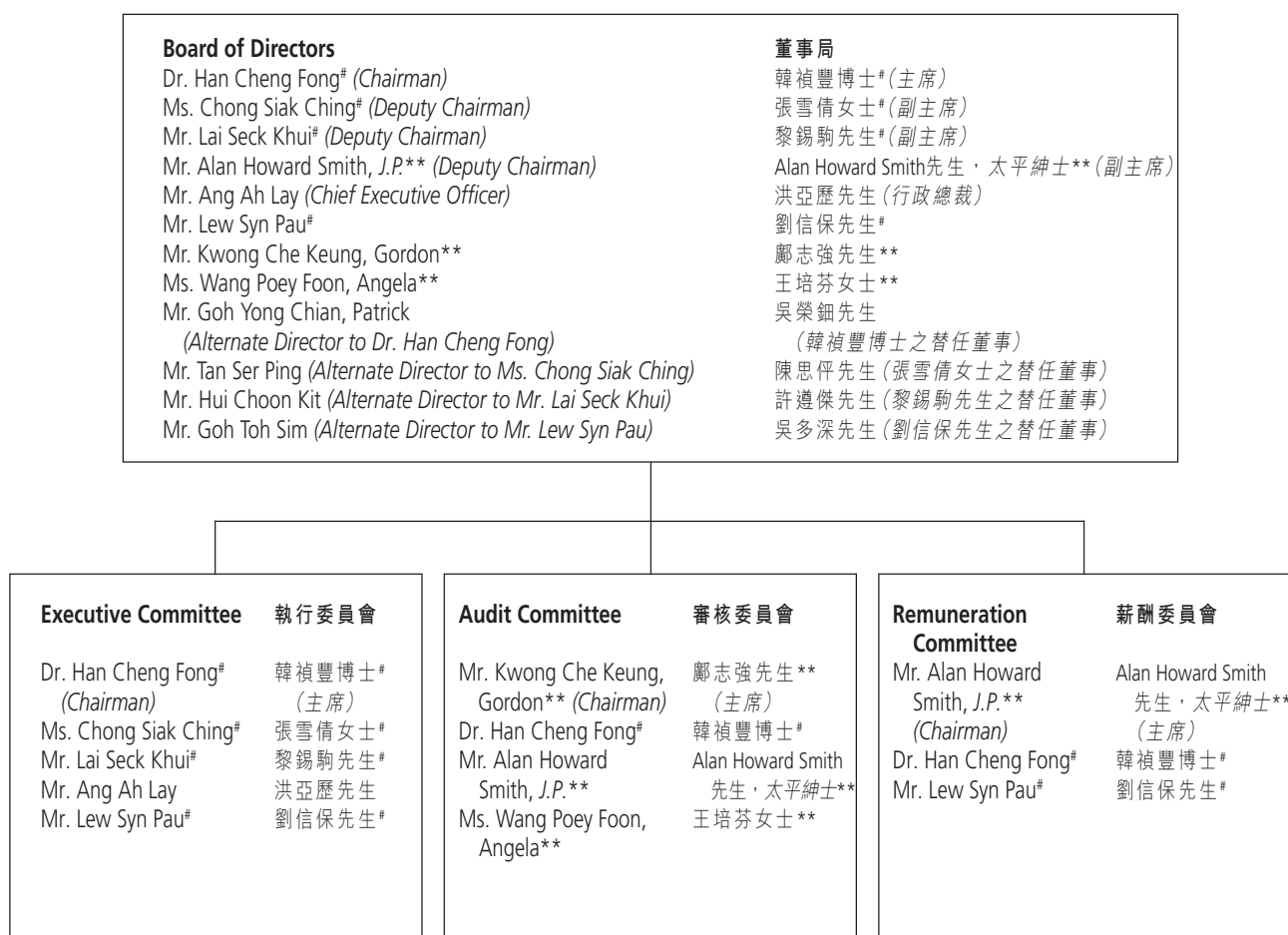


The Company is committed to maintain a high standard of corporate governance practices and has complied throughout the year with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

本公司致力維持優質企業管治，並於年內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14所載之最佳應用守則。

The following chart illustrates the Company's corporate governance structure:

本公司之企業管治架構如下圖示：



# Non-executive Directors

\*\* Independent Non-executive Directors

# 非執行董事

\*\* 獨立非執行董事

## Board of Directors

The Board of Directors currently comprises an executive director and seven non-executive directors, three of whom are independent non-executive directors. Three full board meetings were held in 2003. The Board of Directors is responsible for ensuring continuity of leadership, development of sound business strategies, availability of adequate capital and managerial resources to implement the business strategies adopted, adequacy of systems of financial and internal controls and conduct of business in conformity with applicable laws and regulations.

## Executive Committee

The Executive Committee of the Board of Directors of the Company was formed in April 2001. It comprises five directors, four of whom are non-executive directors. The Committee establishes the strategic directions of the Company and monitors the performance of management. Four meetings were held in 2003.

## Audit Committee

An Audit Committee was established by the Board of Directors in August 2001 and it comprises four non-executive directors, three of whom are independent non-executive directors. Two meetings were held in 2003 and the external auditors were in attendance.

The terms of reference of the Audit Committee include the following:

- (a) to consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal;
- (b) to discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;

## 董事局

董事局之現有成員包括一名執行董事及七名非執行董事（其中三名為獨立非執行董事）。董事局於二零零三年已舉行三次全體董事會議。董事局負責確保領導層之連續性。設定卓越之業務策略，確保資金和管理資源足以應付業務策略之推行，並確保財務及內部監控制度健全，及業務運作符合適用之法律及規例。

## 執行委員會

本公司之董事局執行委員會乃於二零零一年四月成立。執行委員會由五名董事（其中四名為非執行董事）組成。該委員會乃制定本公司之策略性方向及監察管理層之表現。於二零零三年已舉行四次會議。

## 審核委員會

審核委員會乃於二零零一年八月由董事局設立，其成員包括四名非執行董事，其中三名為獨立非執行董事。二零零三年已舉行兩次會議，而外聘核數師亦有出席會議。

審核委員會之職權範圍包括下列各項：

- (a) 考慮外聘核數師之委任、核數費用及辭任或免職之任何問題；
- (b) 於審核前與外聘核數師商議審核性質及範疇，並確保當超過一間核數公司參與審核時之相互協調事宜；

**Audit Committee (continued)**

- (c) to review the half-year and annual financial statements before submission to the Board of Directors focusing particularly on:
- (i) any changes in accounting policies and practices;
  - (ii) major judgemental areas;
  - (iii) significant adjustments resulting from the audit;
  - (iv) the going concern assumption;
  - (v) compliance with accounting standards; and
  - (vi) compliance with stock exchange and legal requirements.
- (d) to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);
- (e) to review the external auditors' management letter and management's response;
- (f) to review the Company's statement on internal control systems prior to endorsement by the Board of Directors;
- (g) (where an internal audit function exists) to review the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company;

**審核委員會 (續)**

- (c) 在半年及全年財務報告提呈董事局前先予以審閱，主要重點為：
- (i) 會計政策及慣例之任何改變；
  - (ii) 主要具爭議性的部份；
  - (iii) 因審核導致之重要調整；
  - (iv) 持續經營業務假設；
  - (v) 遵守會計標準；及
  - (vi) 遵守證券交易所及法例之要求。
- (d) 討論由中期及末期審核引起之問題及保留意見，及核數師希望討論之任何議題（如有需要，管理層需要避席）；
- (e) 審閱外聘核數師致管理層之信函及管理層之回應；
- (f) 於董事局簽署公司之內部監控系統報告前予以審閱；
- (g) （如有內部核數職能）審閱內部核數計劃，確保內部及外聘核數師之協調，及確保內部核數之職務是有充份資源及於公司內擁有適當地位；

### Audit Committee (continued)

- (h) to consider the major findings of internal investigations and management's response; and
- (i) to consider other topics, as defined by the Board of Directors.

The Audit Committee is authorised by the Board of Directors to investigate any activity within its terms of reference; to seek any information it requires from any employees and all employees are directed to co-operate with any requests made by the Committee; to obtain outside legal or other independent professional advice; and to secure the attendance of outsiders with relevant experience and expertise if necessary.

### Remuneration Committee

In October 2002, a Remuneration Committee of the Board of Directors ("Remuneration Committee") was formed to replace the Management Development and Compensation Committee of the Board of Directors which was formed in April 2001. The Remuneration Committee comprises Mr. Alan Howard Smith (Chairman), Dr. Han Cheng Fong and Mr. Lew Syn Pau. The objectives of the Remuneration Committee are to establish and maintain an appropriate and competitive level of remuneration to attract, retain and motivate directors and key executives to run the Company successfully. The Remuneration Committee will ensure that the remuneration policies and systems of the Group support the Group's objectives and strategies. The Committee held two meetings in 2003.

### Relations with Shareholders

The Company's Annual General Meeting provides a good opportunity for communication between the Board of Directors and the Company's shareholders. Notice of the Annual General Meeting and related papers are sent to shareholders at least 21 calendar days before the meeting. It is well participated by the shareholders of the Company.

### Website

The Company's information is accessible to all via the Internet. Besides providing the traditional interim and annual reports and the press releases, the Company's website also includes the most updated information on the Company.

### 審核委員會 (續)

- (h) 考慮內部調查之主要結果及管理層之回應；及
- (i) 討論由董事局提出之其他議題。

審核委員會獲董事局授權，可調查其職權範圍內之任何事項；向任何僱員索取任何所需資料，而所有僱員均須就審核委員會之要求作出通力合作；向外界法律人士或其他獨立專業人士尋求意見；及於有需要時邀請具有相關經驗和專才之外界人士參與會議。

### 酬金委員會

董事局酬金委員會（「酬金委員會」）於二零零二年十月成立，以取代於二零零一年四月成立之董事局管理發展及補償委員會。酬金委員會由 Alan Howard Smith 先生（主席）、韓禎豐博士及劉信保先生組成。酬金委員會的宗旨為建立及維持適當而具競爭力的酬金水平，以吸引、挽留及鼓勵董事及行政要員，藉此帶領本公司邁向成功。酬金委員會將確保本集團的酬金政策及制度均支持本集團之目標及策略。該委員會於二零零三年已舉行兩次會議。

### 股東關係

本公司之股東週年大會為董事局與本公司之股東提供溝通良機。股東週年大會通告及有關文件於大會舉行日期前最少二十一個曆日寄予股東。股東週年大會獲本公司股東踴躍出席。

### 網頁

任何人士均可透過互聯網查閱本公司之資料。除提供中期報告、年報及新聞稿等傳統資料外，本公司之網頁亦提供本公司其他最新資訊。