

## 企業管治報告

本公司致力制定良好的企業管治常規守則及程序，所遵行的企業管治原則著重高質素之董事會、健全之內部監控，以及對全體股東之透明度及問責性。

董事認為，截至二零零六年十二月三十一日止年度內，本公司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所載「企業管治常規守則」（「守則」）之守則條文，惟以下兩項則除外：(a)主席及行政總裁之職位由同一人擔任，這與守則條文第A.2.1條有所偏離；及(b)獨立非執行董事之委任並無固定任期，惟須根據本公司細則於股東週年大會上輪值告退及膺選連任，這與守則條文第A.4.1條有所偏離。

## 董事之證券交易

本公司已採納上市規則附錄10所載之上市公司董事進行證券交易的標準守則（「標準守則」）之規定標準。經向所有董事作出特定查詢後，所有董事確認於截至二零零六年十二月三十一日止年度內已遵守標準守則所載之規定。

## 董事會

董事會（「董事會」）主要負責制定企業策略、通過業務計劃及監管本公司之財政及管理表現。董事會會議上討論之事項包括制定本集團策略及政策；批准重大業務、管理及財政事宜、年度預算、主要收購事項、出售事項及資本承諾；批准有關本公司組織章程及股本之事宜，以及更換董事會成員及核數師；成立董事委員會；審閱企業管治及維持良好的內部監控制度。

董事會向管理層指派多項特定責任，當中包括編製賬目以供董事會批准；實行董事會所批准之策略及政策；日常監控預算；實行特定業務及工作項目；實行企業管治及內部監控程序以及其他遵例事宜。管理層定期向董事會提呈報告以供審閱及作出指引。

## CORPORATE GOVERNANCE REPORT

The Company is committed to the establishment of good corporate governance practices and procedures. The corporate governance principles of the Company emphasize a quality board, sound internal control, transparency and accountability to all shareholders.

In the opinion of the Directors, during the year ended 31st December, 2006, the Company has complied with the code provisions of the “Code on Corporate Governance Practices” (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except that (a) the positions of Chairman and Chief Executive Officer were occupied by the same person, which deviates from code provision A.2.1; and (b) the Independent Non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws of the Company, which deviates from code provision A.4.1.

## DIRECTORS' SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code during the year ended 31st December, 2006.

## BOARD OF DIRECTORS

The Board of Directors (the “Board”) is mainly responsible for formulating corporate strategies, approving business plans and supervising the Company's financial and management performance. Matters which may be discussed in Board meetings include the formulation of the Group's strategies and policies; approval of significant business, management and financial matters, annual budgets, major acquisitions, disposals and capital commitments; approval of matters relating to the Company's constitution and share capital, and change of board members and auditors; establishment of board committees; review of corporate governance and the maintenance of a sound internal control system.

The Board delegates specific tasks to the management, which includes the preparation of accounts for the Board's approval; implementation of strategies and policies approved by the Board; day-to-day monitoring of budgets; implementation of specific business and work projects; implementation of corporate governance and internal control procedures and other compliance matters. Management presents regular reports to the Board for their review and guidance.

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### 董事會 (續)

董事會現時由六名執行董事及三名獨立非執行董事組成。董事之履歷詳情 (包括董事會成員間之關係) 刊載於本年報第18頁至20頁內。

董事會大約每三個月舉行一次董事會定期會議，每年至少舉行四次，以討論本公司之整體策略、經營及財政狀況。除董事會定期會議外，董事會亦不時舉行會議，以審閱管理層獲指派事務之進度，以及處理董事會定期會議之間之任何重大發展及變動。截至二零零六年十二月三十一日止年度內舉行之董事會會議總數為七次。

四次董事會定期會議之董事出席率如下：

## CORPORATE GOVERNANCE REPORT

### BOARD OF DIRECTORS (Continued)

The Board currently comprises six Executive Directors and three Independent Non-executive Directors. The biographical details of the Directors (including relationships among the members of the Board) are set out on pages 18 to 20 of this Annual Report.

The Board holds at least four regular Board meetings at approximately quarterly intervals to discuss the overall strategy, operation and financial performance of the Company. In addition to the regular Board meetings, the Board also meets from time to time to review the progress of the matters delegated to the management and any major developments or changes taken place during the intervals between regular Board meetings. The total number of Board meetings held during the year ended 31st December, 2006 was seven.

The attendance of the Directors at four regular Board meetings were as follows:

#### 出席率 Attendance

#### 執行董事

王忠秣先生 (主席兼行政總裁)  
王忠樞先生  
陳子華先生  
譚靜安先生  
溫民強先生  
王賢敏小姐

#### Executive Directors

Mr. Wong Chung Mat, Ben (Chairman and Chief Executive Officer) 4/4  
Mr. Wong Chung Ah, Johnny 4/4  
Mr. Chan Tsze Wah, Gabriel 4/4  
Mr. Tan Chang On, Lawrence 2/4  
Mr. Wan Man Keung 4/4  
Miss Wong Yin Man, Ada 4/4

#### 獨立非執行董事

李家祥博士  
楊孫西博士  
葉天養先生

#### Independent Non-executive Directors

Dr. Li Ka Cheung, Eric 4/4  
Dr. Yu Sun Say 4/4  
Mr. Alfred Donald Yap 3/4



## 企業管治報告

### 董事會(續)

於舉行董事會會議前，董事會獲提供所有所需資料以考慮將予討論之事項。隨後會就所有董事會會議發出正式議程。季度董事會會議於財政年度開始時排定，確保最多董事可以出席。於董事會會議進行之所有業務均載入有關會議之會議記錄。董事會若干決定乃以全體董事通過書面決議案之方式作出。所有董事會成員可向公司秘書尋求意見及獲取服務。倘有需要，董事亦可向外尋求專業意見，費用由本公司支付。

### 主席及行政總裁

王忠秣先生為本集團主席兼行政總裁，自二零零三年二月起一直兼任這兩個職位。在容許兩個職位由同一人擔任時，本公司已考慮以下事項：

- (a) 兩個職位均須對本集團業務具備透徹了解及豐富經驗。本集團內外均難以遇到同時具備合適知識、經驗及領導才能之人選。倘任何一個職位由不符合資格之人士擔任，可能會拖累本集團之表現。
- (b) 本公司相信，董事會及其獨立非執行董事之監察可提供一個有效之制衡機制，並確保可足夠代表股東利益。

## CORPORATE GOVERNANCE REPORT

### BOARD OF DIRECTORS (Continued)

Before the holding of a Board meeting, the Board is supplied with all necessary information to enable it to consider the matters to be discussed. A formal agenda is followed in all Board meetings. The quarterly Board meetings are scheduled at the beginning of the financial year in order to ensure maximum attendance by Directors. All business transacted at the Board meetings is documented in the minutes of such meeting. Some Board decisions are made by way of written resolutions of all Directors. All Board members have access to the advice and services of the Company Secretary. If necessary, Directors also have access to external professional advice at the expense of the Company.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Wong Chung Mat, Ben is the Group's Chairman and Chief Executive Officer and has occupied these two positions since February 2003. In allowing the two positions to be occupied by the same person, the Company has considered the following:

- (a) Both positions require in-depth knowledge and considerable experience of the Group's business. Candidates with the suitable knowledge, experience and leadership are difficult to find both within and outside the Group. If either of the positions is occupied by an unqualified person, the Group's performance could be gravely compromised.
- (b) The Company believes that the supervision of the Board and its Independent Non-executive Directors can provide an effective check and balance mechanism and ensures that the interests of the shareholders are adequately represented.

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### 非執行董事

本公司認為獨立非執行董事由工業、財務及法律專才組成，能夠就制定策略及其他財政或監管規定向董事會及管理層提供意見。根據上市規則之規定，獨立非執行董事已分別向本公司提供有關其獨立性之年度確認書。本公司認為所有獨立非執行董事均具獨立性。

本公司現有非執行董事概無固定任期。然而，本公司各董事現時須根據本公司細則第112條輪值告退。由此，本公司認為已採取足夠措施，確保本公司之企業管治常規不遜於守則所載者。

### 董事之薪酬

本公司已成立薪酬委員會，由兩名獨立非執行董事（楊孫西博士（其亦為委員會主席）及葉天養先生）及一名執行董事（陳子華先生）組成。

薪酬委員會之主要責任包括制定本集團之薪酬政策、通過或建議執行董事及高級管理層之薪酬組合，並按照企業目標及宗旨審閱及批准按表現為衡量基準之薪酬。

委員會於截至二零零六年十二月三十一日止年度內已舉行一次會議，當中所有委員會成員均有出席，而若干決定乃以全體成員通過書面決議案方式作出，以審閱及批准二零零六年增加執行董事及高級管理層之薪酬。

本公司之薪酬政策乃設立並維持合適及具競爭力之酬金以吸引、挽留及激勵僱員成功推動本集團業務。董事之酬金乃根據各董事預計所需付出之時間及努力、彼等於本公司之職責、本公司之薪酬政策及市場價格作基準。

## CORPORATE GOVERNANCE REPORT

### NON-EXECUTIVE DIRECTORS

The Company is satisfied that its Independent Non-executive Directors comprise a good mix of industrial, financial and legal expertise to advise the Board and the management team on strategy formulation and other financial or regulatory requirements. Pursuant to the requirement in the Listing Rules, each of the Independent Non-executive Directors has provided an annual confirmation of independence to the Company. The Company considers all of the Independent Non-executive Directors to be independent.

None of the existing Non-executive Directors of the Company is appointed for a specific term. However, every Director of the Company is now subject to retirement by rotation under Bye-law 112 of the Bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

### REMUNERATION OF DIRECTORS

The Company has established a Remuneration Committee which comprises two Independent Non-executive Directors (Dr. Yu Sun Say, who is also the Chairman of the Committee and Mr. Alfred Donald Yap) and one Executive Director (Mr. Chan Tsz Wah, Gabriel).

The principal responsibilities of the Remuneration Committee include the formulation of the Group's remuneration policy, the approval or recommendation of remuneration packages for the Executive Directors and the senior management, and the review and approval of performance-based remuneration by reference to corporate goals and objectives.

During the year ended 31st December, 2006, the Committee held one meeting, which was attended by all Committee members and made some decisions by way of written resolutions of all members to review and approve the salary increment of the Executive Directors and the senior management for 2006.

The Company's remuneration policy is to establish and maintain an appropriate and competitive level of remuneration to attract, retain and motivate employees to run the Group successfully. The emoluments of Directors are based on the anticipated time and effort required from each Director, duties and responsibilities with the Company, the Company's remuneration policy and market benchmark.



## 企業管治報告

### 提名董事

本公司並無成立提名委員會。所有本公司董事均有責任就提名及委任董事以及董事繼任人選，向董事會作出推薦建議，並委任具有合適經驗及能力之董事會成員，以維持及改善本公司之競爭力。

在個別董事作出推薦建議後，董事會對有關人選之專業背景、經驗及往績記錄作出考慮。董事會亦考慮管理層及認識該人選之其他人士所作出之推薦建議。其後，董事會舉行會議以討論該等提名，倘適合，則通過委任有關人選為董事。

### 內部監控

董事會對本公司及其附屬公司(「本集團」)之內部監控系統負有整體責任，並透過內部審核部門對該等系統之效率進行檢討，當中包括財務、營運及風險管理功能。監管委員會由本集團主要部門主管組成，彼等定期開會，檢討內部審核部門之發現及意見，並考慮曾予匯報之弱點及建議是否已與有關部門有效溝通，又是否已實施所需之修正行動。監管委員會會將內部監控方面之任何主要議題向審核委員會及董事會匯報，供彼等審議。

二零零六年，董事會借外聘顧問之幫助，檢討本集團之管治程序。外聘顧問亦被要求為本集團進行風險評估，並就風險評估結果提供三年內部審核計劃。

本集團內部監控系統旨在提供合理而非絕對保障；防範出現重大錯誤陳述或損失，並管理而非消除營運系統失效之風險，令本集團可達到其目標。

## CORPORATE GOVERNANCE REPORT

### NOMINATION OF DIRECTORS

The Company has not established a Nomination Committee. All Directors of the Company are responsible for making recommendations to the Board on nomination and appointment of Directors and Board succession, with a view to appoint to the Board individuals with suitable experience and capabilities to maintain and improve the competitiveness of the Company.

Following recommendations by individual Directors, the Board considers the professional background, experience and track records of the relevant candidates. The Board also considers the recommendations from the management team and other individuals who know the candidates. Subsequently, the Board meets to discuss the nominations and if appropriate, approve the appointment of the relevant candidates as Directors.

### INTERNAL CONTROL

The Board has overall responsibility for the system of internal control of the Company and its subsidiary companies (the "Group") and through the Internal Audit Department, conducts review on the effectiveness of these systems covering the financial, operational and risk assessment functions. A Compliance Committee which comprises the heads of major departments of the Group meets regularly to review the findings and opinions of the Internal Audit Department and consider whether any weaknesses and recommendations reported have been effectively communicated to the departments concerned and whether the required corrective actions have been implemented. The Compliance Committee will report any major issues on internal control to the Audit Committee and the Board for consideration.

During 2006, the Board engaged the help of an external consultant to review the Group's governance processes. The external consultant was also asked to conduct for the Group a risk assessment and provide a three-year internal audit plan based on the results of risk assessment.

The purpose of the Group's internal control system is to provide reasonable, but not absolute assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems so that the Group's objectives can be reached.

## 企業管治報告

### 核數師酬金

截至二零零六年十二月三十一日止年度，就審核服務已付或應付聯席核數師均富會計師行及信永中和(香港)會計師事務所有限公司之酬金為港幣2,240,000元。截至二零零六年十二月三十一日止年度內，均富會計師行獲委聘進行風險評估，並就風險評估結果提供三年內部審核計劃，並因而已收取約港幣94,000元。均富會計師於年內獲委任為其中一名聯席核數師前，為維持其獨立性，均富會計師行不再向本集團提供上述服務。年內概無支付非審核服務費用予信永中和(香港)會計師事務所有限公司。

### 審核委員會

本公司已成立審核委員會，由三名獨立非執行董事包括李家祥博士(亦為委員會主席)、楊孫西博士及葉天養先生組成。

審核委員會之主要職責包括監察本集團之財務報告系統及內部監控程序、審閱本集團之財務資料及檢討與本公司核數師之關係。

截至二零零六年十二月三十一日止年度內，審核委員會與外聘核數師會面兩次，當中所有委員會成員均有出席，並已審閱本集團採納之會計原則及慣例，討論核數、內部監控及財務申報事宜，包括審閱本集團二零零五年全年業績及二零零六年中期業績，同時對本公司外聘核數師之委任及辭任進行考慮。審核委員會亦已審閱本集團截至二零零六年十二月三十一日止年度之經審核財務報表。

### 董事及聯席核數師對賬目之責任

有關董事及聯席核數師編製本集團綜合財務報表之責任刊載於本年報第45頁至46頁之「獨立聯席核數師報告書」。

## CORPORATE GOVERNANCE REPORT

### AUDITORS' REMUNERATION

For the year ended 31st December, 2006, the remuneration paid or payable to the joint auditors, Grant Thornton and SHINEWING (HK) CPA Limited, for audit services amounted to HK\$2,240,000. During the year ended 31st December, 2006, Grant Thornton was engaged to conduct a risk assessment and provide a three-year internal audit plan based on the results of risk assessment and it received approximately HK\$94,000. Before Grant Thornton was appointed as one of the joint auditors during the year, in order to maintain its independence, Grant Thornton ceased to provide the aforementioned services to the Group. No payments for non-audit services to SHINEWING (HK) CPA Limited were made during the year.

### AUDIT COMMITTEE

The Company has established an Audit Committee which comprises three Independent Non-executive Directors, namely, Dr. Li Ka Cheung, Eric (also the Chairman of the Committee), Dr. Yu Sun Say and Mr. Alfred Donald Yap.

The principal duties of the Audit Committee include the oversight of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the auditors of the Company.

The Audit Committee met with the external auditors twice during the year ended 31st December, 2006 which were attended by all Committee members and reviewed the accounting principles and practices adopted by the Group, discussed auditing, internal control and financial reporting matters including a review of the 2005 final results and 2006 interim results of the Group and considered the appointment and resignation of external auditors of the Company. It has reviewed the audited financial statements of the Group for the year ended 31st December, 2006.

### DIRECTORS' AND JOINT AUDITORS' RESPONSIBILITIES FOR ACCOUNTS

The responsibilities of the Directors and the joint auditors for preparing the consolidated financial statements of the Group are set out in the "Independent Joint Auditors' Report" on pages 45 to 46 of this Annual Report.

