

CORPORATE GOVERNANCE REPORT

企業管治報告

The directors of the Company consider that throughout the Period the Company has complied throughout the Period with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The Company had received from each of the Independent Non-executive Directors a verbal confirmation of his independence. In the opinion of the Company, all of the Independent Non-executive Directors are independent in respect of the preparation of the 2006 interim financial statements.

The Company has adopted the Model Code. The Company had made specific enquiries to all directors of the Company regarding any non-compliance with the Model Code during the Period, and had received confirmations from all directors of the Company that they had fully complied with the required standard set out in the Model Code during the Period.

With the consent of the Audit Committee, the Board hereby confirms that, in the preparation of the 2006 unaudited consolidated interim financial statements of the Company, the directors of the Company, both collectively and individually, applied such degree of skill, care and diligence as they may reasonably be expected of under the Listing Rules throughout the Period.

NOMINATION COMMITTEE

The Nomination Committee was established in March 2005 to ensure fair and transparent procedures for the appointment of directors to the Board. The Committee's authority and duties are set out in written terms of reference, which specify that it must comprise at least three members. The existing Nomination Committee comprises three Independent Non-executive Directors, Mr. Cheung Wah Fung, Christopher, Mr. Leung Hok Lim and Mr. Lam Kwong Siu.

本公司董事認為，本公司於本期間一直遵守上市規則附錄十四所載之企業管治常規守則。本公司已收到每一位獨立非執行董事就有關彼等之獨立性發出的口頭確認。本公司認為全體獨立非執行董事於編製二零零六年中期財務報表之獨立性均屬獨立。

本公司已採納標準守則。本公司已向全體董事為於本期間有否違反標準守則一事作出特定查詢，而彼等均已確認於本期間完全遵從標準守則之有關規定。

在審核委員會認同下，董事會在此確認董事於編製本公司二零零六年未經審核綜合中期財務報表時已遵守上市規則之規定而共同與個別地履行誠信責任及應有技能、謹慎和勤勉行事的責任。

提名委員會

提名委員會已於二零零五年三月成立，旨在確保董事之委聘程序符合公平及透明之原則。該委員會之權力及職責載於書面指引內，列明委員會最少應有三名成員。而提名委員會現時由三名獨立非執行董事組成，包括張華峰先生、梁學濂先生及林廣兆先生。

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REMUNERATION COMMITTEE

According to the Code on Corporate Governance Practices, the Group shall set up a Remuneration Committee with a majority of the members being Independent Non-executive Directors. The Group established its Remuneration Committee in March 2005 comprising three Independent Non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Leung Hok Lim and Mr. Cheung Wah Fung, Christopher.

The Remuneration Committee shall consult the Chairman and/or the General Manager of the Group about their proposals relating to remuneration package and other human resources issues of the directors of the Company and senior management of the Group. The emoluments of directors of the Company are based on each director's skill, knowledge and involvement in the Group's affairs, with reference to the Group's performance and profitability, remuneration benchmark in the industry and the prevailing market conditions.

薪酬委員會

根據企業管治常規守則，本集團須成立大部份成員為獨立非執行董事之薪酬委員會。本集團已於二零零五年三月成立薪酬委員會，由三名獨立非執行董事組成，包括林廣兆先生、梁學濂先生及張華峰先生。

薪酬委員會須就本公司之董事及本集團之高級管理人員之薪酬建議及其他人力資源問題諮詢本集團主席及／或總經理。本公司董事酬金乃根據個別董事之技能、知識水平及對本集團事務之投入程度，並參照本集團之業績與盈利狀況、同業酬金水平及市場環境而釐定。