

CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors of the Company (the “Board”) is committed to maintaining and ensuring high standards of corporate governance as good corporate governance can safeguard the interests of all shareholders and enhance corporate value. The Company continuously reviews and improves the corporate governance practices and standards of the Group from time to time to ensure that business activities and decision making processes are regulated in a proper manner.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31st December, 2006.

THE BOARD OF DIRECTORS

Board Composition

The Board is led by the Chairman and currently comprises four executive directors (one of whom is the Chairman) and three independent non-executive directors. The directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr Rusli Hendrawan (*Chairman*)
Mr Lee Sheng Kuang, James (*Managing Director*)
Mr Oey Tjie Ho
Mr Tang Chak Lam, Charlie

Independent Non-Executive Directors

Mr Cheung Kwok Ming
Mr Kwok Lam Kwong, Larry, *J.P.*
Mr Lau Siu Ki, Kevin

本公司董事會（「董事會」）致力維持及確保高水平之企業管治，因良好之企業管治可保障全體股東利益及提高企業價值。本公司會持續不時檢討及改善本集團之企業管治常規及標準，以確保業務活動及決策過程受到適當規管。

遵守企業管治常規守則

截至二零零六年十二月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則內之守則條文。

董事會

董事會之組成

董事會由主席領導，現由四位執行董事（其中一位為主席）及三位獨立非執行董事組成。本年度內及截至本報告之日期，本公司之董事如下：

執行董事

Rusli Hendrawan先生（主席）
李勝光先生（董事總經理）
黃志和先生
鄧澤霖先生

獨立非執行董事

張國明先生
郭琳廣先生 *太平紳士*
劉紹基先生

CORPORATE GOVERNANCE REPORT

企業管治報告

The biographical details of the directors are set out on pages 20 to 22 of this Annual Report. The Board possesses a balance of skill and experience which are appropriate for the requirements of the business of the Group. A balanced composition of executive and non-executive directors also generates a strong independent element on the Board, which can exercise independent judgement effectively and make decision objectively for the best interests of the Company.

The Company does not at present have any officer with the title of “chief executive officer” (“CEO”) but instead the duties of a CEO are performed by the Managing Director. In order to have a clear division between the management of the Board and the day-to-day management of the business operation of the Company, the role of the Chairman is separate from that of the Managing Director. The Chairman focuses on overall corporate development and strategic direction of the Group and provides leadership for the Board and oversees the efficient functioning of the Board. The Managing Director is responsible for all day-to-day corporate management matters as well as planning and developing the Group’s strategy. Such division of responsibilities helps to reinforce their independence and to ensure a balance of power and authority. There is no relationship (including financial, business, family or other material or relevant relationship) among members of the Board and in particular, between the Chairman and the Managing Director.

All the independent non-executive directors of the Company have appropriate professional qualifications and their professional opinions raised in the Board meetings facilitate the maintenance of good corporate governance practices. All the independent non-executive directors are free from any business or other relationship with the Company. The Company has received from each independent non-executive director an annual confirmation of independence. The Board considers that each independent non-executive director is independent in character and judgement and that they all meet the specific independence criteria as required under Rule 3.13 of the Listing Rules. Moreover, all the independent non-executive directors are engaged on service contracts for a term of two years, subject to retirement by rotation and re-election in accordance with the provisions of the Bye-laws of the Company.

董事簡歷載於本年度報告第20頁至第22頁。董事會具備適合本集團業務所需之技能及經驗。執行董事及非執行董事之均衡組成，亦使董事會具備強大之獨立元素，以便有效率地進行獨立判斷及客觀地作出決策，以符合本公司之最佳利益。

本公司現時並無設有任何職銜為「行政總裁」（「行政總裁」），然而行政總裁之職責由董事總經理履行。為把管理董事會及管理本公司日常業務運作兩者作清晰劃分，主席及董事總經理之角色已予區分。主席專注本集團之整體企業發展及發展策略，並領導董事會及監察董事會之運作效能。董事總經理則專責一切日常企業管理事務，以及計劃及發展本集團之策略。此等劃分職責有助於增強兩者之獨立性及確保在權力及授權上取得平衡。董事會各成員之間（尤其是主席及董事總經理之間）概無任何關係（包括財政、業務、家族或其他重大或相關關係）。

本公司全體獨立非執行董事均具備合適之專業資格，而彼等於董事會會議上提出之專業意見亦有助維持良好之企業管治常規。全體獨立非執行董事概無與本公司有任何業務或其他方面之關係。本公司已收取各獨立非執行董事之年度獨立確認。董事會認為，各獨立非執行董事皆有其獨立角色及判斷，並認為彼等均符合上市規則第3.13條所規定之特定獨立性因素。此外，全體獨立非執行董事均已訂立為期兩年之服務合約，惟彼等須根據本公司之公司細則條文輪席退任及膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination of Directors

The Board is empowered under the Company's Bye-laws to appoint any person as a director either to fill a casual vacancy or as an additional member of the Board. The selection criteria are mainly based on the professional qualification and experience of the candidate. A newly appointed director must retire and be re-elected at the first general meeting after his appointment. At each annual general meeting, one-third of the directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation. Every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. As such, no director has a term of appointment longer than three years. A retiring director shall be eligible for re-election.

In November 2006, a Board meeting was held to approve the renewal of service agreements with two independent non-executive directors, namely Mr Kwok Lam Kwong, Larry, *J.P.* and Mr Lau Siu Ki, Kevin for a term of two years from 1st January, 2007 to 31st December, 2008.

Board and Management

To enable all directors to make informed decisions in the Board meetings and to discharge their duties and responsibilities, appropriate, complete and reliable information prepared by the management are provided in a timely manner. All directors are kept informed on a timely basis of major changes that may affect the Group's business, including relevant rules and regulations. To reinforce independence, the Board and each director can have separate and independent access to the management of the Company if additional information is required. To further assist the directors to discharge their duties to the Company, the Board has also established a written procedure to enable directors to seek independent professional advice at the Company's expenses. No request was made by any director for such independent professional advice in 2006.

提名董事

董事會獲本公司之公司細則授權委任任何人士為董事，以填補空缺或成為董事會新成員。甄選因素主要以候選人之專業資格及經驗為基準。新委任董事須於彼獲委任後首個股東大會上退任及膺選連任。每屆股東週年大會上，三分之一董事（或若其數目並非三之倍數，則必須為最接近但不少於三分之一之人數）須輪席退任。每名董事（包括按指定任期獲委任者）須至少每三年輪席退任一次。因此，概無董事之任期超過三年。退任董事將合符資格膺選連任。

於二零零六年十一月，曾舉行一次董事會會議，以批准重續兩名獨立非執行董事郭琳廣先生 *太平紳士* 及劉紹基先生之服務合約，該等合約由二零零七年一月一日起至二零零八年十二月三十一日止，為期兩年。

董事會及管理層

管理層須及時提供由彼等編製之適合、完整及可靠資訊，以確保全體董事於董事會會議上作出知情決定及履行其職務及職責。本公司就可能影響本集團業務的重大變動，包括有關法例及法規將會及時知會全體董事。為增強獨立性，董事會及各董事可於需要更多資訊時隨時自行透過獨立途徑接觸本公司之管理層。為進一步協助董事對本公司履行其職責，董事會亦已設立一套書面程序，使董事可尋求獨立專業意見，費用由本公司支付。董事於二零零六年並無要求進行上述獨立專業意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

In order to have a clear principle in relation to the matters specifically reserved to the Board for decisions, functions between the Board and the management are formalized. The Board has established a written guideline determining which issues require a decision of the Board and those delegated to the management. The guideline is reviewed by the Board on a regular basis and has been posted on the intranet of the Company. Matters reserved to the Board for decision include the making of significant financial and legal commitments, merger and acquisition, material asset acquisition or disposal, the change of share capital, the approval of financial reporting, budgeting, management succession and representation to shareholders. The management is responsible for the day-to-day running of the Group. The management is required to submit reports on the operations to the Board on a regular basis and make recommendations to the Board on the development of major projects or business proposals and their respective implementation. The Board is of the view that such division of responsibilities can enhance the corporate governance of the Company.

The Company has arranged appropriate insurance cover in respect of legal action against its directors and officers and the insurance coverage is reviewed on an annual basis.

為就特別須董事會作決定之事項提供明確原則，董事會及管理層之職能已予界定。董事會亦已訂立一份書面指引，釐定需由董事會決定及授權予管理層之議題。指引定期由董事會審閱，並已於本公司內聯網上刊登。須董事會作決定之事項包括重要財務及法律承擔、收購及合併、重大資產收購或出售、更改股本、審批財務報告、編訂預算、管理層繼任及向股東作出陳述等。管理層負責本集團之日常營運。管理層須定期向董事會呈交營運報告，並就發展主要項目或業務計劃書及彼等各自之落實情況向董事會提出建議。董事會認為，如此劃分職務可增強本公司之企業管治。

本公司已就其董事及高級人員可能會面對之法律行動作適當之投保安排，投保範圍乃按年檢討。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Meeting

Regular Board meetings are held at least four times a year to approve annual and interim results, review the business operation and the internal control system of the Group and the meeting schedule will be fixed at the beginning of each year to facilitate fullest possible attendance. Between regular meetings, other Board meetings are held to approve major issues. At least 14 days' notice of each regular meeting is given to all directors whilst reasonable notices are given for all other Board meetings. Agendas and accompanying Board papers are sent not less than 3 days before the date of Board meetings to ensure that the directors are given sufficient review time. Draft minutes of Board meetings and Board committee meetings are circulated to directors for their review and comment while final version of the said minutes, duly signed, are sent to all members for their records. All said minutes are kept by the Company Secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any director.

During the year ended 31st December, 2006, six Board meetings were held and the individual attendance of directors are set out as follows:

董事會會議

每年至少舉行四次定期召開之董事會會議，以審批全年及中期業績、檢討本集團之業務運作及內部監控系統，為盡可能達到全體董事出席率，會議時間表將於每年年初訂定。於各定期召開之會議之間，亦會召開其他董事會會議以審批重大議題。每次定期召開之會議通告須於最少十四天前給予全體董事，而所有其他董事會會議則發出合理通告。會議議程及隨附之董事會文件亦須於董事會會議日期最少三天前送交董事，以確保董事有充分時間進行審閱。董事會會議及董事委員會會議之會議記錄初稿須向董事傳閱，以便審閱及評核，至於上述會議記錄經正式簽署之最終定稿則送交全體成員作其存檔之用。上述所有會議記錄由本公司之公司秘書備存，並在任何董事發出合理通知下可於任何合理時間供公開查閱。

於截至二零零六年十二月三十一日止年度內，曾舉行六次董事會會議，個別董事之出席情況載列如下：

Directors	董事	Attended 出席次數
Mr Rusli Hendrawan (<i>Chairman</i>)	Rusli Hendrawan先生 (主席)	6
Mr Lee Sheng Kuang, James (<i>Managing Director</i>)	李勝光先生 (董事總經理)	5
Mr Oey Tjie Ho	黃志和先生	5
Mr Tang Chak Lam, Charlie	鄧澤霖先生	6
Mr Cheung Kwok Ming	張國明先生	6
Mr Kwok Lam Kwong, Larry, <i>J.P.</i>	郭琳廣先生 太平紳士	6
Mr Lau Siu Ki, Kevin	劉紹基先生	6

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all directors of the Company, all directors have confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions during the year.

To enhance the corporate governance of the Group as a whole, the Board has established a written guideline on no less exacting terms than the Model Code for employees of the Company or director or employee of the Company's subsidiaries or holding company who are likely to be in possession of unpublished price sensitive information in relation to the Group or securities of the Company. No incident of non-compliance was noted by the Company in 2006.

BOARD COMMITTEES

Audit Committee

The Board set up the Audit Committee in 2000 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference have been posted on the Company's website. The Audit Committee is to review the Group's financial reporting, internal controls and corporate governance issues and make relevant recommendations to the Board.

The members of the Audit Committee include:

Mr Lau Siu Ki, Kevin (*Committee Chairman*)

Mr Cheung Kwok Ming

Mr Kwok Lam Kwong, Larry, *J.P.*

董事進行之證券交易

本公司已採納一套有關董事進行證券交易之守則，其規則標準不低於上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）。經向本公司全體董事作出特定查詢後，全體董事均已確認，彼等於年內已符合標準守則及本公司有關董事進行證券交易之守則所載之規定標準。

為增強本集團整體之企業管治，董事會已就可能擁有的關於本集團或本公司證券之未公開股價敏感資料之本公司僱員或本公司之附屬公司或控股公司之董事或僱員建立一套書面指引，其規則標準不低於標準守則。本公司於二零零六年並不知悉任何不遵守書面指引之事件。

董事委員會

審核委員會

董事會於二零零零年成立審核委員會，書面職權範圍已闡明其權力與職責。其職權範圍已於本公司網站內刊登。審核委員會負責審閱本集團之財務報告、內部監控及企業管治事宜，並向董事會提出相關建議。

審核委員會成員包括：

劉紹基先生（委員會主席）

張國明先生

郭琳廣先生 *太平紳士*

CORPORATE GOVERNANCE REPORT

企業管治報告

All Audit Committee members are independent non-executive directors. During the year ended 31st December, 2006, four Audit Committee meetings were held and the individual attendance of members are set out as follows:

全部審核委員會成員均為獨立非執行董事。於截至二零零六年十二月三十一日止年度內，曾舉行四次審核委員會會議，個別成員之出席情況載列如下：

Members	成員	Attended 出席次數
Mr Lau Siu Ki, Kevin	劉紹基先生	4
Mr Cheung Kwok Ming	張國明先生	4
Mr Kwok Lam Kwong, Larry, J.P.	郭琳廣先生 太平紳士	4

In discharging its responsibilities, the Audit Committee had mainly performed the following works during the year of 2006:

於二零零六年年度，審核委員會在履行其職務時，曾主要執行下列工作：

- | | |
|--|--|
| (i) reviewed the effectiveness of the audit process in accordance with the applicable standards; | (i) 按適用基準檢討審計過程之有效性； |
| (ii) reviewed the draft interim and annual financial statements and the related draft results announcements; | (ii) 審閱中期及全年財務報告初稿，以及相關業績公布初稿； |
| (iii) reviewed the change in accounting standards and assessment of potential impacts on the Group's financial statements; | (iii) 審閱會計準則之變動，以及評估對本集團財務報表之潛在影響； |
| (iv) reviewed the continuing connected transactions and comment on the fairness and reasonableness of the transactions; | (iv) 審閱持續關連交易，並就該等交易是否公平合理提出意見； |
| (v) reviewed the Group's internal control system and discussed the relevant issues including financial, operational and compliance controls and risk management functions; | (v) 檢討本集團之內部監控系統，並就財務、營運與合規監控及風險管理職能等相關議題進行磋商； |
| (vi) reviewed the fraud control policy for employees of the Group; and | (vi) 檢討為本集團僱員設立之欺詐行為監控政策；及 |
| (vii) made recommendation on the appointment or reappointment of the external auditors and approved their terms of engagement. | (vii) 就委任或續聘外聘核數師提出建議，並審批其聘用條款。 |

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Board set up the Remuneration Committee in 2005 with specific written terms of reference which deal clearly with its authority and duties. The terms of reference have been posted on the Company's website. The Remuneration Committee's role is to make recommendations to the Board on the remuneration policy and structure for directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders. The principal duties of the Remuneration Committee include determining the specific remuneration packages of all executive directors and senior management as well as reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

The members of the Remuneration Committee include:
Mr Kwok Lam Kwong, Larry, *J.P. (Committee Chairman)*
Mr Cheung Kwok Ming
Mr Lau Siu Ki, Kevin
Mr Tang Chak Lam, Charlie

Except for Mr Tang Chak Lam, Charlie who is an executive director, all Remuneration Committee members are independent non-executive directors. During the year ended 31st December, 2006, the Remuneration Committee members met once and the individual attendance of members are set out as follows:

Members	成員	Attended 出席次數
Mr Kwok Lam Kwong, Larry, <i>J.P.</i>	郭琳廣先生 太平紳士	1
Mr Cheung Kwok Ming	張國明先生	1
Mr Lau Siu Ki, Kevin	劉紹基先生	1
Mr Tang Chak Lam, Charlie	鄧澤霖先生	1

薪酬委員會

董事會於二零零五年成立薪酬委員會，書面職權範圍已闡明其授權與職責。其職權範圍已於本公司網站內刊登。薪酬委員會之角色為按董事及高級管理人員之薪酬政策及架構向董事會提出建議，以及已考慮到股東利益之情況下，確保彼等已按各自對本集團之整體貢獻得到公平回報。薪酬委員會之主要職責包括釐定全體執行董事及高級管理人員之酬金待遇，以及參考董事會不時議決之企業目標及宗旨，審批按表現釐定之酬金。

薪酬委員會成員包括：
郭琳廣先生 太平紳士 (委員會主席)
張國明先生
劉紹基先生
鄧澤霖先生

除身為執行董事之鄧澤霖先生外，薪酬委員會全體成員均為獨立非執行董事。於截至二零零六年十二月三十一日止年度內，曾舉行一次會議，個別成員之出席情況載列如下：

CORPORATE GOVERNANCE REPORT

企業管治報告

The Remuneration Committee is accountable to the Board and the following is a summary of its work during the year of 2006:

- (a) reviewed and approved the performance-based remuneration of executive directors; and
- (b) reviewed and approved the supplemental service agreement of an executive director.

The main principles of remuneration policy of the Company are:

- (i) to retain and motivate executive directors and senior management by linking their compensation with performance as measured against corporate objectives;
- (ii) to align executive directors' and senior management's remuneration with shareholders' interests; and
- (iii) to ensure that no director or senior management or any of his associate is involved in deciding his own remuneration.

When fixing the remuneration packages of executive directors, considerations have been given to the level of directors' remuneration of other comparable listed companies in Hong Kong, qualifications and experience of the executive directors and their contributions to the Company. The principal elements of the remuneration packages of executive directors of the Company include salary, director's fee, double pay, discretionary bonus and share option.

The remuneration, comprising directors' fee, of independent non-executive directors is subject to recommendation by the Remuneration Committee and approved by the executive directors who are empowered by the shareholders at the annual general meeting to fix their remuneration. Details of the remuneration of each director, on a named basis, are disclosed in Note 13 to the consolidated financial statements on pages 100 to 102 of this Annual Report. Reimbursement is allowed for out-of-pocket expenses incurred (including traveling and hotel expenses) in connection with the performance of directors' duties.

薪酬委員會向董事會負責，其於二零零六年之工作概要如下：

- (a) 審閱並審批執行董事按表現釐定之酬金待遇；及
- (b) 審閱並審批一名執行董事之補充服務協議。

本公司薪酬政策之主要原則包括：

- (i) 將彼等之薪酬與按企業目標之表現掛鈎，藉此挽留及激勵執行董事及高級管理人員；
- (ii) 將執行董事及高級管理人員之酬金與股東利益達成一致；及
- (iii) 確保董事或高級管理人員或其任何聯繫人士概無參與釐定其本人之酬金。

訂立執行董事之酬金待遇時，已考慮香港其他可供參考上市公司之董事酬金水平、該等執行董事之資歷及經驗，以及彼等對本公司之貢獻。本公司執行董事酬金待遇之主要元素包括薪金、董事袍金、雙糧、酌情花紅及購股權。

獨立非執行董事之酬金（包括董事袍金）乃視乎薪酬委員會之建議而定，並須於股東週年大會上經已獲股東授權之執行董事批准。有關列明每名董事酬金之詳情，於本年度報告第100頁至第102頁綜合財務報表附註13披露。彼等亦可獲償付一切於履行董事職責時產生之實報實銷費用（包括差旅及酒店費用）。

CORPORATE GOVERNANCE REPORT

企業管治報告

RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The directors of the Company acknowledge their responsibility for preparing the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The directors will select suitable accounting policies and apply them consistently, make judgements and estimates that are prudent, fair and reasonable and prepare the financial statements on a going concern basis. The Board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules as well as the information required to be disclosed pursuant to statutory requirements.

The statement of the auditors of the Company regarding their reporting responsibilities for the financial statements of the Group is set out on pages 50 to 51 of this Annual Report.

INTERNAL CONTROL

The Board has the ultimate responsibility to maintain a sound and effective internal control system for the Group to safeguard the shareholders' investment and the Group's assets and to ensure strict compliance with relevant laws, rules and regulations. The Audit Committee is responsible for reviewing the effectiveness of the internal control system and reporting to the Board.

The Group adopts the principles outlined in *Internal Control and Risk Management – A Basic Framework* issued by the Hong Kong Institute of Certified Public Accountants as yardstick in establishing its control environment. The scope of internal control relates to areas including effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

編製及呈報財務報表之責任

本公司董事確認彼等編製本集團財務報表之責任，而該等財務報表乃根據法定要求及適用會計準則編製。董事將會揀選並貫徹運用合適會計政策，作出審慎、公平及合理之判斷及估計，並按持續經營為基準編製財務報表。董事會之責任乃清晰公正及明確地評估年度報告及中期報告、其他涉及股價敏感資料之公布及根據上市規則規定須予披露之其他財務資料，以及根據法例規定須予披露之資料。

本公司核數師就彼等有關本集團之財務報表之呈報責任所作之聲明載於本年度報告第50頁至第51頁內。

內部監控

董事會肩負最終責任確保本集團維持穩健而有效之內部監控系統，以維護股東投資及本集團資產，並確保嚴格遵守有關法律、規則及規例。審核委員會負責檢討內部監控系統之有效性，並向董事會匯報。

本集團採納由香港會計師公會頒佈之「內部監控與風險管理的基本架構」中之原則大綱，作為建立本集團監控環境之標準。內部監控涉及之範疇包括營運之效率及效益、財務報告之可靠性以及遵守適用之法律及規例。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year, the Board has reviewed the effectiveness of the internal control system of the Group through the Audit Committee. The review covers all material controls, including financial, operational and compliance controls and risk management functions of the Group. No material internal control aspects of any significant problems were noted. Both of the Audit Committee and the Board were satisfied that the internal control system of the Group has been functioned effectively during the review year.

AUDITORS' REMUNERATION

During the year, Messrs PricewaterhouseCoopers, Auditors of the Company (which for the purpose includes any entity under common control, ownership or management with the Auditors or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally) provided the following audit and non-audit services to the Group:

		HK\$'000 千港元
Audit services	審計服務	1,563
Non-audit services	非審計服務	
Taxation services	稅務服務	590
		<u>2,153</u>

The Audit Committee received written confirmation from the external auditors on their independence and objectivity as required under the Professional Ethics Statement 1.203A "Independence for Assurance Engagements" issued by the Hong Kong Institute of Certified Public Accountants.

於年內，董事會透過審核委員會已檢討本集團內部監控系統之有效性。檢討涵蓋一切重要監控，包括本集團之財務、營運與合規監控及風險管理職能。本集團概無發現重大內部監控出現任何重大問題。審核委員會及董事會信納本集團之內部監控系統於回顧年度內有效運作。

核數師酬金

於年內，本公司核數師羅兵咸永道會計師事務所（其定義包括任何與核數師受同一機構控制、擁有或管理或掌握所有相關資料之第三者能合理地推斷其為該核數師事務所之全國或國際分部之機構）向本集團提供下列審計及非審計服務：

審核委員會已接獲外聘核數師就其獨立性及客觀性發出之書面確認書，表示其已符合由香港會計師公會頒佈的專業操守準則第1.203A條「審計業務的獨立性」之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

According to the Bye-laws of the Company, shareholders' holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the voting right at general meetings of the Company, can by written requisition to the Board or the Company Secretary of the Company to convene a special general meeting for the transaction of any business specified in such requisition. Any general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one clear days' notice, whilst others may be called by not less than fourteen clear days' notice. To further enhance the minority shareholders' right, all resolutions at any general meeting are decided on poll and such practice has been adopted since 2005. The chairman of any general meetings ensures that the shareholders are informed of the procedure for voting by poll by way of making the disclosure in the circulars to shareholders and the explanation during the general meetings. The chairman of general meetings also ensures compliance with the requirements about voting by poll contained in the Listing Rules and the Bye-laws of the Company.

In order to maintain an on-going dialogue with shareholders, shareholders are encouraged to attend annual general meeting of the Company at which the Chairman of the Board and the chairmen of the Board committees are available to answer questions related to the Group's business.

As a channel of further promoting effective communication as well as fulfilling the new requirements of the Listing Rules, the corporate website, www.carrywealth.com, is maintained by the Company to disseminate the relevant financial and non-financial information on a timely basis and the published information will be maintained at the above website for at least five years.

股東權利及投資者關係

根據本公司之公司細則，任何於發出要求當日持有有權於本公司股東大會上投票之本公司繳足股本不少於十分之一的股東，有權向董事會或本公司公司秘書致函，要求召開股東特別大會，以處理該等要求列明之任何事項。任何用以考慮通過特別決議案之股東大會須以不少於二十一曆日之通知召開，而其他股東大會則須以不少於十四曆日之通知召開。為進一步提高少數股東之權利，任何股東大會上之一切決議案均以投票方式表決，此常規自二零零五年起已採納。任何股東大會主席須確保股東已透過在致股東通函中及於股東大會時作出闡釋等方式知悉以投票方式表決之程序。股東大會主席亦須確保符合上市規則及本公司之公司細則中有關以投票方式表決之規定。

為與股東保持持續對話，茲鼓勵股東出席本公司之股東週年大會，而董事會主席及各董事委員會主席均將出席，解答與本集團業務有關之問題。

作為進一步促進有效溝通之渠道，並符合上市規則之新規定，本公司已設有網站 www.carrywealth.com，以適時發放有關財務及非財務資料，而已公布資料將於上述網站最少保留五年。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders' comments and suggestions together with any proposals put forward to shareholders' meetings at a reasonable time are welcome and such comments and proposals can be sent in writing to the Company Secretary at the Company's address in Hong Kong or by e-mail to the Company's website. The Board endeavors to answer all invaluable questions from the shareholders.

For achieving high standards of corporate governance, the Company's Bye-laws was further amended in the 2006 annual general meeting held on 4th May, 2006 so as to bring the Bye-laws in line with the requirements of the Code on Corporate Governance Practices and the revised Listing Rules.

Based on information that is publicly available to the Company and within the knowledge of the directors as at the date of this Annual Report, the public float of the shares of the Company is sufficient.

本公司歡迎股東於合理時間內向股東大會提出質詢、意見及建議，而該等意見及建議可以投函至本公司之香港地址予公司秘書，或以電子郵件方式寄往本公司之網站。董事會會盡力解答股東一切寶貴問題。

為了達致高水平之企業管治，本公司已於二零零六年五月四日舉行之二零零六年股東週年大會上進一步修訂本公司之公司細則，致使公司細則符合企業管治常規守則及經修訂上市規則之規定。

於本年度報告日期，根據本公司可獲得之公開資料及據其董事所知，本公司股份之公眾持股量充足。