

# Corporate Governance Report

## 企業管治報告

### Compliance with the Code on Corporate Governance Practices of the Listing Rules

The Company is committed to the establishment of good corporate governance practices and procedures. The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 28 February 2007, except the following deviations from code provisions A.3.2, A.4.1 and A.4.2 of the CG Code:

1. Mr. Lui Pui Kee, Francis resigned as an Independent Non-executive Director of the Company on 17 July 2006 for personal reasons and the number of the Independent Non-executive Directors fell below the minimum number required under Rule 3.10(1) of the Listing Rules and the number of the members of audit committee fell below the minimum number required under Rule 3.21 of the Listing Rules. The Company fell short of the requirements under Rule 3.10(1), 3.11 and 3.21 of the Listing Rules to fill the vacancy for Independent Non-executive Director and member of audit committee after three months since Mr. Lui's resignation. The board of Directors of the Company was unable to find a suitable candidate to fill the vacancy for Independent Non-executive Director and member of audit committee until Mr. Peter George Brown was appointed as an Independent Non-executive Director and member of audit committee on 4 December 2006.
2. Mr. Gerald Clive Dobby and Mr. Lui Pui Kee, Francis, Independent Non-executive Directors of the Company, were not appointed for a specific term since their service contracts ended in November 2005 but they are subject to retirement in accordance with the Company's Bye-Laws. At the annual general meeting of the Company held on 9 August 2006, Mr. Gerald Clive Dobby retired by rotation as a director of the Company and was re-elected as an Independent Non-executive Director of the Company for a term of three years. Mr. Lui Pui Kee, Francis, resigned as an Independent Non-executive Director on 17 July 2006.

### 遵守上市規則之企業管治常規守則

本公司致力制定良好企業管治常規及程序。於截至2007年2月28日止年度，本公司一直應用及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（「企業管治守則」）之原則及所有守則條文以及（在適用情況下）建議最佳常規，惟以下偏離企業管治守則條文第A.3.2、A.4.1及A.4.2條之情況除外：

1. 呂培基先生於2006年7月17日基於私人理由退任本公司獨立非執行董事，獨立非執行董事數目因而低於上市規則第3.10(1)條的最低人數規定，審核委員會成員數目亦低於上市規則第3.21條的最低人數規定。本公司未能遵守上市規則第3.10(1)、3.11及3.21條項下之規定，在呂先生辭任三個月後填補獨立非執行董事及審核委員會成員空缺。本公司董事會未能揀選一適當之候選人以填補獨立非執行董事及審核委員會成員之空缺直至包安嵐先生於2006年12月4日獲委任為獨立非執行董事及審核委員會成員。
2. 本公司獨立非執行董事Gerald Clive Dobby先生及呂培基先生在其服務合約於2005年11月終止後並非按固定任期獲委任，惟彼等須按照本公司之公司細則告退。於2006年8月9日舉行之本公司股東週年大會上，本公司董事Gerald Clive Dobby先生輪值告退，並膺選連任為本公司獨立非執行董事，任期三年。呂培基先生於2006年7月17日退任獨立非執行董事。

3. In accordance with the Company's Bye-Laws, one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation at each annual general meeting of the Company, but the Directors are not required to retire by rotation at least once every three years. In addition, according to the Company's Bye-Laws, any directors appointed to fill a casual vacancy shall hold office only until the next following annual general meeting and shall then be eligible for re-election at that meeting. At the annual general meeting of the Company held on 9 August 2006, an amendment to the Bye-Laws of the Company was proposed and approved by shareholders so that, in compliance with code provision A 4.2 of the CG Code, all directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after their appointment and every director shall be subject to retirement by rotation at least once every three years.
4. Mr. Gerald Clive Dobby resigned as an Independent Non-executive Director of the Company on 28 February 2007 for personal reasons and the number of the Independent Non-executive Directors fell below the minimum number required under Rule 3.10(1) of the Listing Rules and the number of the members of audit committee fell below the minimum number required under Rule 3.21 of the Listing Rules. Subsequently, Mr. Siu Ming Wah was appointed to fill the vacancy of Independent Non-executive Director and member of the audit committee on 2 May 2007.
3. 根據本公司之公司細則，三分之一現任董事（或倘其數目並非三之倍數，則最接近但不多於三分之一人數）須於每屆本公司股東週年大會輪值告退，但並無規定董事須最少每三年輪值告退一次。另外，根據本公司之公司細則，任何獲委任以填補臨時空缺之董事任期僅至下屆股東週年大會為止，屆時將合資格於該大會膺選連任。於2006年8月9日舉行之本公司股東週年大會上，已提呈建議修訂本公司之公司細則，並獲股東批准通過，致使為遵守企業管治守則條文第A 4.2條，所有獲委任以填補臨時空缺之董事均須於獲委任後首個股東大會接受股東選舉，及每名董事應輪流退任，至少每三年一次。
4. Gerald Clive Dobby先生於2007年2月28日基於私人理由退任本公司獨立非執行董事，獨立非執行董事數目因而低於上市規則第3.10(1)條的最低人數規定，審核委員會成員數目亦低於上市規則第3.21條的最低人數規定。其後蕭銘鐸先生於2007年5月2日獲委任以填補獨立非執行董事及審核委員會成員之空缺。

## Model Code on Securities Transactions by Directors

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Enquiry has been made with all Directors and the Directors have confirmed compliance with the required standard set out in the Model Code during the year ended 28 February 2007.

## 董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載標準守則，作為本公司有關董事進行證券交易之操守準則。本公司已向全體董事作出查詢，各董事已確認彼等於截至二零零七年二月二十八日止年度遵守標準守則所規定標準。

## The Board of Directors

The Board of Directors of the Company (the "Board") is collectively responsible for the management of the business and affairs of the Group with the objective of enhancing shareholders value. The Board is responsible for making decisions on major operational and financial matters as well as investments, and overseeing the management of the business. The general management and day-to-day operations, including preparation of annual and interim reports and accounts for board approval before public reporting, execution of business strategies and initiatives adopted by the Board, monitoring of operating budgets, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations, are delegated to the management team of the Group. The Board comprises a total of nine Directors, with six Executive Directors and three Independent Non-executive Directors. One-third of the Board are Independent Non-executive Directors and more than one of them have appropriate professional qualifications, or accounting or related financial management expertise as required by the Listing Rules. All of the Directors are subject to retirement by rotation and re-election at the general meeting in accordance with the Company's Bye-Laws.

The Board has received from each of the three Independent Non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Board considers each of the three Independent Non-executive Directors to be independent.

The Company has established the Board process. Regular Board Meetings are held at least four times a year, and if necessary, additional meetings are arranged as and when required. The Company Secretary assists the Chairman in preparing the agenda for the meetings and preparing and disseminating Board papers to the Directors in a timely and comprehensive manner. All Directors have access to the advice and services of the Company Secretary to ensure that the procedures are followed and all applicable rules and regulations are complied with.

## 董事會

本公司董事會（「董事會」）共同負責管理本集團業務及事務，目標為提升股東價值。董事會負責於營運和財務事項，以及投資方面作出決策，並監察業務的管理工作。日常管理及營運，包括籌備年度及中期報告與賬目以供董事會於公開呈報前審批，執行董事會採納的業務策略及建議、監察營運預算、實施足夠內部監控系統和風險管理程序，以及遵守相關法定要求和規則及規例事宜，均交由本集團管理層負責。董事會由合共九名董事組成，包括六名執行董事及三名獨立非執行董事（「獨立非執行董事」）。董事會之三分之一成員為獨立非執行董事，而超過一名獨立非執行董事具備上市規則規定之合適專業資格或會計或相關財務管理專業知識。全體董事均須按照本公司之公司細則於股東大會輪值告退及膺選連任。

董事會已接獲三名獨立非執行董事各自按照上市規則第3.13條作出之年度獨立身分確認書。董事會認為，三名獨立非執行董事均具獨立性。

本公司已制定董事會程序。董事會每年最少召開四次定期會議，並於有需要時安排額外會議。公司秘書協助主席適時編製完備之會議議程，並適時編製及向各董事分發齊備之董事會文件。全體董事均可取得公司秘書之意見及服務，以確保符合程序以及遵守所有相關規則及規定。

During the year ended 28 February 2007, the full Board held 4 meetings and details of Directors' attendance records are set out below:

於截至二零零七年二月二十八日止年度，董事會曾召開四次全體董事會議，各董事出席記錄詳情如下：

<b>Number of meetings</b>	<b>會議數目</b>	4
<b>Directors</b>	<b>董事</b>	<b>Attendance 出席次數</b>
<b>Executive Directors:</b>	<b>執行董事：</b>	
Tse Tat Fung, Tommy	謝達峰	3
Peter Gerardus Van Weerdenburg	溫彼得	3
Alex Chan (resigned on 28 February 2007)	陳偉康(於二零零七年二月二十八日辭任)	4
Erwin Steve Huang	黃岳永	3
Yau On Yee, Annie (appointed on 22 June 2006)	邱安儀(於二零零六年六月二十二日獲委任)	2
Cheung Tse Kin, Michael (appointed on 22 June 2006)	張子健(於二零零六年六月二十二日獲委任)	2
<b>Independent Non-executive Directors:</b>	<b>獨立非執行董事：</b>	
Chui Chi Yun, Robert	崔志仁	4
Gerald Clive Dobby (resigned on 28 February 2007)	Gerald Clive Dobby(於二零零七年二月二十八日辭任)	3
Lui Pui Kee, Francis (resigned on 17 July 2006)	呂培基(於二零零六年七月十七日辭任)	3
Peter George Brown (appointed on 4 December 2006)	包安嵐(於二零零六年十二月四日獲委任)	0
		(Note 1)
		(附註 1)

Notes:

1. No board meeting has been held during the period since his appointment to 28 February 2007.
2. Mr. Siu Ming Wah was appointed as an Independent Non-executive Director on 2 May 2007.
3. Mr. Lai Tsz Mo, Lawrence was appointed as an executive Director on 18 June 2007.

附註：

1. 於其獲委任後至二零零七年二月二十八日期間沒有舉行董事會會議。
2. 蕭銘鐸先生於二零零七年五月二日獲委任為獨立非執行董事。
3. 黎子武先生於二零零七年六月十八日獲委任為執行董事。

## The Chairman and the Chief Executive Officer

The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals with a view to maintaining an effective segregation of duties with respect to the management of the Board and the day-to-day management of the Group's business.

The Chairman, Mr. Tse Tat Fung, Tommy, is responsible for the Group's overall strategy and business development. The Chief Executive Officer, Mr. Peter Gerardus Van Weerdenburg, is delegated with the authority and responsibility for running the Company's business and implementing the Company's strategies.

## Non-executive Directors

Non-executive Directors are subject to retirement by rotation and re-election at the general meeting in accordance with the Company's Bye-Laws.

At the annual general meeting of the Company held on 9 August 2006, Mr. Gerald Clive Dobby retired by rotation as a director of the Company and was re-elected as an Independent Non-executive Director of the Company, Mr. Dobby resigned as an Independent Non-executive Director of the Company on 28 February 2007 for personal reasons. Mr. Dobby confirmed that there was no disagreement with the Board and that there was no matter that needed to be brought to the attention of the shareholders of the Company in respect of his resignation.

## Remuneration of Directors

The Remuneration Committee, which terms of reference are posted in the Company's website and which are in compliance with the provisions set out in the CG Code, comprises four members, a majority of whom are Independent Non-executive Directors of the Company. The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure in relation to the remuneration of Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time. The Remuneration Committee meets at least once a year.

## 主席及行政總裁

董事會主席與行政總裁之職位由不同人士擔任，旨在有效區分董事會管理及本集團日常業務管理職務。

主席謝達峰先生負責本集團整體策略及業務發展。行政總裁溫彼得先生則獲授權專責本公司業務運作及執行本公司策略。

## 非執行董事

非執行董事須按照本公司之公司細則於股東大會輪值告退及膺選連任。

於二零零六年八月九日舉行之本公司股東週年大會上，本公司董事 Gerald Clive Dobby 先生輪值告退，並獲重選為本公司獨立非執行董事，任期三年。Dobby 先生於二零零七年二月二十八日基於私人理由辭任為本公司之獨立非執行董事。Dobby 先生確認並無與董事會出現意見分歧，亦無與其辭任相關事宜須知會本公司股東。

## 董事酬金

薪酬委員會由四名成員組成，大部分為本公司獨立非執行董事，其職權範圍載於本公司網頁，並符合企業管治守則所載條文。薪酬委員會主要職責包括參考董事會不時議決之企業目標及宗旨，就本公司董事與高層管理人員之薪酬政策及結構，向董事會作出建議。薪酬委員會每年最少舉行一次會議。

The Remuneration Committee met twice during the year ended 28 February 2007 and the individual members' attendance records are set out below. In addition, during the year, the Remuneration Committee also received a number of reports and proposals from executive management in relation to remuneration issues of the Company for their review and/or approval as required.

薪酬委員會於截至二零零七年二月二十八日止年度曾舉行二次會議，個別成員出席記錄如下。另外，薪酬委員會不時收到管理人員所提交有關薪酬事宜之報告及建議並情況需要予以審閱及／或批准。

Number of meetings	會議次數	2
Members	成員	Attendance 出席次數
Gerald Clive Dobby (Chairman) (resigned on 28 February 2007)	Gerald Clive Dobby (主席) (於二零零七年二月二十八日辭任)	2
Chui Chi Yun, Robert	崔志仁	2
Lui Pui Kee, Francis (resigned on 17 July 2006)	呂培基 (於二零零六年七月十七日辭任)	1
Peter George Brown (appointed on 4 December 2006)	包安嵐 (於二零零六年十二月四日獲委任)	1
		(Note 1) (附註 1)
Tse Tat Fung, Tommy	謝達峰	2

Notes:

1. Only one committee meeting has been held during the period since his appointment to 28 February 2007.
2. Mr. Siu Ming Wah was appointed as member on 2 May 2007 and as Chairman on 7 May 2007.

附註：

1. 於其獲委任後至二零零七年二月二十八日期間只舉行一次委員會會議。
2. 蕭銘鐸先生於二零零七年五月二日獲委任為成員並於二零零七年五月七日獲委任為主席。

The Remuneration Committee had considered the following proposals:

- (a) reviewed the remuneration policy of the Company for the year ended 28 February 2007;
- (b) reviewed and approved the service contracts for executive directors and independent non-executive directors;
- (c) reviewed and approved the annual performance bonus policy and the granting of discretionary bonus to both senior executives and other employees of the Company.

薪酬委員會已考慮下列提議：

- (a) 檢討截至二零零七年二月二十八日止年度之薪酬政策；
- (b) 檢討並批准執行董事及獨立非執行董事之服務合約；
- (c) 檢討並批准年度花紅政策及向高級行政人員及其他僱員發放酌情花紅。

The Remuneration Committee is provided with sufficient resources, including the advice of professional firms, to discharge its duties, as necessary.

薪酬委員會獲提供充裕資源以履行其職務，包括於有需要時諮詢專業機構之意見。

## Nomination of Directors

The Company does not have a Nomination Committee. The Board as a whole is responsible for the procedure of agreeing to the appointment of its members either to fill a casual vacancy or to add to the existing directors and those directors appointed by the Board during the year shall hold office only until the next following general meeting and shall then be eligible for re-election in accordance with the Company's Bye-Laws.

The annual general meeting circular contains detailed information on election of directors including a detailed biography of all directors standing for election or re-election to ensure that shareholders can make an informed decision on their election.

## Auditors Remuneration

The amount of fees charged by the Auditors generally depends on the scope and volume of the auditors' work. For the year ended 28 February 2007, the remuneration payable to Moore Stephens was approximately HK\$2.95 million for audit services and HK\$0.25 million for other assurance services.

## Audit Committee

The Audit Committee, which terms of reference are posted in the Company's website and which are in compliance with the provisions set out in the CG Code, comprises three members who are all Independent Non-executive Directors of the Company. The principal duties of the Audit Committee include the review and supervision 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 external auditors of the Company. The Audit Committee meets at least twice a year.

## 董事提名

本公司並無設立提名委員會。董事會集體負責就填補臨時空缺或加入新增董事，協商委任新成員。按照本公司之公司細則規定，董事會於年內委任之董事任期僅至下屆股東大會為止，屆時將合資格膺選連任。

股東週年大會通函載有董事選舉詳情，包括所有參選或膺選連任董事詳細履歷，以確保股東於選舉時可以作出知情決定。

## 核數師酬金

核數師收取之費用一般視乎核數師之工作範圍及工作量而定。於截至二零零七年二月二十八日止年度，馬施雲會計師事務所就核數服務收取之酬金約為港幣2,950,000元，及就提供其他審計服務收取港幣250,000元酬金。

## 審核委員會

審核委員會由本公司全部三名獨立非執行董事組成，其職權範圍載於本公司網頁，並符合企業管治守則所載條文。審核委員會主要職責包括檢討及監督本集團之財務申報制度及內部監控程序、審閱本集團財務資料以及檢討與本公司外聘核數師之關係。審核委員會每年最少召開兩次會議。

During the year ended 28 February 2007, the Audit Committee held 3 meetings and details of individual members' attendance records are set out below:

於截至二零零七年二月二十八日止年度，審核委員會曾召開三次會議，個別成員出席記錄詳情如下：

<b>Number of meetings</b>	<b>會議次數</b>	3
<b>Members</b>	<b>成員</b>	<b>Attendance 出席次數</b>
Chui Chi Yun, Robert (Chairman)	崔志仁(主席)	3
Gerald Clive Dobby (resigned on 28 February 2007)	Gerald Clive Dobby (於二零零七年二月二十八日辭任)	3
Lui Pui Kee, Francis (resigned on 17 July 2006)	呂培基(於二零零六年七月十七日辭任)	2
Peter George Brown (appointed on 4 December 2006)	包安嵐(於二零零六年十二月四日獲委任)	0
		(Note 1)
		(附註 1)

Notes:

- No committee meeting has been held during the period since his appointment to 28 February 2007.
- Mr. Siu Ming Wah was appointed as member on 2 May 2007.

附註：

- 於其獲委任後至二零零七年二月二十八日期間沒有舉行委員會會議。
- 蕭銘鐸先生於二零零七年五月二日獲委任為成員。

The following is a summary of the work performed by the Audit Committee during the year:

審核委員會於年內之工作概述如下：

- |  |   |
|--|---|
| (a) discussed with the external auditors the general scope of their audit work;  | (a) 與外聘核數師討論其核數工作範圍；                      |
| (b) reviewed and made recommendations to the Board in respect of the audit fee proposals for the Group for the year ended 28 February 2007;  | (b) 審閱並就本集團截至二零零七年二月二十八日止年度之核數費用向董事會作出建議； |
| (c) made recommendations to the Board regarding the appointment of auditors to fill the casual vacancy arising from the resignation of KPMG; | (c) 就委任核數師以填補畢馬威會計師事務所辭任而產生之臨時空缺向董事會作出建議； |
| (d) reviewed and approved the Group's internal audit policy and internal audit plan for the year 2007;                                       | (d) 審閱並批准本集團之二零零七年內部核數政策及內部核數計劃；          |
| (e) reviewed the internal audit reports covering the evaluation of internal controls;  | (e) 審閱包括內部監控評估之內部核數報告；                    |
| (f) reviewed the audited accounts and final results announcement for the year ended 28 February 2006; and                                    | (f) 審閱截至二零零六年二月二十八日止年度之經審核賬目及全年業績公佈；及     |



(g) reviewed the Interim Report and interim results announcement for the six months ended 31 August 2006.

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

The Group's annual report for the year ended 28 February 2007 has been reviewed by the Audit Committee.

## Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Group and presenting a balanced, clear and comprehensive assessment of the Group's performance.

In preparing the financial statements of the Group for the year ended 28 February 2007, the Directors have selected the appropriate accounting policies and applied them consistently; approved the adoption of all applicable Hong Kong Financial Reporting Standards which are issued by the Hong Kong Institute of Certified Public Accountants; made judgements and estimates that are prudent and reasonable; and prepared the financial statements on the going concern basis.

## Internal Control

The Board, through the Audit Committee, is responsible for ensuring that adequate internal controls are in place to safeguard the Company's assets and manage risks. The executive management has been delegated the responsibility of identifying and evaluating the risks faced by the Group and of designing, operating and monitoring an effective control system.

The internal control system is designed to provide reasonable, but not absolute, assurance on the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding the Group's assets, providing reliable financial reporting and complying with the applicable laws and regulations. Systems and procedures are also established to identify, measure, manage and control, rather than eliminate, different risks arising from different business and functional activities.

(g) 審閱截至二零零六年八月三十一日止六個月之中期報告及中期業績公佈。

審核委員會獲提供充裕資源以履行其職務，包括諮詢外聘核數師與內部核數部門之意見。

本集團截至二零零七年二月二十八日止年度之年報已由審核委員會審閱。

## 董事對財務報表之責任

董事明瞭，彼等有責任編製本集團財務報表，以就本集團表現呈列持平、清晰及全面之評估。

編製本集團截至二零零七年二月二十八日止年度之財務報表時，董事已挑選及貫徹應用合適之會計政策；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；作出審慎合理之判斷及估計；以及按持續經營基準編製財務報表。

## 內部監控

董事會透過審核委員會負責確保已施行充份內部監控措施，保障本公司財產及管理風險。執行管理人員獲指派負責找出及評估本集團面對之風險，以及設計、執行及監察有效監控制度。

內部監控制度之設計旨在提供合理，而非絕對保障，確保營運效益及效率，從而達至既訂公司目標、保障集團財產、提供可靠財務報告及遵守適用法律及規例。制度及程序之訂立旨在找出、計量、管理及控制，而並非消除，不同業務及功能活動產生之不同風險。

The Group's Internal Audit Department plays an important role in the internal control function. It provides objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards by performing periodic audits over all major operations of the Group, typically over a three-year cycle. An annual audit plan (comprising annual audit focus and audit frequencies) is prepared based on the department's independent risk assessment. Such work plan is discussed and agreed with the Audit Committee at the beginning of each financial year. Major internal audit findings will be submitted to the Audit Committee for review and all recommendations from the Internal Audit Department will be properly followed up to ensure that they are implemented within a reasonable period of time. The Directors have received the report from the Internal Audit Department which conducted a review of the effectiveness of the system of internal control of the Group.

The scope of work performed by the internal audit function during the year included financial and operational reviews, recurring/surprise inventory counts and audits, and special reviews.

## Communication with Shareholders

The Company establishes and maintains different communication channels with its shareholders through the publication of annual and interim reports and press releases. Such information is also available on the Company's website and the website of <http://tsl.etnet.com.hk>.

The annual general meeting provides a useful forum for shareholders to exchange views with the Board. At the Company's 2006 Annual General Meeting, the Chairman of the Audit Committee and the Chairman of the Remuneration Committee were present and ready to answer shareholders' questions.

Details of the poll voting procedures and the rights of shareholders to demand a poll have been included in the annual general meeting circular. At the Company's 2006 Annual General Meeting, all the resolutions were dealt with on poll voting and Secretaries Limited, the Company's Hong Kong Branch Share Registrar, was engaged as scrutineer to ensure the votes were properly counted.

本集團內部核數部門於內部監控上擔當重要角色，定期審核本集團所有主要營運項目，一般以三年為一個循環，以向董事會提供客觀保證，內部監控制度有效運行，且符合既訂程序及準則。年度審核計劃(包括年度審核目標及審核頻率)乃按部門之獨立風險評估制訂，審核委員會於每個財政年度年初討論及通過該審核計劃。重大內部審核發現均會呈交審核委員會審閱，而內部審核部門所有建議均會妥為跟進，以確保全都在合理時間內獲執行。董事已收到由內部核數部門進行有關集團內部監控系統有效性的檢討的報告。

內部審核部門年內之工作包括財務及營運檢討、循例／突擊盤點及核數以及特別檢討。

## 與股東溝通

本公司透過刊發年報、中期報告及新聞稿，與其股東建立並維持不同溝通渠道。有關資料亦載於本公司網頁及<http://tsl.etnet.com.hk>網頁。

股東週年大會為股東提供與董事會交流意見之有效平台。審核委員會主席及薪酬委員會主席均有出席本公司二零零六年股東週年大會，以便回答股東提問。

按股數投票表決程序及股東要求按股數投票權利之詳情已載於股東週年大會通函。於本公司二零零六年股東週年大會上，所有決議案均以按股數投票方式表決，本公司並聘用其香港股份過戶登記分處秘書商業服務有限公司擔任監票人，確保點票程序恰當。