Management functions

##### Principle

An issuer should have a formal schedule of matters specifically reserved to the board for its decision. The board should give clear directions to management as to the matters that must be approved by the board before decisions are made on behalf of the issuer.

### D. 董事會權力的轉授

#### D.1 管理功能

##### 原則

發行人應有一個正式的預定計劃表，列載特別要董事會作決定的事項。董事會在代表發行人作出決定前，亦應明確指示管理層哪些事項須由董事會批准。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
D.1.1	Board must give clear directions as to powers of management, particularly on delegation to management and matters required prior approval from the board.  董事會須就管理層之權力，特別是向管理層作出之授權及須預先取得董事會批准之事項，給予清晰的指引。	Yes  有	<i>Please refer to the section below. 請參閱下文。</i>
D.1.2	Company should formalize functions reserved to the board and functions delegated to management.  本公司須正式規定只限董事會執行和管理層獲授權執行的職能。	Yes  有	

Pursuant to the terms of reference of the Board and management, the types of decision to be taken by the Board include those relating to:-

- (i) set the objectives of the Board;
- (ii) establish the strategic direction of the Company;
- (iii) set the objectives of the management;
- (iv) monitor the performance of the management;
- (v) oversee the management of the Company's relationships with stockholders, such as customers, the community, interest groups and others who have a legitimate interest in the responsible conduct of the Group's business;
- (vi) ensure that a framework of prudent and effective controls is in place and to assess and manage risks of the Group;
- (vii) set the Company's values and standards;
- (viii) determine any matters involving a conflict of interest for a substantial shareholder or a director;
- (ix) determine material acquisitions and disposals of assets, investments, capitals projects, authority levels, major treasury policies, risk management policies and key human resources issues;
- (x) ensure the Company maintains sound and effective internal controls to safeguard the shareholders' investment and the Company's assets. Directors should at least annually conduct review of the effectiveness of the system of internal control of the Group and report to shareholders on the relevant findings in corporate governance report of the Company. The review shall cover all material controls, including financial, operational and compliance controls and risk management functions;

根據董事會及管理層之職權範圍，董事會作出的決策類別包括以下各項：

- (i) 訂立董事會之目標；
- (ii) 制定本公司策略方針；
- (iii) 訂立管理層目標；
- (iv) 監察管理層表現；
- (v) 監管本公司管理層與各界人士之關係，例如客戶、社群、有利益關係團體及對本集團以負責任態度營運業務有着法理上利益的其他人士；
- (vi) 確保推行審慎及有效的監控體制，以評估及管理本集團的風險；
- (vii) 訂立公司的價值觀和標準；
- (viii) 就大股東或董事利益衝突之任何事項作出決定；
- (ix) 決定重大收購及出售資產、投資、資本項目、權力水平、主要庫務政策、風險管理政策及主要人力資源事項；
- (x) 確保本公司保持良好及有效的內部監控，以保障股東之投資及本公司之資產。董事應最少每年檢討本集團之內部監控系統是否有效，並於本公司企業管治報告內向股東匯報有關結果。有關檢討應涵蓋所有重要的監控，包括財務、營運及合規監控以及風險管理功能；

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- (xi) consider and determine issues which are the responsibility of the Board pursuant to the Company's memorandum and Articles of Association and relevant laws and regulations in force from time to time which the Group is governed; and
- (xii) delegate its power and authority to the relevant committee(s) of the Board in respect of the management and operation of the Company as and when appropriate.

The management, consisting of CEO, the executive committee of the Board along with other senior executives, shall be responsible for the implementation of the strategy and direction as determined by the Board from time to time. In doing so, they must apply business principles and ethics which are consistent with those expected by the Board and shareholders of the Company.

The Board delegates management and administrative functions to the management for their conduct of the day-to-day operations of the Company, effectively, legally and ethically. This requires that they are aware of the material risks and issues faced by the Company and that they carefully supervise the Company's financial reporting systems and processes.

Responsibilities of the management including those relating to:-

- (i) provide a comprehensive, formal and tailored induction upon the appointment of directors, and subsequently such briefing and professional development as is necessary, to ensure that the directors have a proper understanding of the operations and business of the Company;
- (ii) develop business and execution proposals in line with the objectives of, and with risks acceptable to, the Company for approval by the executive committee on behalf of the Board;

- (xi) 考慮及決定按本公司之公司組織章程大綱及細則以及本集團受規管之不時生效的有關法例及規例屬於董事會負責任之各事項；及
- (xii) 在適當的情況下，向有關董事委員會轉授其有關本公司管理及營運的權力。

由行政總裁、董事會轄下之行政委員會會同其他高層人員所組成的管理層，須負責執行董事會不時釐定之策略及方向。在執行的過程中，彼等必須秉持與董事會及本公司股東預期相符之商業原則及道德標準。

董事會授予管理層管理和行政職能，以有效、合法及負責任的態度進行本公司日常運作，因此要求管理層意識到本公司所面對的重大風險及問題，以及審慎監督本公司的財務申報制度及程序。

管理層之責任包括以下各項：

- (i) 於委任董事後，向彼等提供全面、正式及特訂的就職指引，其後於有需要時提供有關簡報及專業發展，以確保董事對本公司的營運及業務有恰當了解；
- (ii) 在本公司可承受之風險下發展與本公司目標一致的業務及行政建議，並提呈行政委員會代表董事會批准；

(iii)	prepare annual budget, mid-term and long-term budgets, development strategies for approval by the executive committee on behalf of the Board;	(iii)	編撰年度預算、中期及長期預算以及發展策略，並提呈行政委員會代表董事會批准；
(iv)	provide in a timely manner with appropriate information in such form and of such quality as will enable the directors to monitor the performance of the Company and make informed decisions;	(iv)	適時提供合適的資料，而其形式及內容應能令董事監察本公司表現及作出有根據的決定；
(v)	develop and implement internal control procedures;	(v)	發展及執行內部監控程序；
(vi)	develop the Group's staff policy;	(vi)	發展本集團僱員政策；
(vii)	prepare materials and papers and draft resolutions on matters to be considered by the general meeting of shareholders or Board and present materials to the committees of the Board;	(vii)	就股東大會或董事會將予考慮之事項編製材料及文件以及草擬決議案，並將有關材料提交予董事委員會；
(viii)	manage risk in accordance with the direction of the Board from time to time;	(viii)	根據董事會不時制定之方向管理風險；
(ix)	provide organizational and technical support of the activities of the Group;	(ix)	就本集團之活動提供組織及技術支援；
(x)	determine the technical, financial, economic and pricing policies of the Group;	(x)	釐定本集團之技術、財務、經濟及定價政策；
(xi)	determine policy and supervise improvements to accounting and administrative methods and adopt international accounting standards for the Group and its branch offices;	(xi)	釐定政策、監察及改善會計及行政措施以及本集團及其分區辦事處採納之國際會計準則之修訂；
(xii)	determine the methods for planning, budgeting and financial control for the Group and its overseas offices;	(xii)	釐定本集團及其海外辦事處之規劃、預算及財務監控措施；
(xiii)	determine security policies for the Group and its branch offices;	(xiii)	釐定本集團及其分區辦事處之保安政策；
(xiv)	determine the procedure for allocating assets to Group companies and withdrawal of allocated assets from Group companies;	(xiv)	釐定將資產分配予集團屬下公司及自集團屬下公司撤回已分配資產之有關程序；

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|--|---|
| (xv) determine the number of members of the collective executive bodies of overseas offices, appoint them, terminate their authority early and approve the regulations on overseas offices' collective executive bodies; | (xv) 決定海外辦事處行政架構之整體成員人數、委任、提早終止其授權及通過有關海外辦事處架構之規例；    |
| (xvi) preliminarily approve candidates for the position of heads, deputy heads and chief accountants of overseas and representative offices and relieve them of their duty;  | (xvi) 初步通過海外及代表辦事處主管、副主管及首席會計師之候選人及減輕其職責；             |
| (xvii) approve overseas offices' budgets and amend such documents;   | (xvii) 批准海外辦事處之預算及修訂有關文件；                             |
| (xviii) analyze the results of performance of the Group's structural subdivisions, including separate structural subdivisions, and develop binding instructions for improvement of their work;                           | (xviii) 分析本集團結構分部（包括獨立結構分部）之表現業績，並就改善其工作表現而制訂具約束性之指引； |
| (xix) approve internal documents regulating matters within the authority of the management; and  | (xix) 批准管理層權限以內所規管的事項的有關內部文件；及                        |
| (xx) handle such other matters that are delegated by the Board from time to time.  | (xx) 處理董事會不時授權之該等其他事項。                                |

### Executive committee

Being part of the management team, the executive committee held meetings on a regular basis. The members of the executive committee are Mr. KWOK, Siu Ming, Simon, who presides as the chairman, Mrs. KWOK LAW, Kwai Chun, Eleanor and Mr. LOOK, Guy. Particulars of the executive committee members' individual attendance and other details of the meetings were set out in the Meeting Schedule.

### Management meetings

Executive committee and the management team meet together regularly to review, discuss and make decisions on financial and operational matters. During the year ended 31st March 2006, fourteen management meetings were held and chaired by the chairman and CEO of the Company which enhanced and strengthened departmental communications and co-operation within the Group.

### 行政委員會

行政委員會作為管理團隊之一部分，會定期舉行會議。行政委員會成員為郭少明先生（主席）、郭羅桂珍女士及陸楷先生。個別行政委員會成員的會議出席率及會議其他詳情已載於會議時間表內。

### 管理層會議

行政委員會及管理層團隊定期會面，檢討、商討及就財務及營運事項作出決策。截至二零零六年三月三十一日止年度內，曾舉行十四次管理層會議，由本公司主席及行政總裁主持，以提高及鞏固集團部門間之溝通及合作。



## D.2 Board committees

### Principle

Board committees should be formed with specific written terms of reference which deal clearly with the Board committees' authority and duties.

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
D.2.1	Board committees should have clear terms of reference to enable such committees to discharge their functions properly.  董事委員會應清楚訂明職權範圍，以讓該等委員會適當地履行其職責。	Yes  有	Please refer to terms of reference of the audit committee, compensation committee and nomination committee of the Company. 請參閱本公司審核委員會、薪酬委員會及提名委員會之職權範圍。
D.2.2	Terms of reference of board committees should require such committees to report their decisions to the board.  委員會的職權範圍應要求該等委員會向董事會匯報其決定。	Yes  有	

## D.2 董事會轄下的委員會

### 原則

董事會轄下各委員會的成立應訂有書面的特定職權範圍，清楚列載董事委員會權力及職責。

## E. Communication with shareholders

### E.1 Effective communication

#### Principle

The board should endeavour to maintain an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
E.1.1	A separate resolution at a general meeting on each substantially separate issue should be proposed by the chairman of that meeting.  股東大會主席應就每項實際獨立的事宜個別提出決議案。	Yes  有	Separate resolutions are proposed at the AGM on each substantially separate issues, including election of individual directors.  於股東週年大會上，每項實際獨立的事宜已個別提出決議案，包括選舉個別董事。
E.1.2	Chairman of the board should attend AGM and arrange for chairmen of audit, remuneration and nomination committees to attend and be available to answer questions.  董事會主席應出席股東週年大會，並安排審核、薪酬及提名委員會主席出席以回答提問。	Yes  有	The chairman of the Board attended the AGM 2005 and the chairmen or another member of the relevant committee were available to answer question at the AGM 2005.  董事會主席出席了二零零五年股東週年大會，相關委員會主席或其他成員均有出席二零零五年股東週年大會以回答提問。

## E. 與股東的溝通

### E.1 有效溝通

#### 原則

董事會應盡力與股東持續保持對話，尤其是藉股東週年大會或其他全體會議與股東溝通及鼓勵他們的參與。

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The last shareholders' meeting was the AGM 2005 which was held at the Ritz-Carlton in Hong Kong for approval of, among others major items, the general mandates to issue and purchase shares and amendments to the Articles of Association. The amendments to the Articles of Association, which were approved by the shareholders and adopted by the Company, were made pursuant to A.4.2 of the Code Provision in the CG Code. that (i) all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment; and (ii) every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. In order to bring the Articles of Association in line with the Listing Rules, articles 99 and 116 of the Articles of Association were amended with the shareholders' approval at the AGM 2005. Particulars of the amendments in the Articles of Association and major items discussed in the AGM 2005 were set out in the circular of the Company dated 13th July 2005 ("Circular 2005"). The proposed resolutions by ordinary resolutions and special resolution were passed by simple majority and more than three-fourths of the votes on show of hands in the AGM 2005.

### Public float

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the total issued share capital of the Company was held by the public as at the date of this report.

本公司最近期舉行之股東大會為假座香港麗嘉酒店舉行之二零零五年股東週年大會，會上通過了各主要事項，包括批准發行及購回股份之一般授權以及修訂章程細則。股東通過及本公司採納之章程細則之修訂，乃基於管治守則中之守則條文第A.4.2條的規定，章程細則第99及116條因應作出修改，並獲股東於二零零五年股東週年大會通過。第A.4.2條指明(i)所有為填補臨時空缺而被委任的董事應在接受委任後的首次股東大會上接受股東選舉；(ii)每名董事（包括有指定任期的董事）應輪流退任，至少每三年一次。修訂章程細則以及於二零零五年股東週年大會討論主要事項之詳情乃載於本公司日期為二零零五年七月十三日之通函（「二零零五年通函」）。以普通決議案及特別決議案形式提呈之決議案已於二零零五年股東週年大會分別獲大多數及超過四分之三票數以舉手投票方式通過。

### 公眾人士持股量

根據本公司所得的公開資料及就董事所知，於本報告簽發日期，公眾人士持有本公司全部已發行股本總數不少於25%。

## Investor relations

The Group is committed to fostering productive and long-term relationships with shareholders and investors through open and prompt communication. Various channels have been established to facilitate transparency. Key information on the Group, which is continuously updated (including a separate corporate governance section), annual reports and webcasts of results presentations are available on our corporate website ([www.sasa.com](http://www.sasa.com)). In addition to the AGM in which shareholders can put questions to directors about the Group's performance, press and analysts' conferences are held at least twice a year subsequent to the interim and final results announcements. At these conferences, the management team explains the Group's business performance and future direction. The Group also seeks opportunities to communicate its strategies to investors and the public through active participation at investors' conferences, regular meetings with fund managers and potential investors, as well as through press interviews and timely press releases. Other than individual meetings with analysts, institutional investors and fund managers, the Group also participated in various road shows and conferences during the year. These are summarised as follows:

## 投資者關係

集團致力與股東及投資者建立良好而長遠的關係，因此設立多種溝通渠道作迅速和坦誠的溝通，以增加透明度。集團網頁 ([www.sasa.com](http://www.sasa.com)) 載有集團之重要資訊 (包括獨立的「公司管治」章節)，而且不斷更新，亦載有年報及記者招待會上發佈的業績報告。除在週年股東大會上股東可向董事提出有關集團表現的意見外，集團亦於公佈中期及年度業績後每年最少舉行兩次記者招待會及分析員研討會 (於公佈中期及年度業績後)，由管理層講解集團的業績及未來發展方向。此外集團亦透過積極參與投資者會議，定期與基金經理及潛在投資者會面，接受報章訪問及發布新聞稿向投資者及公眾闡釋業務策略。年內，集團管理層除與分析員、機構投資者及基金經理會面外，亦曾參加以下巡迴推介及大型投資者會議：

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## 企業管治報告

Date 日期	Event 活動	Organiser 主辦單位	Location 地點
March 2006 二零零六年三月	Asian Investment Conference 亞洲投資會議	CSFB 瑞士信貸第一波士頓	Hong Kong 香港
February 2006 二零零六年二月	Hong Kong Corporate Day 香港企業推介日	BNP Paribas Peregrine 法國巴黎百富勤	Hong Kong 香港
January 2006 二零零六年一月	Retail Corporate Day 零售業推介日	Macquarie Securities 麥格理證券	Singapore 新加坡
December 2005 二零零五年十二月	Road show 巡迴推介	JP Morgan 摩根大通	Singapore 新加坡
December 2005 二零零五年十二月	Road show 巡迴推介	Nomura 野村證券	Hong Kong 香港
December 2005 二零零五年十二月	Investors luncheon 投資者午餐會	JP Morgan 摩根大通	Hong Kong 香港
October 2005 二零零五年十月	Hong Kong Corporate Day 香港企業推介日	BNP Paribas Peregrine 法國巴黎百富勤	Hong Kong 香港
September 2005 二零零五年九月	Consumer & Tourism Corporate Day 消費及旅遊業推介日	Deutsche Bank 德意志銀行	Hong Kong 香港
September 2005 二零零五年九月	10th Annual Asia Pacific Equity Conference 第十屆亞太資本會議	JP Morgan 摩根大通	New York 紐約
September 2005 二零零五年九月	Road show 巡迴推介	Canadian Imperial Bank of Commerce 加拿大帝國商業銀行	Toronto 多倫多
September 2005 二零零五年九月	CLSA Investors' Forum 2005 2005年里昂證券投資者研討會	CLSA 里昂證券	Hong Kong 香港
September 2005 二零零五年九月	Nomura Asia Day III 野村證券第三屆亞洲企業推介日	Nomura 野村證券	Tokyo 東京
July 2005 二零零五年七月	Road show 巡迴推介	Deutsche Bank 德意志銀行	Singapore 新加坡
June 2005 二零零五年六月	Road show 巡迴推介	Deutsche Bank 德意志銀行	Hong Kong 香港

## E.2 Voting by poll

### Principle

The issuer should regularly inform shareholders of the procedure for voting by poll and ensure compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the issuer.

## E.2 以投票方式表決

### 原則

發行人應定期通知股東以投票方式表決的程序，並確保符合《上市規則》有關以投票方式表決的規定及發行人本身的組織章程文件。

Code no. 守則編號	Code provisions 守則條文	Alignment 有否遵守	Remarks 備註
E.2.1	Chairman of the meeting should disclose in circular procedures and rights to demand a poll.	Yes	The procedures for demanding a poll by the shareholders were incorporated in the Circular 2005.
	大會主席應於通函披露要求以投票方式表決的程序及權利。	有	股東要求以投票方式表決的程序已載列二零零五年通函內。
E.2.2	Chairman should count and indicate level of proxies lodged on each resolution, and the balance for and against the resolution.	Yes	The chairman of the Board had duly performed the E.2.2 and E.2.3 of the Code Provisions in the AGM 2005. Abacus Share Registrars Limited, the share registrar of the Company, was present to assist and ensure the votes were properly counted.
	主席應點算每項決議案的委任代表投票的票數及表明投票比例，以及贊成及反對該決議案之票數。	有	
E.2.3	Chairman should explain procedures for demanding and conducting a poll at the commencement of meeting.	Yes	董事會主席於二零零五年股東週年大會上已妥善執行守則條文第E.2.2及E.2.3條的規定。本公司股份過戶登記處雅柏勤證券登記有限公司出席大會並協助點票，確保票數準確無誤。
	主席應於大會開始時已解釋要求及進行以投票方式表決之程序。	有	

# Corporate Governance Report

## 企業管治報告

### Beyond the Code

With a view to continuously improve its corporate governance, transparency and accountability to its shareholders, the Group goes beyond the Code Provisions in the following aspects:–

- (i) the Company has arranged appropriate liability insurance cover, which is reviewed on an annual basis, for liabilities arising out of activities from being directors of the Group;
- (ii) the chairman of the Board has performed these duties and responsibilities set out in A.2.4 and A.2.5 of the recommended best practices in the CG Code, including to ensure the Board works effectively and discharges its responsibilities, all key and appropriate issues are discussed by the Board in a timely manner etc., which were incorporated into the terms of reference for chairman effective on 1st April 2005;
- (iii) the INEDs appointed represent more than one third of the Board;
- (iv) the Company established a nomination committee on 31st March 2005, in which two-third of its committee members are INEDs. The terms of reference of nomination committee adopted by the Board on 31st March 2005 dealt clearly with the Board committee's authority and duties and incorporated all the duties set out in A.4.5 (a) to (d) of the recommended best practices in the CG Code. The terms of reference of the nomination committee with its role and authority delegated by the Board is made available on the Company's website and on request. Pursuant to its terms of reference, the nomination committee should be provided with sufficient resources;
- (v) disclosure on significant changes in the Articles of Association during the year, details of the last shareholders' meeting and major items discussed, and particulars as to voting are set out in the section E. – Communication with shareholders of the corporate governance report; and
- (vi) disclosure on division of responsibility between the Board and management is set out in the section A. – Directors of the corporate governance report.

### 守則以外

為不斷改善企業管治和透明度，以及向股東問責，本集團在下列範疇內更超越了守則條文的要求：

- (i) 本集團已安排適當之責任保險，並按年檢討，保障以本公司董事身分進行活動時產生之責任；
- (ii) 董事會主席已履行載於管治守則中之建議最佳常規之A.2.4及A.2.5條的職務與責任，包括確保董事會有效工作及履行其職責，所有重要及適當事項適時提呈董事會討論，此等常規更被納入二零零五年四月一日起生效之主席職權範圍之內；
- (iii) 獲委任之獨立非執行董事人數超過董事會人數之三分之一；
- (iv) 本公司於二零零五年三月三十一日成立提名委員會，其中三分之二成員為獨立非執行董事。於二零零五年三月三十一日由董事會採納之提名委員會職權範圍，清楚列明董事委員會權力與職責，並收納管治守則中之建議最佳常規第A.4.5 (a)至(d)條所載列的責任。提名委員會職權範圍，包括其角色及董事會轉授之權力可於本公司網站登載及已按要求的查閱。根據其職權範圍，提名委員會應獲供充足資源；
- (v) 年內章程細則之重大變動、上屆股東大會詳情及經討論之主要事項以及投票詳情之披露乃載於企業管治報告之E部「與股東的溝通」項下；及
- (vi) 董事會與管理層責任分工之披露乃載於企業管治報告之A部「董事」項下。