



# 企業管治報告

## CORPORATE GOVERNANCE REPORT

### 企業管治常規守則

Tristate Holdings Limited (「本公司」) 之董事會 (「董事會」) 相信有效企業管治對公司內部和外部均非常重要。對內而言，可改善公司內部溝通、加強部門效率及協助管理層加快制定政策。對外而言，可加強公司競爭力及讓股東、投資者及其他有利益關係者增加對本公司的信心。

截至二零零四年十二月三十一日止年度，本公司一直遵守當時 (於二零零五年一月一日前生效) 之香港聯合交易所有限公司 (「聯交所」) 證券上市規則 (「上市規則」) 附錄十四之最佳應用守則，惟本公司所有董事 (「董事」) (主席及榮譽主席除外) 須按本公司細則 (「公司細則」) 輪值告退，但非執行董事並無指定任期。

為進一步改善上市發行人企業管治之整體水平，聯交所在上市規則引進新附錄十四 – 企業管治常規守則 (「守則」)，以取代最佳應用守則，自二零零五年一月一日起生效 (惟內部監控部份將於二零零五年七月一日起生效)。董事會在二零零五年初迅速作出回應，找出本公司內部企業管治程序偏離守則之處，並已採取適當措施改進本公司的企業管治常規。

有關本公司截至二零零四年十二月三十一日止年度之企業管治常規資料，以及由該日起直至本報告日期之重大事件，已載於本報告內。

### 董事會

本公司已於二零零五年一月以書面制訂董事會本身及賦予管理層之職權範圍，清楚列明董事會主要負責制定及批核本公司之策略方針以及中期及全年業績、股息、全年財政預算、業務及營運計劃等所有重大事項。此外，各董事會成員應全力和積極對董事會事務作出貢獻，並確保董事會以本公司及股東的整體最佳利益行事。

### Corporate governance practices

The board of directors (the “Board”) of Tristate Holdings Limited (the “Company”) believes in the importance of effective corporate governance, both internally and externally. Internally, it improves the Company’s internal communications, enhances departments’ efficiency and speeds up the management’s decision making. Externally, it strengthens the Company’s competitiveness and increases confidence among shareholders, investors and other stakeholders.

Throughout the year ended 31st December 2004, the Company was in compliance with the Code of Best Practice as set out in the then Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (in force prior to 1st January 2005), except that non-executive directors were not appointed for specific terms since all directors of the Company (the “Directors”) (other than the Chairman and the Honorary Chairlady) are subject to retirement by rotation in accordance with the Company’s Bye-Laws (the “Bye-Laws”).

To further improve the overall standards of corporate governance of listed issuers, the Stock Exchange introduced a new Appendix 14 of the Listing Rules – the Code on Corporate Governance Practices (the “Code”) in replacement of the Code of Best Practice, which became effective from 1st January 2005 (except that internal control section will be effective from 1st July 2005). The Board responded promptly in early 2005 by identifying areas in the Company’s internal corporate governance procedures that deviate from the Code and has taken appropriate actions to improve the Company’s corporate governance practices.

Included in this report is the information relating to corporate governance practices of the Company during the year ended 31st December 2004 and significant events after that date and up to the date of this report.

### Board of Directors

The Company has formalised in writing the functions and responsibilities reserved to the Board and those delegated to the management in January 2005. It is clearly set out that the Board is mainly responsible for setting and approving the Company’s strategic direction and planning and all important matters including interim and annual results, dividends, annual financial budget, business and operation plan etc.. Besides, each member of the Board is expected to make a full and active contribution to the Board’s affairs and ensure that the Board acts in the best interests of the Company and its shareholders as a whole.



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明確保留予董事會決定之事項包括(但不限於)：(i)董事會及董事委員會之人數、組成、架構及職責；(ii)是否勝任為董事會或董事委員會成員之任何人士，(iii)委任及罷免本公司行政總裁(「行政總裁」)，及(iv)監察行政總裁之表現以確保本公司及其附屬公司(合稱「本集團」)之營運符合本集團策略方針。

於本報告日期，董事會由以下人士組成：一名執行董事汪建中先生，彼同時出任主席及行政總裁；四名非執行董事汪顯亦珍女士、唐文瑛女士、麥汪詠宜女士及汪穗中博士；以及三名獨立非執行董事袁正文先生、羅啟耀先生及孔捷思先生。自二零零四年九月以來，本公司一直將獨立非執行董事人數維持於佔董事會成員最少三分之一。獨立非執行董事清楚名列於所有企業通訊內。

汪顯亦珍女士，本公司之榮譽主席兼非執行董事，為汪建中先生(主席兼行政總裁)、麥汪詠宜女士(非執行董事)及汪穗中博士(非執行董事)之母親。

截至二零零四年十二月三十一日止年度及截至本報告日期，董事會包括三名獨立非執行董事。其中一名獨立非執行董事羅啟耀先生為加拿大特許會計師公會會員及香港會計師公會會員。彼不但具有逾八年之專業會計經驗，更擁有超過二十四年投資銀行及其他金融服務經驗。

於二零零四年九月前，各獨立非執行董事已向聯交所確認其獨立身份。各獨立非執行董事已給予本公司年度確認書，確認彼等並無涉及本集團任何業務或財務利益，且截至二零零四年十二月三十一日根據上市規則第3.13條之規定為獨立人士。本公司認為所有現任獨立非執行董事均為獨立人士。

Matters explicitly reserved for the Board's decision include, amongst other things, (i) the size, composition, structure and role of the Board and the Board committees, (ii) the suitability of any individual as a member of the Board or the Board committee, (iii) the appointment and removal of the Chief Executive Officer of the Company ("CEO"), and (iv) monitoring the performance of the CEO to ensure the Company and its subsidiaries (collectively the "Group") are in alignment with the Group's strategic direction.

As at the date of this report, the Board comprises of one executive Director, Mr. Wang Kin Chung, Peter, who is also the Chairman and the CEO, four non-executive Directors, Ms. Wang Koo Yik Chun, Ms. Leslie Tang Schilling, Ms. Mak Wang Wing Yee, Winnie and Dr. Wang Shui Chung, Patrick and three independent non-executive Directors, Mr. Yuan Ching Man, James, Mr. Lo Kai Yiu, Anthony and Mr. James Christopher Kralik. The Company has been maintaining the number of independent non-executive Directors to at least one-third of the number of the Board members since September 2004. The independent non-executive Directors are explicitly identified in all corporate communications.

Ms. Wang Koo Yik Chun, the Honorary Chairlady of the Company and a non-executive Director, is the mother of Mr. Wang Kin Chung, Peter (the Chairman and the CEO), Ms. Mak Wang Wing Yee, Winnie (non-executive Director) and Dr. Wang Shui Chung, Patrick (non-executive Director).

During the year ended 31st December 2004 and up to the date of this report, the Board includes three independent non-executive Directors. Mr. Lo Kai Yiu, Anthony, one of the independent non-executive Directors, is a member of the Canadian Institute of Chartered Accountants and is a member of the Hong Kong Institute of Certified Public Accountants. In addition to his professional accounting experience of more than eight years, he has over 24 years of experience in investment banking and other financial services.

Every independent non-executive Director had confirmed his independence with the Stock Exchange before September 2004. The Company has received annual confirmations from all independent non-executive Directors that they did not have any business or financial interest with the Group and were independent as at 31st December 2004 in accordance with rule 3.13 of the Listing Rules. The Company considers that all the existing independent non-executive Directors are independent.



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截至二零零四年十二月三十一日止年度，董事會共舉行三次董事會例會。於該年度內，各董事在董事會、董事會委員會及股東週年大會（「二零零四年股東週年大會」）按名稱及類別劃分之出席記錄如下：

During the year ended 31st December 2004, three Board meetings have been held. The attendance of each Director, on named basis and by category, at Board meetings, Board committee meetings and annual general meeting during the year ("2004 AGM") is set out below:

		出席／舉行會議 Meetings attended/held			
		董事會	審核委員會 (定義見下文)	薪酬委員會 (前稱行政人員及酬金待遇委員會) (定義見下文)	二零零四年 股東週年大會
		Board meetings	Audit Committee (as defined below) meetings	Remuneration Committee (formerly the EPC Committee) (as defined below) meeting	2004 AGM
<b>執行董事：</b>		<b>Executive Directors:</b>			
汪建中 (主席兼行政總裁、 薪酬委員會成員)	Wang Kin Chung, Peter (Chairman and CEO, member of Remuneration Committee)	3/3		0/1	1
吳清河 (於二零零五年一月二十六日離任)	Wu Ching Her (resigned on 26th January 2005)	1/3			1
羅澤華 (於二零零四年五月三十一日退任)	Lo Chak Wa (retired on 31st May 2004)	2/3			1
<b>非執行董事：</b>		<b>Non-executive Directors:</b>			
汪顧亦珍 (榮譽主席)	Wang Koo Yik Chun (Honorary Chairlady)	2/3			
唐文瑛	Leslie Tang Schilling	3/3			
麥汪詠宜 (薪酬委員會主席、 審核委員會成員)	Mak Wang Wing Yee, Winnie (Chairlady of Remuneration Committee, member of Audit Committee)	3/3	5/5	1/1	
汪穗中	Wang Shui Chung, Patrick	2/3			
唐驩千 (於二零零四年九月三十日離任)	Tang Liu Chien, Oscar (resigned on 30th September 2004)	1/3			
唐裕年 (薪酬委員會成員) (於二零零四年九月三十日離任 兩個職位)	Tang Yue Nien, Martin (member of Remuneration Committee) (resigned from both positions on 30th September 2004)	1/3		1/1	
<b>獨立非執行董事：</b>		<b>Independent Non-executive Directors:</b>			
袁正文 (審核委員會成員、薪酬委員會成員 (於二零零五年一月二十六日獲委任))	Yuan Ching Man, James (member of Audit Committee, member of Remuneration Committee – appointed on 26th January 2005)	3/3	5/5		
羅啟耀 (審核委員會主席、 薪酬委員會成員)	Lo Kai Yiu, Anthony (Chairman of Audit Committee, member of Remuneration Committee)	3/3	5/5	1/1	
孔捷思 (薪酬委員會成員 (於二零零四年十二月一日獲委任))	James Christopher Kralik (member of Remuneration Committee – appointed on 1st December 2004)	3/3			



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董事會計劃於二零零五年內召開四次董事會例會，而以後每年均遵照此慣例。

當有需要時會安排召開額外董事會會議。每年召開董事會／委員會會議的時間表一般於年度開始前給予所有董事／委員會成員。董事可親身出席或根據公司細則第94條透過電話參與會議。公司秘書協助主席擬定議程，而各董事／委員會成員可要求在議程加入討論事項。載有董事會／委員會會議所需的分析及背景資料之文件須於舉行有關會議最少三日前交付董事／委員會成員。

董事會／委員會的會議記錄會被保存，而會議記錄在主席／委員會主席批核前，須向全體董事／委員會成員傳閱並徵求意見。董事會／委員會會議記錄由公司秘書保存及須公開予董事查閱。倘董事與董事會／委員會會議上所討論之任何交易有重大利益關係或利益衝突，則不會以書面決議案之形式處理。有關董事可出席表達意見，惟不會計入法定人數，並須就有關決議案放棄投票。

所有董事均可與公司秘書聯繫，公司秘書負責確保一切遵守董事會／委員會程序，並就遵例事項向董事會／委員會提供意見。

### 主席及行政總裁

於二零零四年度及截至本報告日期，執行董事汪建中先生為本公司董事會主席兼行政總裁。

董事會主席負責確保董事會有效運作及履行職務，並適時處理所有重要及相關議題。彼有責任鼓勵所有董事全力和積極對董事會事務作出貢獻，並領導董事會以本公司及股東的整體最佳利益行事。

The Board plans to hold four regular board meetings during 2005 and would follow such practice annually thereafter.

Additional Board meetings would be arranged, if and when required. Board/committee meeting schedules of each year are normally made available to all Directors/committee members before the beginning of the year. Directors can attend meetings in person or through telephone pursuant to Bye-Law 94. The Company Secretary assists the Chairman in establishing the meeting agenda, and each Director/committee member may request inclusion of items in the agenda. Information packages containing analysis and background materials for the Board/committee meetings are despatched at least three days in advance of the respective meetings to the Directors/committee members.

Minutes of Board/committee members would be maintained, and draft minutes would be circulated to all Directors/committee members for comments before being approved by the Chairman/committee chairman. Minutes of the Board/committee meetings would be kept by the Company Secretary and shall open for inspection by Directors. Where Directors have a material or conflict of interests in any transaction discussed in the Board/committee meetings would not be dealt with by way of written resolutions. The Directors concerned could express views but would not be counted as part of the quorum and shall abstain from voting on the relevant resolutions.

All Directors have access to the Company Secretary who is responsible for ensuring that the Board/committee procedures are complied with, and for advising the Board/committee on compliance matters.

### Chairman and CEO

During the year 2004 and up to the date of this report, Mr. Wang Kin Chung, Peter, an executive Director, is the Chairman of the Board and the CEO of the Company.

The Chairman of the Board is responsible for ensuring the Board works effectively and discharges its responsibilities and addresses all key and appropriate issues in a timely manner. He is accountable to encourage all Directors to make a full and active contribution to the Board's affairs and take the lead to ensure that the Board acts in the best interests of the Company and its shareholders as a whole.



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除保留予董事會決定之事項外，董事會賦予行政總裁全權與其他管理層成員合作，以達到本公司之企業目標。行政總裁負起日常管理本集團之職責，及以本公司及股東的整體利益作出判斷。

截至二零零四年十二月三十一日止年度及截至本報告日期，本公司主席和行政總裁的職能分工偏離守則第A.2.1段之規定。本公司已對該兩職位之職能分工的優點及缺點作深入研究，以及對本公司之影響。董事會認為主席及行政總裁在本公司策略計劃及發展過程上之職能重疊，而鑑於本集團現時之規模及發展進程，分開兩名人士擔任該兩個職位，未必對本公司及股東整體而言有利。

#### 非執行董事

於二零零四年度，所有非執行董事（包括獨立非執行董事）並無指定任期，惟須根據本公司細則輪值告退（榮譽主席除外）。

為符合守則第B.1.1段之規定，董事會於二零零五年一月議決，決定非執行董事（包括獨立非執行董事）之任期為三年，由二零零五年一月一日生效，惟可根據公司細則及／或相關法例及條例提早終止。

#### 董事薪酬

於一九九八年九月，本公司成立行政人員及酬金待遇委員會（「行政人員及酬金待遇委員會」），負責建議董事之酬金待遇，並就董事之繼任方案及發展提供意見。行政人員及酬金待遇委員會於二零零四年召開會議並檢討執行董事及首席營運總監的酬金待遇。各行政人員及酬金待遇委員會成員按姓名及類別劃分之出席紀錄在本報告「董事會」一節的表內呈列。

Other than the decisions reserved to the Board, the Board delegates to the CEO full authority to achieve the corporate goal of the Company in collaboration with other members of the management. The CEO assumes the responsibility for the day-to-day management of the Group and exercises his judgment in the best interests of the Company and its shareholders as a whole.

During the year ended 31st December 2004 and up to the date of this report, the Company deviated from paragraph A.2.1 of the Code regarding separation of the role of Chairman and CEO. The Company has been undergoing an in-depth study on the pros and cons for the segregation of the role of these positions and the impact to the Company. The Board considers that the function of the Chairman and the CEO in the Company's strategic planning and development process are overlapping and it may not be beneficial to the Company and its shareholders as a whole to have separate individuals occupying these two offices given the current size of the Group and its stage of development.

#### Non-executive Directors

During the year 2004, the non-executive Directors (including independent non-executive Directors) were not appointed for specific terms since all of them (other than the Honorary Chairlady) are subject to retirement by rotation in accordance with the Company's Bye-Laws.

To comply with paragraph B.1.1 of the Code, the Board resolved in January 2005 to fix the term of the non-executive Directors (including independent non-executive Directors) for a period of three years with effect from 1st January 2005, subject to earlier determination in accordance with the Bye-Laws and/or applicable laws and regulations.

#### Remuneration of Directors

In September 1998, the Company formed an executive personnel and compensation committee (the "EPC Committee") with the responsibility for recommending compensation packages of Directors and advising on the succession planning and development of Directors. The EPC Committee held a meeting during 2004 and reviewed the compensation package of the executive Directors and Chief Operating Officer. The attendance to each EPC Committee member, on named basis and by category, at the EPC Committee meeting during the year is set out in the table under the section "Board of Directors" of this report.



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於二零零五年一月，董事會決議將行政人員及酬金待遇委員會易名為薪酬委員會（「薪酬委員會」），並採納新訂之薪酬委員會書面職權範圍，以符合守則之規定。該等書面職權範圍之全文已在本公司網頁登載，亦可以書面向公司秘書要求索取。

為符合守則第B.1.1段之規定，董事會於二零零五年一月委任袁正文先生為薪酬委員會之新增成員，使半數以上薪酬委員會成員均為獨立非執行董事。

截至二零零四年十二月三十一日止年度及截至本報告日期，薪酬委員會（前稱行政人員及酬金待遇委員會）成員如下：

**執行董事：**  
汪建中先生

**非執行董事：**  
麥汪詠宜女士（委員會主席）  
唐裕年先生（於二零零四年九月三十日離任）

**獨立非執行董事：**  
羅啟耀先生  
孔捷思先生（於二零零四年十二月一日獲委任）  
袁正文先生（於二零零五年一月二十六日獲委任）

薪酬委員會的責任根據新書面職權範圍包括（但不限於）：檢討本公司政策、架構及釐定董事及高層管理人員薪酬之基準、檢討所有董事及高層管理人員之薪酬，以及檢討並批核執行董事及高層管理人員在離職或終止職務時應獲支付之補償。

In January 2005, the Board resolved to change the name of the EPC Committee to remuneration committee (the “Remuneration Committee”) and adopted a new set of terms of reference for the Remuneration Committee in alignment with the Code. The full text of those terms of reference is set out on the Company’s website and is also available in writing upon request to the Company Secretary.

To comply with paragraph B.1.1 of the Code, the Board has appointed Mr. Yuan Ching Man, James to be an additional member of the Remuneration Committee in January 2005 in order that a majority of the members of the Remuneration Committee are independent non-executive Directors.

During the year ended 31st December 2004 and up to the date of this report, the members of the Remuneration Committee (formerly the EPC Committee) are:

**Executive Director:**  
Mr. Wang Kin Chung, Peter

**Non-executive Directors:**  
Ms. Mak Wang Wing Yee, Winnie (Committee Chairlady)  
Mr. Tang Yue Nien, Martin (resigned on 30th September 2004)

**Independent non-executive Directors:**  
Mr. Lo Kai Yiu, Anthony  
Mr. James Christopher Kralik (appointed on 1st December 2004)  
Mr. Yuan Ching Man, James (appointed on 26th January 2005)

The responsibilities of the Remuneration Committee pursuant to the new terms of reference include, amongst other things, the review of the Company’s policy, structure and basis for determination of remuneration of Directors and senior management, the review of the remuneration packages of all Directors and senior management, and the review and approval of the compensation payable to executive Directors and senior management in connection with any loss or termination of their office.



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#### 董事提名、退任及重選

董事會負責考慮有關人士是否勝任為董事，並負責甄選、批核或終止有關委任。由於本公司董事會人數不多，故本公司從未成立任何提名委員會，亦不會考慮成立提名委員會。

董事會主席主要負責物色合適人選出任董事，以填補出缺或新增之董事名額。主席會向董事會建議合資格人選作考慮。董事會將根據候選人的資歷、業務經驗及是否適合本公司而甄選及批准委任。根據公司細則，年內由董事會新委任之任何董事之任期至下一屆股東週年大會為止，屆時將合資格在會上重選連任。

根據公司細則第85條，在每屆股東週年大會上，三分之一董事（主席汪建中先生及榮譽主席汪顧亦珍女士除外）須輪值告退及合資格重選。輪值告退之董事將為距其上次當選或重選以來任期最長之董事或年內填補臨時空缺之董事。為確保嚴格遵守守則第A.4.2段，董事建議修訂公司細則，使各董事（包括有指定任期的董事）均須最少每三年輪值告退。

根據公司細則第90條，本公司股東可於為選舉董事而召開之股東週年大會通告寄出後翌日至舉行大會日期最少七天前，將經股東（獲提名人士除外）簽署之書面通知送交本公司辦事處，推薦個別人士出任董事。當收到通知後，董事會將考慮有關人選是否勝任為董事，並向本公司股東提供建議以供考慮。

#### Nomination, retirement and re-election of Directors

The Board is responsible for considering the suitability of individuals to act as a Director and selecting; approving or terminating the appointments. The Company has not established any nomination committee and would not consider establishing a nomination committee owing to the small size of the Board of the Company.

The Chairman of the Board is mainly responsible for identifying suitable candidates to fill Board membership whenever vacancy arises or to be an additional Director. He will propose the qualified candidates to the Board for consideration. The Board will select and approve the appointments based on the candidates' qualifications, business experience and suitability to the Company. Pursuant to the Bye-Laws, any Director newly appointed by the Board during the year shall hold office until the next annual general meeting and shall then be eligible for re-election at that annual general meeting.

Pursuant to the Bye-Law 85, one-third of the Directors (save for Mr. Wang Kin Chung, Peter being the Chairman, and Ms. Wang Koo Yik Chun being the Honorary Chairlady) shall retire and are eligible for re-election at every annual general meeting. The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment or those who were appointed during the year to fill casual vacancy. To ensure strict compliance with paragraph A.4.2 of the Code, the Directors propose to amend the Bye-Laws to the effect that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least every three years.

In accordance with the Bye-Law 90, a shareholder of the Company may recommend a person for election as a Director by lodging at the office of the Company notice in writing signed by the shareholder (other than the person to be proposed) the day after the despatch of the notice of general meeting appointed for such election and no later than seven days prior to the date of such general meeting. Upon receipt of such notice, the Board will consider the suitability of the said candidate as a Director and will make recommendation to the shareholders of the Company for their consideration.



## 企業管治報告 CORPORATE GOVERNANCE REPORT

### 董事之證券交易

本公司已採納有關董事進行證券交易之操守準則，嚴格程度不下於上市規則附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）所規定之標準。董事因應本公司之特別查詢，已確認彼等於整個二零零四年度一直遵守標準守則及有關董事進行證券交易之操守準則所規定之標準。

此外，董事會已於二零零五年一月正式採納標準守則作為有關員工買賣本公司證券之指引。

### 審核委員會

本公司審核委員會（「審核委員會」）於一九九八年九月成立。截至二零零四年十二月三十一日止年度共舉行五次審核委員會會議。各審核委員會成員按姓名及類別劃分之出席紀錄在本報告「董事會」一節的表內呈列。

於二零零四年及截至本報告日期，審核委員會成員包括：

#### 非執行董事：

麥汪詠宜女士

#### 獨立非執行董事：

羅啟耀先生（委員會主席）

袁文正先生

審核委員會主席羅啟耀先生擁有上市規則第3.10(2)條規定之專業資格及會計與相關財務管理專門知識。

### Directors' securities transactions

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules ("Model Code"). By responding to specific enquiries from the Company, the Directors confirmed that they had complied with the required standard set out in the Model Code and its code of conduct regarding securities transaction by Directors throughout the year 2004.

In addition, the Board has formally adopted in January 2005 the Model Code as guidelines for relevant employees in respect of their dealings in the securities of the Company.

### Audit Committee

An audit committee of the Company (the "Audit Committee") was formed in September 1998. During the year ended 31st December 2004, five Audit Committee meetings have been held. The attendance of each Audit Committee member, on named basis and by category, at Audit Committee meetings during the year is set out in the table under the section "Board of Directors" of this report.

During the year 2004 and up to the date of this report, the members of the Audit Committee are:

#### Non-executive Director:

Ms. Mak Wang Wing Yee, Winnie

#### Independent non-executive Directors:

Mr. Lo Kai Yiu, Anthony (Committee Chairman)

Mr. Yuan Ching Man, James

Mr. Lo Kai Yiu, Anthony, the chairman of the Audit Committee, has the professional qualifications and accounting and related financial management expertise as required under rule 3.10(2) of the Listing Rules.





## 企業管治報告

### CORPORATE GOVERNANCE REPORT

審核委員會於二零零四年四月舉行會議，審閱截至二零零三年十二月三十一日止年度之年報及經審核賬目。於二零零四年九月舉行另一次會議，審閱截至二零零四年六月三十日止六個月之中期報告及未經審核賬目，並隨即建議董事會核准該報告。審核委員會於年內舉行三次額外會議，以考慮及討論本集團之會計及財務程序、管理資訊系統、內部監控及管理層審核等有關事項。

於二零零五年一月，董事會採納新訂之審核委員會書面職權範圍，以符合守則之規定。審核委員會之主要職責如下：

- (i) 就外聘核數師之委任、重新委任及罷免向董事會提供建議，並處理任何有關核數師辭任或解聘之問題；
- (ii) 按適用的準則檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；
- (iii) 就委聘外聘核數師提供非審核服務制定政策，並予以執行；
- (iv) 監察本公司之財務報表及本公司年報及中期報告與賬目的完整性，並審閱該等報告所載就財務申報作出的重大判斷；
- (v) 檢討本公司之財務監控、內部監控及風險管理制度；及
- (vi) 檢討本集團之財務及會計政策及慣例。

審核委員會之書面職權範圍全文已在本公司網頁登載，亦可以書面向公司秘書要求索取。

The Audit Committee held a meeting in April 2004 to review the annual report and audited accounts for the year ended 31st December 2003. Another meeting was held in September 2004 to review the interim report and un-audited accounts for the six months ended 30th June 2004, and such report was then recommended to the Board for approval. The Audit Committee held three additional meetings during the year to consider and discuss the matters relating to accounting and financial procedures, management information system, internal controls and management audit of the Group.

In January 2005, the Board adopted a new set of terms of reference for the Audit Committee in alignment with the Code. The main duties of the Audit Committee are set out below:

- (i) to recommend to the Board on the appointment, reappointment and removal of the external auditors, and any questions of resignation or dismissal of the auditors;
- (ii) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- (iii) to develop and implement policy on the engagement of an external auditors to supply non-audit services;
- (iv) to monitor integrity of financial statements of the Company and the Company's annual and interim reports and accounts, and to review significant financial reporting judgments contained in such reports;
- (v) to review the Company's financial controls, internal control and risk management systems; and
- (vi) to review the Group's financial and accounting policies and practices.

The terms of reference of the Audit Committee are set out in full on the Company's website and are also available in writing upon request to the Company Secretary.



## 企業管治報告 CORPORATE GOVERNANCE REPORT

### 財務匯報

董事確認彼等負責編製真實兼公平之賬目，並貫徹採用合適之會計政策。

據董事所知，並無存在任何不明朗事件或情況，而可能會對本公司之持續經營能力有重大懷疑。

### 內部監控

於二零零四年第二季度，本公司委聘顧問小組檢討本集團之管理資訊系統，並尋找可改善之主要地方。進行檢討後，實施已改善會計制度，記錄由採購初期至送達生產地之物料購買過程。作為是項改善的一部份，亦引入已改進的會計程序，以確保所有採購均適當記入應付賬項。

審核委員會於二零零四年獲定期匯報有關改善管理資訊系統的進度。預期會於二零零五年對管理資訊系統的其他方面作出改善。

### Financial reporting

The Directors acknowledged that they are responsible for the preparation of accounts which give a true and fair view and that appropriate accounting policies are selected and applied consistently.

To the best knowledge of Directors, there is no uncertainty relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### Internal control

In the second quarter of 2004, the Company engaged a team of consultants to undertake a review of the Group's management information system and to identify major areas for improvement. Following this review, an enhancement to the accounting system to track purchases of materials from initial purchase to receipt by production sites was implemented. As part of this enhancement, improvements to the accounting procedures to ensure all purchases are properly recorded in accounts payable were also introduced.

Progress on improvements to management information system was reported to the Audit Committee on a periodic basis throughout 2004. It is anticipated that improvements to other areas of the management information system will be undertaken during 2005.



## 企業管治報告

### CORPORATE GOVERNANCE REPORT

#### 核數師酬金

截至二零零三年及二零零四年十二月三十一日止兩年度，本公司之外聘核數師為羅兵咸永道會計師事務所（「羅兵咸永道」）。有關由羅兵咸永道（包括與羅兵咸永道共同控制、擁有或管理之任何公司，或任何合理並知悉所有有關資料的知情第三方合理斷定屬於羅兵咸永道國內或國際業務一部分之公司）向本公司提供審核及非審核服務所得的酬金分析如下：

#### Auditors' remuneration

The external auditors of the Company for the two years ended 31st December 2003 and 2004 was PricewaterhouseCoopers ("PwC"). An analysis of remuneration in respect of audit and non-audit services provided by PwC (including any entity that is under common control, ownership or management with PwC or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of PwC nationally or internationally) to the Company are set out below:

		2004 港幣千元 HK\$'000	2003 港幣千元 HK\$'000
全年審核費用	Annual audit fees	2,627	2,627
其他審計服務費用	Other assurance services fees	185	810
稅項服務費用	Tax services fees	97	1,275
總額	TOTAL	<u>2,909</u>	<u>4,712</u>

審核委員會於二零零五年一月採納書面政策，列明委任外聘核數師向本集團提供非審核服務的程序。

The Audit Committee adopted a written policy which clearly set out the procedure for the appointment of external auditors to supply non-audit services to the Group in January 2005.

#### 股東權利及投資者關係

本公司重視與股東及投資者之間的溝通。歡迎股東及投資者透過以下渠道向公司秘書提出查詢及建議：

#### Shareholders' rights and investor relations

The Company values communication with shareholders and investors. Enquiries and suggestions from shareholders or investors are welcomed through the following channels to the Company Secretary:

- (i) 郵寄至本公司總辦事處，地址為香港新界葵涌梨木道66-72號5字樓；
- (ii) 致電(852) 2279 3888；
- (iii) 傳真至(852) 2423 5576；或
- (iv) 電郵至cosec@tristateww.com。

- (i) By mail to the Company's head office at 5/F., 66-72 Lei Muk Road, Kwai Chung, New Territories, Hong Kong;
- (ii) By telephone at telephone number (852) 2279 3888;
- (iii) By fax at fax number (852) 2423 5576; or
- (iv) By e-mail at cosec@tristateww.com.



## 企業管治報告 CORPORATE GOVERNANCE REPORT

為符合於二零零四年三月三十一日生效之經修訂上市規則，本公司於二零零四年五月三十一日舉行之二零零四年股東週年大會上，建議修訂有關下列事項之公司細則：(i)本公司股東提名董事之通告期限，(ii)涉及重大利益的董事及／或其聯繫人士須放棄投票，及(iii)任何本公司股東須根據上市規則之規定就任何特定決議案放棄投票。本公司股東已在二零零四年股東週年大會上批准有關修訂。

董事會決議於二零零五年六月二十二日星期三上午十一時正，假座香港新界葵涌梨木道66-72號5字樓5A室舉行本公司應屆股東週年大會（「二零零五年股東週年大會」）。二零零五年股東週年大會通告將另行寄予所有股東。董事會主席聯同審核委員會主席及薪酬委員會主席或彼等之授權人士將出席二零零五年股東週年大會，並在會上解答本公司股東就會上所處理之事項提出的問題。

### 展望

本公司落實改善企業管治常規守則後，於本報告日期已應用守則所規定之準則，並符合守則條文的所有要求，惟主席及行政總裁之職能分工及董事輪值告退的事項偏離有關規定。董事會確認彼等有責任確保設定及執行良好的企業管治常規及程序。

董事會代表

汪建中

主席及行政總裁

香港，二零零五年四月二十二日

To comply with the amended Listing Rules effective from 31st March 2004, the Company proposed at the 2004 AGM held on 31st May 2004 to amend the Bye-Laws relating to (i) the notice period to nominate a Director lodged by the shareholders of the Company, (ii) a Director and/or his associates with material interests shall abstain from voting, and (iii) any shareholder of the Company, under the Listing Rules, shall abstain from voting on any particular resolution. The shareholders of the Company approved such amendments at the 2004 AGM.

The Board resolved that the forthcoming annual general meeting the Company will be held at Room 5A, 5/F., 66-72 Lei Muk Road, Kwai Chung, New Territories, Hong Kong on Wednesday, 22nd June 2005 at 11:00 a.m. ("2005 AGM"). The notice of the 2005 AGM will be sent to all shareholders separately. The Chairman of the Board together with the chairman of the Audit Committee and the chairman of the Remuneration Committee or their delegates will attend the 2005 AGM to answer questions from the shareholders of the Company on the business to be dealt with at the 2005 AGM.

### Moving forward

As at the date of this report, the Company, upon implementing the improvements on the Company's corporate governance practices, has applied the principles and complied with all requirements of the code provisions of the Code with deviations only with regards to the separation of the role of the Chairman and the CEO and with regards to Directors' retirement by rotation. The Board acknowledges its responsibility to ensure the establishment and implementation of good corporate governance practices and procedures.

On behalf of the Board

Wang Kin Chung, Peter

Chairman and Chief Executive Officer

Hong Kong, 22nd April 2005