

企業管治常規

本公司董事會（「董事會」）承諾維持高水平之企業管治，其相信高水平之公司管治標準可為本集團建立一個架構及穩固之基礎，以管理業務風險、增加透明度、提高問責制及保障股東之整體權益。於截至二零零五年十二月三十一日止年度，除下文所述之偏離事項外，本集團已應用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」）之原則，並遵守一切適用守則條文。董事會將不斷檢討及改善本公司之企業管治常規及準則，確保業務活動及決策過程受到適當及審慎之規管。

董事之證券交易

本公司已就證券交易採納上市規則附錄10所載有關上市發行人證券董事進行證券交易之標準守則（「標準守則」）。概無董事知悉任何資料合理顯示本公司或其任何董事並無或曾不遵守守則之規定，經全體董事進行具體查詢後，董事確認彼等於截至二零零五年十二月三十一日止期間一直遵守標準守則之規定。標準守則亦適用於本集團其他特定之高級管理層。

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the "Board") is committed to maintaining high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for the Group to manage business risks, enhance transparency, maintain high standards of accountability and protect shareholders' interest in general. The Company has applied the principles and complied with all the applicable code provisions of the Code on Corporate Governance Practices ("Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") for the year ended 31st December, 2005, save for the deviations discussed below. The board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules for securities transactions. None of the directors is aware of any information that would reasonably indicate that the Company or any of its directors is not or was not in compliance with the Code and upon specific enquiry of all directors, the directors confirmed that they have complied with the Model Code for any part of the period ended 31st December, 2005. The Model Code also applies to other specified senior management of the Group.

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董事會

本公司董事會成員包括：

執行董事： 許經振先生
丘少明先生
許檳榔先生
李春仁先生
周勁先生
王鳳舞先生

獨立非執行董事： 林炳昌先生
吳志揚先生
譚旭生先生

董事會由六名執行董事及三名獨立非執行董事組成。其中一名獨立非執行董事具備適當之專業會計資格及財務管理專業知識。董事之履歷詳情已載於第26頁至第30頁之董事及高級管理人員履歷一節。

董事會主要負責本集團之整體策略性發展及政策。董事會亦監管本集團之財務表現及業務營運之內部監控。

獨立非執行董事均具備專業知識，於會計、財務、法律及商業方面具有專業技能及豐富經驗。彼等之技能及專業知識可為董事會提供具高獨立性之意見及判斷。獨立非執行董事之另一項重要責任是確保企業管治架構有效運作，並進行監察。董事會認為每位獨立非執行董事均具獨立性格及判斷力，並且全部符合上市規則所要求之指定獨立條件。

BOARD OF DIRECTORS

The board of directors of the Company comprises:

Executive Directors: Mr. Hui King Chun, Andrew
Mr. Yau Chau Min, Paul
Mr. Hui Bin Long
Mr. Li Chun Ren
Mr. Zhou Jin
Mr. Wang Feng Wu

Independent

Non-Executive Directors: Mr. Lam Ping Cheung, Andrew
Mr. Ng Chi Yeung, Simon
Mr. Tam Yuk Sang, Sammy

The Board comprises of six executive directors and three independent non-executive directors. One of the independent non-executive directors possesses appropriate professional accounting qualifications and financial management expertise. Biographical details of the directors are set out in the section of Directors and Senior Management Profiles on pages 26 to 30.

The main focus of the Board is on the formulation of overall strategies and policies of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

The independent non-executive directors are from professional background with a broad range of expertise and experience in the fields of accounting, finance, legal and business. Their skills and expertise ensure strong independent views and judgment in the Board. They also serve important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive director is independent in character and judgment and that they all meet the independence criteria as set out under the guidelines by the Listing Rules.

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年內，每名董事於所有董事會會議及委員會會議之出席次數如下：

The number of full board meetings and committee meeting attended by each director during the year is as follows:

Directors 董事	Board Meetings 董事會會議	Remuneration Committee 薪酬委員會	Attendance rate 出席率
Executive Directors			
執行董事			
Hui King Chun, Andrew 許經振	12/12	1/1	100%
Yau Chau Min, Paul 丘少明	12/12	N/A 不適用	100%
Hui Bin Long 許檳榔	4/12	N/A 不適用	33%
Li Chun Ren 李春仁	4/12	N/A 不適用	33%
Zhou Jin 周勁	4/12	N/A 不適用	33%
Wang Feng Wu 王鳳舞	4/12	N/A 不適用	33%
Independent Non-executive Directors			
獨立非執行董事			
Lam Ping Cheung, Andrew 林炳昌	3/12	1/1	31%
Ng Chi Yeung, Simon 吳志揚	3/12	1/1	31%
Tam Yuk Sang, Sammy 譚旭生	3/12	1/1	31%

董事均知悉彼等須編製本集團之財務報表。

The directors acknowledge their responsibilities for the preparation of the financial statements of the Group.

主席及董事總經理

許經振先生為本集團之創辦人兼主席。本公司現時並無「行政總裁」之職位，而許先生自本公司成立以來一直兼任主席及董事總經理之職務，負責本公司之整體管理。由於董事相信此架構可確保有效制訂及實施業務策略，而不會令董事與本公司業務管理兩者間之權力及權限平衡受到影響，因此董事會擬維持現有架構（守則條文第A.2.1）。

重選董事

根據本公司之公司細則，除主席外，三分之一之本公司執行董事須於股東大會上輪值告退及由本公司重選。根據本公司公司細則之相關條文，董事會負責委任董事，而該等董事於獲委任後須於股東週年大會上由股東選舉，及由股東重選（主席除外）。為符合良好之企業管治常規，主席在公司細則並無規定之情況下，亦已於應屆股東週年大會上自願告退，並備選連任。此外，董事建議修訂公司細則，規定每名董事（包括主席）須最少每三年輪值告退一次，並將於應屆股東週年大會上經股東批准。

CHAIRMAN AND MANAGING DIRECTOR

Mr. Hui King Chun, Andrew is the founder and chairman of the Group. The Company does not at present have any officer with the title “chief executive officer” and Mr. Hui has assumed the role of both Chairman and Managing director since the establishment of the Company, and is in charge of the overall management of the Company. The Board intend to maintain this structure for the time being as it believes that this structure can ensure efficient and effective formulation and implementation of business strategies without compromising the balance of power and authority between the directors and management of the Company. (Code Provision A.2.1)

RE-ELECTION OF DIRECTORS

In accordance with the Bye-laws of the Company, one-third of the executive directors, other than the Chairman, of the Company is subject to his re-appointment by the Company at general meeting upon retirement by rotation. Pursuant to the relevant provision in the Bye-laws of the Company, the appointment of directors is considered by the Board and they must stand for election by shareholders at the annual general meeting following their appointment and must, except for the Chairman, stand for re-election by shareholders. In the spirit of good corporate governance practices, the Chairman had voluntarily retired from his office and offered himself for re-election at the coming annual general meeting notwithstanding that he is not required to do so by the Bye-laws. In addition, the directors has proposed to amend the Bye-laws that every director (including the Chairman) will be subject to retirement by rotation at least once every three years which is to be approved by shareholders at the coming annual general meeting.

審核委員會

審核委員會已一九九八年成立，以審閱及監管財務申報過程及本公司之內部控制。審核委員會由三名獨立非執行董事組成，其中一名具備適當之業務及財務經驗及技能處理本集團之賬目。委員會主席為吳志揚先生，其他成員為林炳昌先生及譚旭生先生。

審核委員會已審閱本集團截至二零零五年十二月三十一日止年度之財務報表，認為有關報表乃符合適用之會計準則及法例規定，並作出足夠之披露。

審核委員會每年舉行最少兩次會議，以討論中期及全年財務報表。委員亦可能不時於彼等認為需要時舉行額外會議以討論特殊項目或其他事項。

審核委員會會議之出席記錄如下：

Name of director 董事姓名	Number of meetings attended 出席會議次數	Attendance rate 出席率
Lam Ping Cheung, Andrew 林炳昌	2/2	100%
Ng Chi Yeung, Simon 吳志揚	2/2	100%
Tam Yuk Sang, Sammy 譚旭生	2/2	100%

AUDIT COMMITTEE

The Audit Committee was established in 1998 to review and supervise the financial reporting process and internal controls of the Company. The Audit Committee comprises three independent non-executive directors and one of whom possesses the appropriate business and financial experience and skills to understand the accounts of the Group. The Committee is chaired by Mr. Ng Chi Yeung, Simon and other members are Mr. Lam Ping Cheung, Andrew and Mr. Tam Yuk Sang, Sammy.

The Group's financial statements for the year ended 31st December, 2005 have been reviewed by the Audit Committee, who is of opinion that such statements comply with applicable accounting standard and legal requirements, and that adequate disclosures have been made.

The meetings of the Audit Committee are held not less than twice a year to review and discuss the interim and annual financial statements respectively. Additional meetings may also be held by the Committee from time to time to discuss special projects or other issues, which the Committee considers necessary.

The attendance record of the Audit Committee meetings is as follows:

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根據參照守則及香港會計師公會頒佈之「成立審核委員會指引」所編製及採納之委員會職權範圍，審核委員會之職責為(其中包括)監察與外聘核數師之關係、審閱本集團之中期及年度業績、監察本集團內部控制之範疇、規限及效益、在認為有需要時委聘獨立之法律或其他顧問，以及進行調查。

薪酬委員會

薪酬委員會成員包括執行董事許經振先生及三名獨立非執行董事林炳昌先生、吳志揚先生及譚旭生先生。薪酬委員會已採納成文權責條款，並符合企業管治守則規定。

核數師酬金

截至二零零五年十二月三十一日止年度，本集團核數師就提供法定核數服務所收取之酬金總額為963,000港元。彼亦為本集團提供非核數服務，而該等服務並非屬重要事務。

投資者關係及股東通訊

本公司與股東及投資者建立不同之通訊途徑：(i)向股東寄發公司通訊文件之印刷本；(ii)股東可於股東週年大會上發表建議及與董事交換意見；(iii)本集團定期召開新聞發佈會及不時與投資者、股東及分析員舉行會議以提供本集團之最新資料；及(iv)本公司之股份過戶處就股份登記事宜為股東提供服務。

Under its terms of reference, which were prepared and adopted with reference to the Code and “A Guide for the Formation of an Audit Committee” published by the Hong Kong Institute of Certified Public Accountants, the Audit Committee is required, amongst other things, to oversee the relationship with the external auditors, to review the Group’s interim and annual results, to review the scope, extent and effectiveness of internal control of the Group, to review accounting policies and practices adopted by the Group, to engage independent legal or other advisers as it determines is necessary and to perform investigations.

REMUNERATION COMMITTEE

The Remuneration Committee includes the executive director, Mr. Hui King Chun, Andrew, and three independent non-executive directors, Mr. Lam Ping Cheung, Andrew, Mr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy. The Remuneration Committee has adopted terms of reference, which are in line with the Corporate Governance Code.

AUDIT REMUNERATION

For the year ended 31st December, 2005, the total remuneration of the Group’s auditors for statutory audit services is HK\$963,000. They also provided non-audit services to the Group, which were considered as insignificant assignments.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company establishes different communication channels with shareholders and investors: (i) dispatching printed copies of corporate communication documents to shareholders; (ii) the annual general meeting provides a forum for shareholders to raise comments and exchange views with the Board, (iii) regular press conferences and meetings with investors, shareholders and analysts are set up from time to time on updated information of the Group, and (iv) the Company’s Registrars serve the shareholders respecting all share registration matters.