



本公司致力維持高水平之企業管治常規。董事會認為良好之企業管治能提高股東之利益。

The Company is committed to maintaining a high standard of corporate governance practices. The Board considers shareholders can maximize their benefits from good corporate governance.

本公司於截至二零零六年六月三十日止之整個會計年度內，已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14企業管治常規守則（「守則」）所載之所有守則條文規定，惟與守則條文第A.4.1及A.4.2條有所偏離，詳情於下文有關段落闡述。

The Company has complied with all the code provisions set out in Appendix 14 Code on Corporate Governance Practices (the “Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the accounting year ended 30 June 2006, except for the deviations from Code Provisions A.4.1 and A.4.2 which are explained in the following relevant paragraphs.

## 企業管治原則及本公司之常規

## CORPORATE GOVERNANCE PRINCIPLES AND THE COMPANY'S PRACTICES

### A.1. 董事會

### A.1. Board of Directors

發行人應以一個行之有效之董事會為首，而董事會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之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。

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.

董事會會議於每季定期舉行。此外，特別董事會會議將於有需要時舉行。截至二零零六年六月三十日止財政年度董事會會議中個別董事之出席情況如下：

Regular Board meetings are held at approximately quarterly intervals. In addition, special Board meetings will be held when necessary. Attendance of individual Directors at Board meetings and other board committee meetings during financial year ended 30 June 2006 are as follows:

董事	Director	會議出席／舉行次數 Meetings Attended / Held		
		董事會會議 Board Meeting	審核委員會會議 Meetings of Audit Committee	薪酬委員會會議 Meetings of Remuneration Committee
<i>執行董事</i> Executive Directors				
陳聖澤博士，太平紳士	Dr. Chan Sing Chuk, Charles J.P.	8/8	–	–
鄭小燕女士	Ms Cheng Siu Yin, Shirley	8/8	–	1/1
陳慧琪小姐	Miss Chan Wai Kei, Vicki	7/8	–	–
<i>非執行董事</i> Non-executive Director				
朱偉國先生	Mr Chu Wai Kok	4/8	2/2	–
<i>獨立非執行董事</i> Independent Non-executive Directors				
梁海明先生	Mr Leung Hai Ming, Raymond	5/8	2/2	1/1
黃繼昌先生	Mr Wong Kai Cheong	5/8	2/2	–
余嘯天先生，M.B.E. 太平紳士	Mr Yu Shiu Tin, Paul, M.B.E. J.P.	5/8	2/2	1/1

董事會定期會議議程之事項，經諮詢董事後釐定。

Directors are consulted to include matters in the agenda for regular Board meetings.

召開董事會定期會議之日期至少在十四日前安排，以讓全體董事皆有機會騰空出席。至於所有其他董事會會議，則會在合理時間內發出通知召開。

Dates of regular Board meetings are scheduled at least 14 days in advance to provide sufficient notice to give all Directors an opportunity to attend. For all other Board meetings, reasonable notice will be given.



所有董事都可獲公司秘書提供意見及服務，確保能夠遵守董事會程序及所有適用規則及規例。

董事會、審核委員會及薪酬委員會之會議紀錄均由公司秘書備存。董事在發出合理通知後，亦可於合理時段內查閱有關會議紀錄。

董事會及董事委員會之會議紀錄，已對各董事及委員會所考慮事項及達致之決定作足夠詳細之記錄，其中包括董事提出之任何問題或表達之反對意見。董事會會議紀錄初稿及最後定稿已送呈全體董事，以供董事發表意見及作記錄之用。

董事會可議決為董事提供個別獨立專業意見，以協助董事履行其對本公司之責任，費用由本公司負責支付。

根據現行董事會慣例，任何涉及主要股東或董事利益衝突之重大交易，均由董事會於正式舉行之董事會會議上考慮及處理。於交易中並無重大利益之獨立非執行董事將列席會議。

Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations, are followed.

Minutes of the Board, the Audit Committee and the Remuneration Committee are duly kept and such minutes are open for inspection at any reasonable time on reasonable notice by any Director.

Minutes of the Board and Board Committees have recorded in sufficient detail the matters considered by the Board and the Board Committees, decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of the Board are sent to all Directors for their comment and records respectively.

Should Directors need independent professional advice, the Board will appoint professional advisors to render the advice. The costs associated with such professional services will be borne by the Company.

According to the current Board practice, any material transaction, which involves a conflict of interest for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. Independent Non-executive Directors who have no material interest in the transaction will be presented at such board meeting.

## A.2. 主席及行政總裁

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。

守則條文第A.2.1條訂明主席與行政總裁之角色應清楚劃分，不應由一人同時兼任。

陳聖澤博士為本公司主席。陳先生負責監督集團之發展方向，並同時領導董事會。彼確保董事會能夠有效地運作及履行職責，並及時就所有重要及適宜事宜進行討論。陳博士亦負責確保已妥善告知全體董事有關董事會會議上討論之事宜，同時確保董事及時收到足夠及完備可靠的資料。陳博士為鄭小燕女士之丈夫。

鄭小燕女士為本公司董事總經理，彼負責本集團之日常管理及市場推廣業務。鄭女士為陳聖澤博士之妻子。

雖然本公司未有設立行政總裁一職，董事會認為現行之職責分工已足夠，足以確保權力及授權取得平衡。

## A.2. Chairman and Chief Executive Officer

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.

Code Provision A.2.1. provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Dr. Chan Sing Chuk, Charles is the Chairman of the Company. Dr. Chan oversees the direction of the Group and also provides leadership for the Board. He ensures that the Board works effectively and discharges its responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner. Dr. Chan is also responsible to ensure that all Directors are properly briefed on issues arising at Board meetings and that all Directors receive adequate information, which must be complete and reliable, in a timely manner. Dr. Chan is the husband of Ms Cheng Siu Yin, Shirley.

Ms. Cheng Siu Yin, Shirley is the Managing Director of the Company. She is responsible for day-to-day management and the marketing activities of the Group. Ms Cheng is the wife of Dr. Chan Sing Chuk, Charles.

Although the Company does not have a post of chief executive officer, the Board considers that there is adequate segregation of duties within the Board to ensure a balance of power and authority.



### A.3. 董事會組成

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。

截至二零零六年六月三十日止，董事會包括三名執行董事，分別為陳聖澤博士、鄭小燕女士及陳慧琪小姐，一名非執行董事，為朱偉國先生，以及三名獨立非執行董事，分別為梁海明先生、黃繼昌先生及余嘯天先生。在所有披露本公司董事姓名之公司通訊中，董事已按本身職務的類別，明確劃分為執行董事、非執行董事及獨立非執行董事。

陳博士為鄭小燕女士之丈夫，陳慧琪小姐為陳博士及鄭女士之女兒。

董事會成員簡歷(包括董事之間之關係)已載於年報第十八至二十頁，當中說明董事會成員具備之不同技能、專業、經驗及資格。

### A.3. Board Composition

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 caliber and number for their views to carry weight.

As at 30 June 2006, the Board comprises three Executive Directors, namely Dr. Chan Sing Chuk Charles, Ms Cheng Siu Yin Shirley and Miss Chan Wai Kei Vicki; one Non-executive Director, namely, Mr Chu Wai Kok and three Independent Non-executive Directors, namely Mr Leung Hai Ming Raymond, Mr Wong Kai Cheong and Mr Yu Shiu Tin Paul. All Directors are expressly identified by categories of Executive Directors, Non-executive Director and Independent Non-executive Directors, in all corporate communications that disclose the names of Directors of the Company.

Dr. Chan is the husband of Ms Cheng Siu Yin, Shirley and Miss Chan Wai Kei Vicki is the daughter of Dr. Chan and Ms Cheng.

Biographies which include relationships of Directors are set out in pages 18 to 20 of the annual report, which demonstrate a diversity of skills, expertise, experience and qualifications among members of the Board.

#### A.4. 委任、重選及罷免

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。

守則條文第A.4.1條訂明非執行董事之委任應有指定任期，並須予重選。

本公司之非執行董事及獨立非執行董事並無指定任期，惟須根據本公司細則第一百一十五(A)條輪值退任及膺選連任。由於本公司董事總人數較少，獨立非執行董事須輪值退任及膺選連任，董事會認為偏離守則條文第A.4.1條之情況不算嚴重。倘董事人數大幅增加，董事將重新考慮有關常規之規定及採納守則條文。

守則條文第A.4.2條訂明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。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。

雖然所有為填補臨時空缺而獲委任或新加入董事，須在接受委任後首次股東週年大會上經由股東選舉，本公司將遵從守則條文A.4.2條，即若有因此獲委任之董事，彼須在下屆股東大會上重選。董事會將建議修訂公司組織章程以符合該項守則條文。

#### A.4. Appointment, Re-election and Removal

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.

Code Provision A.4.1 provides that non-executive directors should be appointed for a specific term, should be subject to re-election.

Non-executive Director and Independent Non-executive Directors of the Company do not have a specific term of appointment but are subject to retirement by rotation and re-election in accordance with article 115(A) of the articles of association of the Company. The Board considers that the deviation from Code Provision A.4.1 is not material as Non-executive Directors are subject to retirement by rotation and re-election in view of the small number of total directors of the Company, the Directors will consider to adopt the Code Provision should the number of Directors increase substantially.

Code Provision A.4.2 provides that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Although all Directors appointed to fill a casual vacancy or as an addition are subject to election by shareholders at the first annual general meeting after their appointment, the Company will comply with Code A.4.2 that if there should be any director so appointed, he/she will be subject to re-election at the next general meeting. The Board will propose amendments to be made to the Articles of Association to align with this code provisions.



董事認為目前毋須設立提名委員會。董事將會不時作出檢討，並於有需要時設立提名委員會。

The Directors consider that it is not necessary to have a nomination committee for the time being. The Directors will review this from time to time and will establish a nomination should there be a need.

委任新董事之建議將由董事會考慮及審議。所有候選人必須符合上市規則第3.08及3.09條所載之標準。獨立非執行董事之候選人亦須符合上市規則第3.13條所載之獨立性要求。

A proposal for the appointment of a new Director will be considered and reviewed by the Board. All candidates must be able to meet the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an Independent Non-executive Director should also meet the independent criteria set out in Rules 3.13 of the Listing Rules.

#### A.5. 董事責任

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。

#### A.5. Responsibilities of Directors

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.

每名董事於獲委任時均被確保適當地了解本集團之經營及業務，並完全悉根據法規及普通法、上市規則、適用法律規定及其他監管規定以及本集團之業務管治政策下其本身所須承擔之責任。本集團持續給予董事有關最新法律及法規之發展，以及本集團業務及策略發展資料，以讓彼等能履行其職責。

Every newly appointed Director of the Company is ensured to have a proper understanding of the operations and business of the Group and that he/she is fully aware of his/her responsibilities under statute and common law, the Listing Rules, applicable legal and regulatory requirements and the business governance policies of the Group. The Directors are continually updated with legal and regulatory developments, business and strategic development of the Group to enable the discharge of their responsibilities.



本公司之獨立非執行董事乃高技能之專業人士，於會計、財務管理及商業領域擁有專長及經驗。所有獨立非執行董事均積極參與董事會會議，對於涉及策略、政策、公司表現、問責性、資源、主要委任及操守準則等各方面事宜，給予獨立判斷。彼等負責審查本公司之表現能否達到既定之企業目標及目的，並監察有關匯報公司表現的事宜。彼等亦須於出現潛在利益衝突時發揮牽頭引導作用，並出任審核及薪酬委員會成員。本公司已收到所有獨立非執行董事就彼等之獨立性出具之書面確認。董事會認為彼等均為獨立。

每名董事知悉其應付出足夠時間及精神以處理本公司之事務。

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則。本公司向全體董事進行查詢後，所有董事已確認彼等於截至二零零六年六月三十日止年度已遵守標準守則之有關準則。

The Independent Non-executive Directors of the Company are highly skilled professionals with expertise and experience in the field of accounting, financial management and business. All Independent Non-executive Directors take an active role in Board meetings to bring in independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts. They scrutinize the Company's performance in achieving agreed corporate goals and objectives, and monitor the reporting of performance. They also take the lead where potential conflicts of interest arise and serve the audit and remuneration committees. The Company has received written confirmation from all the Independent Non-executive Directors concerning their independence. The Board considers all of them are independent.

Every Director is aware that he/she should give sufficient time and attention to the affairs of the Company.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules. All Directors have confirmed, following enquiry by the Company, that they have complied with the required standard set out in Model Code throughout the year ended 30 June 2006.

#### A.6. 資料提供及使用

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。

#### A.6. Supply of and Access to Information

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.





就定期舉行的董事會會議而言，及在切實可行情況下就所有其他會議，本公司會將議程及相關會議文件全部及時送交全體董事，並至少在計劃舉行董事會會議或其轄下委員會會議日期三天前發出。

公司秘書及合資格會計師定期提醒管理層人員有責任及時向董事會及其轄下委員會提供充足資料，以讓董事能夠作出知情決定。管理層所提供之資料必須完整可靠。董事會及每名董事均可各自獨立聯絡本公司高級管理人員。

所有董事均有權查閱董事會文件、會議紀錄及相關文件資料。董事如有問題，本公司會採取步驟盡快及盡量作出全面回應。

### B.1. 薪酬水平及組成與披露

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。

本公司已成立薪酬委員會，並根據守則之守則條文第B.1.3(a)至(f)條以書面訂明其職權範圍。薪酬委員會負責就本公司之薪酬政策向董事會提供建議，並審閱及制定本集團所有執行董事及高級管理人員個別薪酬待遇。

In respect of regular Board meetings, and so far as practicable in all other cases, an agenda and accompanying board papers are sent in full to all Directors in a timely manner and at least 3 days before the indented date of a Board or Board Committee meeting.

Management is regularly reminded by the Company Secretary and Qualified Accountant that they have an obligation to supply the Board and Board Committees with adequate information in a timely manner to enable it to make informed decisions. The information supplied must be complete and reliable. The Board and each Director shall have separate and independent access to the Company's senior management.

All Directors are entitled to have access to Board papers, minutes and related materials. Where queries are raised by Directors, steps are taken to respond as promptly and fully as possible.

### B.1. The Level and Make-up of Remuneration and Disclosure

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. Level 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.

The Company has established a Remuneration Committee with specific written terms of reference as set out in Code Provisions B.1.3 (a) to (f) of the Code. The Remuneration Committee is responsible for making recommendations to the Board regarding the Company's remuneration policy, and for the formulation and review of the specific remuneration packages of all Executive Directors and senior executives of the Group.

薪酬委員會大多數成員均為獨立非執行董事。委員會由梁海明先生擔任主席，其他成員包括鄭小燕女士及余嘯天先生。

薪酬委員會每年最少舉行一次會議，或於必要時舉行會議。薪酬委員會首次會議已於二零零五年十月十九日舉行，全體成員均有出席。

有關本公司二零零六年之董事酬金詳情，乃載於財務報告附註十五。

薪酬委員會於履行其認為必須之職責時已獲得充分資源，包括獲取專業意見。

#### C.1. 財務匯報

董事會應平衡、清晰及全面地評核公司的表現、情況及前景。

管理層已向董事會提供充分解釋及足夠資料，以讓董事會可以就提呈董事會審批之財務及其他資料，作出知情評估。

董事有責任保存正確之會計記錄，並編製各財務期間之賬目，該等財務報告必須真實而公平地反映本集團之財務狀況及該段期間之業績及現金流量。於編製截至二零零六年六月三十日止年度之財務報告時，董事已作出審慎合理之判斷及估算，並以持續經營基準編製該等財務報告。

A majority of the members of the Remuneration Committee are Independent Non-executive Directors. This Committee is chaired by Mr Leung Hai Ming Raymond. The other members are Mr Yu Shiu Tin Paul and Ms Cheng Siu Yin Shirley.

The meeting of the Committee is held at least once a year or when necessary. All members attended the first meeting of the Committee held on 19 October 2005.

Details of the amount of Directors' emoluments of 2006 are set out in note 15 to the financial statements.

The Remuneration Committee is provided with sufficient resources, including access to professional advice, to discharge its duties if considered necessary.

#### C.1. Financial Reporting

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

Management has provided such explanation and information to the Board as would enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors are responsible for keeping proper accounting records and preparing financial statements of each financial period, which shall give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the year ended 30 June 2006, the Directors have made judgments and estimates that are prudent and reasonable and prepared the financial statements on a going concern basis.



核數師在有關其申報責任之聲明，乃載於截至二零零六年六月三十日止年度年報第四十八頁至第四十九頁之核數師報告內。

董事會須平衡、清晰及明白地評審公司表現的責任，適用於年度及中期報告、其他涉及股價敏感資料之通告及根據上市規則規定須予披露之其他財務資料，以及向監管者提交之報告書以至根據法定規定須予披露之資料。

### C.2. 內部監控

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。

董事會負責本集團之內部監控系統，並透過審核委員會審閱其有效性。董事會要求管理層設立及保持健全及有效之內部監控。本集團內部監控(包括財務、營運及合規監控)與風險管理職能之評估格外地進行。由二零零六年七月一日起，對不同系統之內部監控將根據各業務及內部監控之風險評估有系統地輪流審閱。

### C.3. 審核委員會

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。

A statement by the auditors about their reporting responsibilities is included in the Report of the Auditors on page 48 to 49 of the annual report for the year ended 30 June 2006.

The Board's responsibility to present a balanced, clear and understandable assessment extend to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as information required to be disclosed pursuant to statutory requirements.

### C.2. Internal Controls

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

The Board is responsible for the Group's system of internal controls and for reviewing its effectiveness through the Audit Committee. The Board requires management to establish and maintain sound and effective internal controls. Evaluation of the Group's internal controls covering financial, operational compliance controls and risk management functions had been done on an ad hoc basis. With effect from 1 July 2006, review of internal controls on different systems will be done on a systematic rotational basis based on the risk assessments of the operations and controls.

### C.3. Audit Committee

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.

本公司已成立審核委員會，並以書面訂明其職權範圍，並清晰列明其授權及職責。審核委員會之職權範圍包括守則之守則條文第C.3.3(a)至(n)條所載之職權，並經作出所需之適當修訂。審核委員會已公佈其職權範圍，闡釋其角色及董事會轉授予其之授權。

誠如其職權範圍所載，審核委員會負責審閱財務匯報系統及內部監控程序、年度報告、財務報告及中期報告。

審核委員會由本公司之一位非執行董事及三位獨立非執行董事組成，由黃繼昌先生擔任主席。

管理層已處理審核委員會提出之全部事宜。審核委員會之工作及調查結果已向董事會作出匯報。年內，就向管理層及董事會提出的事項，概無任何重大事宜須於年報內作出披露。

董事會同意審核委員會續聘均富會計師行為本公司二零零七年之外部核數師之建議。年內，均富會計師行並無向本公司提供任何非核數服務。

本年度之核數師酬金載於財務報告附註九。

The Company has established an Audit Committee with specific written terms of reference which states clearly with its authority and duties. The terms of reference of the Audit Committee have included the duties set out in Code Provisions C.3.3 (a) to (n) of the Code, with appropriate modifications where necessary. The Audit Committee has made available its terms of reference, explaining its role and the authority delegated to it by the Board.

As set out in the terms of reference, the Audit Committee is responsible for reviewing the financial reporting system and internal control procedures, annual report, financial statements and interim report.

The Audit Committee comprises one Non-executive Director and three Independent Non-executive Directors of the Company and is chaired by Mr Wong Kai Cheong.

As issues raised by the Committee have been addressed by management. The work and findings of the Committee have been reported to the Board. During the year, no issues brought to the attention of management and the Board were of sufficient importance to require disclosure in the Annual Report.

The Board agrees with the Audit Committee's proposal for the re-appointment of Grant Thornton as the Company's external auditors for 2007. During the year, Grant Thornton had not provided any non-audit services to the Company.

Auditors' remuneration for the year is set out in note 9 to the financial statements.



審核委員會之完整會議紀錄由公司秘書保存。審核委員會會議紀錄之初稿及最後定稿在會議舉行後一段合理時間內先後送呈審核委員會全體成員，以供有關成員發表意見及作記錄之用。

審核委員會並無包括本公司現任核數師之前任合夥人。

審核委員會於履行其職責時已獲提供足夠資源，包括外部核數師之意見。

#### D.1. 管理職能

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。

董事會負責制定本集團之整體策略、監察及控制本集團之表現，而管理層之責任為管理本集團之業務。

當董事會將其管理及行政職能授予管理層時，同時就管理層之權力，給予清晰之指引，特別是管理層應向董事會匯報，以及代表本公司作出任何決定或訂立任何承諾前應予取得董事會批准等方面事宜。

本公司已設定須予留待董事會決定事項。董事會將定期檢討有關安排，以確保能夠一直適當地符合本集團需要。

Full minutes of Audit Committee meetings are kept by the company secretary. Draft and final versions of minutes of the Audit Committee meetings are sent to all members of the Committee for their comments and record respectively, in both cases within a reasonable time after the meeting.

The Audit Committee does not have a former partner of the Company's existing audit firm.

The Audit Committee is provided with sufficient resources, including the advice of external auditors, to discharge its duties.

#### D.1. Management Functions

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.

The Board is responsible for formulating overall strategy, monitoring and controlling the performance of the Group whilst managing the Group's business is the responsibility of the management.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of the management, in particular, with respect to the circumstances where management shall report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

The Company has established schedules of Matters Reserved to the Board for Decision. The Board shall review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

## D.2. 董事會轄下委員會

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

除審核委員會(詳情於C.3披露)及薪酬委員會(詳情於B.1披露)外，董事會並無成立其他董事委員會。本公司為了處理事務成立之董事委員會，董事會將清晰訂明其職權範圍，以使該委員會能正確履行其職責。董事委員會之職權範圍，規定該委員會向董事會匯報其決定或建議，除非此舉受法律或法規所限制。

## E.1. 有效溝通

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。

於二零零五年股東週年大會上，主席已就各項個別獨立的事宜(包括重選董事)提呈獨立決議案。

董事會主席及審核委員會和薪酬委員會主席將出席二零零六年股東週年大會，並回答股東之提問。

## D.2. Board Committees

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

Apart from Audit Committee (particulars are disclosed under C.3) and Remuneration Committee (particulars are disclosed under B.1), there are no other board committees established by the Board. Where board committees are established to deal with matters, the Board shall prescribe sufficiently clear terms of reference to enable such Committees to discharge their functions properly. The terms of reference of board Committees shall require such Committees to report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so.

## E.1. Effective Communication

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.

At the 2005 Annual General Meeting, a separate resolution was proposed by the Chairman in respect of each separate issue, including the re-elections of Directors.

The Chairman of the Board and the chairmen of the Audit and Remuneration Committees shall attend the 2006 Annual General meeting to answer questions of shareholders.



## E.2. 以投票方式表決

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。

本公司向股東寄發之通函內，已載列以投票方式表決之程序及股東要求投票方式表決之權利。根據本公司細則，於任何股東大會上（包括股東特別大會），所提呈之決議案將以舉手方式表決，除非

(A) （於公佈舉手表決結果之際或之前或任何其他以投票方式表決之要求被撤銷之際）下列人士可要求以投票形式表決：

1. 大會主席；或
2. 最少三名親身出席並有權於會上投票之股東或受委代表；或
3. 一名或多名親身出席並佔有權於會上投票之全體股東總投票權不少於十分之一之股東或受委代表；或

## E.2. Voting by Poll

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.

The Company sets out in its circular to shareholders the procedures for and the rights of shareholders to demand a poll. Pursuant to the articles of association of the Company, at any general meeting of the Company (including the EGM) a resolution put to the vote of the meeting shall be decided on a show of hands unless:

(A) (before or on the declaration of the results of the show of hands or the withdrawal of any other demand for a poll) a poll is demanded by:

- (i) the Chairman of the meeting; or
- (ii) at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or



4. 一名或多名親身出席並持有附有權利可於會上投票之繳足股份之總額相等於附有該權利之所有股份之繳足總額十分之一或以上之股東或受委代表。

- (iv) by a shareholder or shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or

- (B) 根據上市守則規定，某項決議案須以投票方式表決。

- (B) a resolution is required under the Listing Rules to be decided by way of a poll.

根據上市規則第13.39(3)條，大會主席及／或董事在會議上個別或共同持有委任代表投票權，佔發行人股份的總投票權5%以上，必須在若干情況下（假若大會以舉手方式表決時，表決結果與該等委任代表之表格所指示者相反）要求以投票方式表決。如在此等情況下要求以投票方式進行表決，則大會主席應在會議上披露董事持有所有委任代表投票權所代表之總票數，以顯示以舉手方式表決時所投之相反票。

In accordance with Listing Rules 13.39 (3), the Chairman of a meeting and/or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at a particular meeting shall demand a poll in certain circumstances where, on a show of hands, a meeting votes in the opposite manner to that instructed in those proxies. If a poll is required under such circumstances, the Chairman of the meeting shall disclose to the meeting the total number of votes represented by all proxies held by directors indicating an opposite vote to the votes cast at the meeting on a show of hands.

本公司將點算所有委任代表投票的票數以及除非要求以投票方式進行表決，大會主席將在會上表明每項決議案的委任代表投票比例，以及贊成和反對票數（如以舉手方式表決）。本公司將確保所有票數均適當點算及記錄在案。

The Company shall count all proxy votes and, except where a poll is required, the Chairman of a meeting shall indicate to the meeting the level of proxies lodged on each resolution, and the balance for and against the resolution, after it has been dealt with on a show of hands. The Company shall ensure that votes cast are properly counted and recorded.



大會主席將在會議開始時確保解釋下列事宜：

1. 股東在提呈決議案以舉手方式表決之前要求以投票方式表決之程序；及
2. 若需要以投票方式表決，詳細解釋以投票方式進行表決之程序，然後回答股東提出之問題。

The Chairman of a meeting shall at the commencement of the meeting ensure that an explanation is provided to the shareholders of:

1. the procedure for demanding a poll by shareholders before putting a resolution to the vote on a show of hands; and
2. the detailed procedures for conducting a poll and then answer any questions from shareholders whenever voting by way of a poll is required.