

## CORPORATE GOVERNANCE REPORT 企業管治報告

The board of directors of the Company (the “Board”) is pleased to present its first corporate governance report for the year ended 31 March 2006.

The directors of the Company (the “Directors”) acknowledge their responsibility for preparing the Company’s accounts which give a true and fair view and are in accordance with generally accepted accounting standards published by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies are selected and applied consistently; judgements and estimates made are prudent and reasonable. Hong Kong Accounting Standards have always broadly followed International Accounting Standards. The Company and its subsidiaries (collectively the “Group”) has changed some of its accounting policies following adoption of new and revised Hong Kong Financial Reporting Standards, including Hong Kong Accounting Standards and Applicable Interpretations which came into effect on 1 January 2005. The new and revised accounting standards which have been adopted by the Group are set out in the notes to the financial statements on pages 65 to 72. The Directors endeavour to ensure a balanced, clear and understandable assessment of the Group’s performance, position and prospects in financial reporting.

The responsibilities of the external auditors with respect to financial reporting are set out in the Auditors’ Report on pages 54 and 55.

### (a) Corporate governance practices

It has been the Company’s policy to manage the affairs of the Group in accordance with appropriate regulatory standards and practices on good corporate governance. In the opinion of the Board, the Company has complied with the code provisions of the Code of Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited (the “Listing Rules”) during the year ended 31 March 2006, except for the code provision C.2.1 on internal controls (which is applicable to the accounting periods commencing on or after 1 July 2005) and some deviations from code provisions A.3.1 and A.4.1 which have been duly remedied during the year under review and code provisions A.2.1, D.1.1 and D.1.2. Summarised below are how the Company has applied the principles and complied with the relevant code provisions as set out in the CG Code.

本公司董事會（「董事會」）欣然提呈截至二零零六年三月三十一日止年度首份企業管治報告。

本公司董事（「董事」）瞭解彼等之責任為根據香港會計師公會頒佈之公認會計準則，編製真實公平之本公司賬目，並選擇及貫徹應用合適會計政策以及作出審慎合理之判斷及估計。香港會計準則一向大致上遵循國際會計準則。本公司及其附屬公司（統稱「本集團」）已於採納新訂及經修訂香港財務報告準則後，更改部分會計政策，當中包括於二零零五年一月一日起生效之香港會計準則及適用詮釋。本集團採納之新訂及經修訂會計準則載於第65至第72頁之財務報表附註內。董事會盡力確保於財務報告對本集團表現、狀況及前景作出權衡各方、清晰易明之評估。

外聘核數師就財務報告之責任載於第54及第55頁之核數師報告。

### (a) 企業管治常規

按照合適監管準則及良好企業管治常規管理本集團事務，乃本公司之政策。董事會認為，本公司於截至二零零六年三月三十一日止年度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所載企業管治常規守則（「企業管治守則」）之守則條文，惟守則條文第C.2.1條有關內部監控之規定（適用於二零零五年七月一日或之後開始之會計期間）及部分偏離守則條文第A.3.1及第A.4.1條（已於回顧年度內妥為補救）以及守則條文第A.2.1、第D.1.1及第D.1.2條之情況除外。下文概述本公司如何應用有關原則及遵守企業管治守則所載有關守則條文。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A. Directors

#### A.1 The Board

##### Principle

An issuer should be headed by an effective board which should assume responsibility for leadership and control of the issuer and be collectively responsible for promoting the success of the issuer by directing and supervising the issuer's affairs. Directors should take decisions objectively in the interests of the issuer.

### A. 董事

#### A.1 董事會

##### 原則

發行人應以一個行之有效的董事會為首；董事會應負有領導及監控發行人的責任，並應集體負責統管並監督發行人事務，以促使發行人成功。董事應該客觀行事，所作決策須符合發行人利益。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
A.1.1	At least 4 regular board meetings shall be held each year. 須每年最少舉行四次董事會定期會議。	✓	Regular board meetings are held on a quarterly basis and ad hoc board meetings will be held as required. 董事會定期會議每季度舉行一次，並於需要時召開特別董事會會議。  Electronic means of communication is available for all Directors to attend every board meeting. 全體董事可透過電子通訊方式出席各董事會會議。
A.1.2	All directors shall be given an opportunity to include matters in the agenda for regular board meetings. 全體董事均有機會提出納入董事會定期會議議程之事項。	✓	Draft agendas for regular board meetings are provided to all Directors for comments and consideration for including any matters for deliberation at such meetings. 全體董事均獲提供董事會定期會議之議程初稿，以便作出評論及考慮納入於大會商議之任何事項。
A.1.3	Notice of at least 14 days should be given of a regular board meeting. For all other board meetings, reasonable notice should be given. 須就董事會定期會議發出至少14天通告；就所有其他董事會會議而言，則須發出合理通告。	✓	Formal notice of at least 14 days is given for a regular board meeting. Reasonable advanced notices by phone and or in writing are given to all Directors for all other board meetings. 本公司就董事會定期會議發出最少14天正式通告；另就所有其他董事會會議，透過電話或書面方式向全體董事發出合理事先通告。

## CORPORATE GOVERNANCE REPORT 企業管治報告

	<b>Summary of Code provisions</b> 守則條文概要	<b>Alignment?</b> 是否符合 守則條文?	<b>Governance practices of the Company</b> <b>(including any deviations and</b> <b>considered reasons)</b> 本公司之管治常規(包括任何偏差及所考慮理由)
A.1.4	All directors shall have access to the advice and services of the company secretary with a view to ensuring that board procedures and applicable rules and regulations are followed. 全體董事均可獲得公司秘書之意見及服務,以確保遵從董事會程序及適用規則及規例。	✓	All Directors have access to the advice and services of the company secretary on board procedures and corporate governance matters as and when required. 全體董事均可於需要時,就董事會程序及企業管治事宜,獲取公司秘書之意見及服務。
A.1.5	Minutes of board meetings and board committees meetings shall be kept by a duly appointed secretary of the meeting and such minutes shall be open for inspection on reasonable notice by any director. 董事會及董事委員會之會議紀錄須由獲正式委任之該大會秘書存置,而有關會議紀錄可供任何董事發出合理通知後公開查閱。	✓	Minutes of board meetings, the audit committee meetings and other board committees meetings are kept by the company secretary while minutes of the remuneration committee meetings are kept by the head of the human resources department who is the secretary of the committee meeting. Such minutes are distributed to and available for inspection by Directors/board committee's members as required. 董事會、審核委員會及其他董事委員會之會議紀錄均由公司秘書存置,而薪酬委員會之會議紀錄則由兼任該委員會會議秘書之人力資源部主管存置。該等會議紀錄會分發董事/董事委員會成員,並可於需要時供彼等查閱。
A.1.6	Minutes of board meetings and board committees meetings should record sufficient details of matters considered including dissenting views expressed by directors. 董事會及董事委員會之會議紀錄須充分記錄所考慮事項之詳情,包括董事發表之反對意見。  Draft and final versions of minutes of board meetings shall be sent to all directors for their comments and records within a reasonable time after the board meeting is held. 董事會之會議紀錄初稿及最終稿須於該董事會會議舉行後一段合理時間內,送呈全體董事,以供彼等評論及記錄。	✓	Minutes of board meetings and board committees meetings record and contain sufficient details of matters considered including dissenting views expressed by Directors. 董事會會議及董事委員會會議之會議紀錄充分記錄及載列所考慮事項之詳情,包括董事發表的不同意見。  Draft and final versions of minutes of board meetings and board committees meetings are sent to all Directors/board committees members for their comment and records within a reasonable time after meeting is held. 董事會會議及董事委員會會議之會議紀錄初稿及最終稿於該會議舉行後一段合理時間內,送呈全體董事/董事委員會成員,以供彼等評論及記錄。

## CORPORATE GOVERNANCE REPORT 企業管治報告

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
A.1.7	<p>There should be a procedure agreed by the board to enable directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the issuer's expense.</p> <p>董事會須具協定之程序，致令董事能於提出合理要求時，於適當情況下，徵求獨立專業意見，有關費用由發行人支付。</p>	✓	<p>The Board has agreed and adopted as a norm for Directors to seek independent professional advice on need basis at the Company's expense to assist them to discharge their duties.</p> <p>董事會已協定並採納一套常規，以便董事於需要時徵求獨立專業意見，以協助彼等履行職務，有關費用由本公司支付。</p>
A.1.8	<p>If a substantial shareholder or a director has a conflict of interest in a material matter to be considered by the board, the matter shall not be dealt with by way of circulation or by a committee but a board meeting shall be held.</p> <p>倘主要股東或董事於董事會將予考慮之重大事項有利益衝突，該事項不得以傳閱文件方式或由委員會處理，而須舉行董事會會議。</p> <p>Under the Listing Rules, directors must abstain from voting on any board resolution in which they or any of their associates have a material interest and shall not be counted in the quorum present at such board meeting.</p> <p>根據上市規則，董事須就彼或彼等任何聯繫人士擁有重大權益之任何董事會決議案放棄投票，亦不計入該董事會會議之法定出席人數。</p>	✓	<p>Material transactions with connected persons will be considered at board meeting whereat the Directors may consider, if appropriate, granting approval in principle for the proposed transactions and authorising the final forms thereof be further reviewed and approved by way of circulation resolutions to all Directors or by an independent board committee set up for that purpose.</p> <p>與關連人士進行之重大交易須於董事會會議考慮，董事於會議上可考慮於適當情況下原則上批准交易建議，並授權以向全體董事傳閱決議案之方式，或由就此成立之獨立董事委員會進一步審閱及批准有關交易建議之最終形式。</p> <p>The Company's articles of association provide for voting and quorum requirements conforming to this code provision whereby interested Directors are required to abstain from voting and shall not be counted in the quorum.</p> <p>本公司之組織章程細則訂明符合本守則條文之表決及法定人數規定，據此，擁有權益之董事須放棄投票及不計入法定人數內。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A.2 Chairman and Chief Executive Officer

#### Principle

There are two key aspects of the management of every issuer – the management of the board and the day-to-day management of the issuer's business. There should be a clear division of these responsibilities at the board level to ensure a balance of power and authority, so that power is not concentrated in any one individual.

### A.2 主席及行政總裁

#### 原則

每家發行人在經營管理上皆有兩大方面 – 董事會的經營管理和發行人業務的日常管理。在董事會層面，這兩者之間必須清楚區分，以確保權力和授權分布均衡，不致權力僅集中於一位人士。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
A.2.1	<p>Roles of chairman and chief executive officer shall be separate and shall not be performed by the same individual. 主席與行政總裁之職務須區分，不應由同一名人士兼任。</p> <p>The division of responsibilities between chairman and chief executive officer should be clearly established and set out in writing. 主席與行政總裁之職責須清晰區分，並以書面訂明。</p>	✗	<p>The roles of chairman/deputy chairman and chief executive officer are performed by three separate individuals with the chairman, Dr CHA Chi Ming being a non-executive director ("NED"), the deputy chairman, Mr CHA Mou Sing Payson being an executive director and Mr CHA Mou Zing Victor, being the managing director acting as chief executive officer of the Company. 主席／副主席及行政總裁之職位由三名獨立人士擔任，其中主席查濟民博士為非執行董事（「非執行董事」）；副主席查懋聲先生為執行董事；而董事總經理查懋成先生則兼任本公司之行政總裁。</p> <p>Despite no written responsibilities are set up for the chairman/deputy chairman and chief executive officer, the division of responsibilities of the two roles chairman/deputy chairman and chief executive officer are established as a norm by the Board with core duty of the roles duly set out in the Company's articles of association. The Board is considering to divide the responsibilities and set out in writing the roles and duties of chairman/deputy chairman and chief executive officer in due course. 儘管並無書面訂明主席／副主席及行政總裁之職責，主席／副主席與行政總裁之職務有所區分，作為董事會常規，並於本公司之組織章程細則妥為制定各職位之核心職務。董事會正考慮劃分主席／副主席與行政總裁之職責，並於適當時間以書面訂明職務及職責。</p>
A.2.2	<p>The chairman shall ensure that all directors are properly briefed on the issues arising at board meetings. 主席須確保向全體董事妥為簡述於董事會會議處理之事務。</p>	✓	<p>All Directors are properly briefed on issues arising at board meetings. 全體董事均獲被妥為簡述於董事會會議處理之事務。</p>
A.2.3	<p>The chairman shall ensure that directors receive adequate information, which must be complete and reliable, in a timely manner. 主席須確保董事及時獲得完整可靠之充足資料。</p>	✓	<p>Adequate documents and information about the Group are provided to all Directors in a timely manner. 全體董事均可及時充分獲取有關本集團之文件及資料。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A.3 Board composition

#### Principle

The board should have a balance of skills and experience appropriate of the requirements of the business of the issuer. The board should ensure that changes to its composition can be managed without undue disruption. The board should include a balanced composition of executive and non-executive directors (including independent and non-executive directors) so that there is a strong independent element on the board, which can effectively exercise independent judgment. Non-executive directors should be of sufficient calibre and number for their views to carry weight.

### A.3 董事會組成

#### 原則

董事會應根據發行人業務而具備適當所需技巧和經驗。董事會應確保其組成人員的變動不會帶來不適當的干擾。董事會中執行董事與非執行董事（包括獨立非執行董事）的組合應該保持均衡，以使董事會上有強大的獨立元素，能夠有效地作出獨立判斷。非執行董事應有足夠才幹和人數，以使其意見具有影響力。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規 (包括任何偏差及所考慮理由)
A.3.1	Independent non-executive directors ("INEDs") shall be expressly identified in all corporate communications that disclose the names of directors of the issuer. 須於披露發行人董事姓名之所有公司通訊內明確識別各獨立非執行董事（「獨立非執行董事」）。	✗	<p>Starting from 23 June 2005, the date of re-designation of The Honourable Ronald Joseph ARCULLI from INED to NED, the Board comprised only two INEDs and the Company failed to comply with the requirement under rule 3.10(1) for having at least three INEDs. However, upon appointment of Mr CHEUNG Wing Lam Linus as an INED of the Company effective from 25 January 2006, the Company complies with rule 3.10(1).</p> <p>自二零零五年六月二十三日起，即夏佳理議員由獨立非執行董事調任非執行董事之日，董事會僅得兩名獨立非執行董事，本公司因而未能符合第3.10(1)條有關最少須有三名獨立非執行董事之規定。本公司已於二零零六年一月二十五日委任張永霖先生為本公司獨立非執行董事，本公司已符合第3.10(1)條。</p> <p>The Board currently comprising thirteen directors, six are executive directors and seven are NEDs of whom three are INEDs, constitutes a balanced board with strong independent element. Each Director possesses skills and experience appropriate to the business of the Group and their particulars are duly set out in the heading of "Biographical Details of Directors and Senior Management" in the directors' report of the Company's annual report 2005/2006.</p> <p>董事會現時由十三名董事組成，六名為執行董事，七名為獨立非執行董事，當中三名為獨立非執行董事，能平衡董事會架構，且具備高度獨立水平。各董事均具備適合本集團業務之技能及經驗，彼等之履歷詳情載列於本公司二零零五／二零零六年報董事會報告內的「董事及高層管理人員之履歷」段落內。</p> <p>Composition of the Board, by name and category of directors is disclosed in all corporate communications.</p> <p>董事會組成、董事姓名及類別已於所有公司通訊內披露。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A.4 Appointments, re-election and removal

#### Principle

There should be a formal, considered and transparent procedure for the appointment of new directors to the board. There should be plans in place for orderly succession for appointments to the board. All directors should be subject to re-election at regular intervals. An issuer must explain the reasons for the resignation or removal of any director.

### A.4 委任、重選和罷免

#### 原則

董事會應制定正式、經審慎考慮並具透明度的新董事委任程序，並應設定有秩序的董事接任計劃。所有董事均應每隔若干時距即重新選舉。發行人必須就任何董事辭任或遭罷免解釋原因。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規 (包括任何偏差及所考慮理由)
A.4.1	Non-executive directors should be appointed for a specific term, subject to re-election. 非執行董事須按特定任期獲委任，並須受重選規限。	✗	All NEDs including the three INEDs were not appointed for a specific term but their respect terms of office are subject to retirement by rotation and re-election at the annual general meetings ("AGM") of the Company in accordance with the articles of association whereby not less than one-third of the Directors for the time being need to retire at each annual general meeting to ensure no Director will serve in the board for more than 3 years. 全體非執行董事 (包括三名獨立非執行董事) 均無特定委任任期，惟根據組織章程細則，彼等須於本公司股東週年大會 (「股東週年大會」) 輪值告退並膺選連任，而根據組織章程細則，當時不少於三分之一董事須於各股東週年大會退任，以確保並無董事於董事會內服務超過三年。
A.4.2	All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointments. Every director should be subject to retirement by rotation at least once every three years. 獲委任填補臨時空缺之所有董事須於彼等獲委任後首個股東大會接受股東選舉。各董事須最少每三年輪值告退一次。	✓	The Company's articles of association have provided rotation and re-election for all Directors. By shareholders' special resolutions passed at the AGM held on 10 August 2005, the articles of association were further amended to provide, inter alia, that every Director shall be subject to retirement by rotation at least once every three years and any Director appointed by the Directors shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following AGM of the Company (in the case of an addition to the Board) and eligible to offer for re-election. 本公司之組織章程細則規定全體董事須輪值告退及膺選連任。透過股東於二零零五年八月十日舉行之股東週年大會通過之特別決議案，組織章程細則進一步修訂，規定 (其中包括) 每名董事均須最少每三年輪值告退一次，而獲董事委任之任何董事任期僅至本公司下屆股東大會為止 (就填補臨時空缺而言)，或直至本公司下屆股東週年大會為止 (就董事會增加董事席位而言)，並合資格膺選連任。  Accordingly, there are five Directors including Mr CHEUNG Wing Lam Linus who was appointed during the year to fill a vacancy shall retire at the forthcoming 2006 AGM and stand for re-election by the shareholders. 因此，共有五名董事包括於年內獲委任以填補空缺的張永霖先生，將於應屆二零零六年股東週年大會退任，並由股東重選。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A.5 Responsibilities of directors

#### Principle

Every director is required to keep abreast of his responsibilities as a director of an issuer and of the conduct, business activities and development of that issuer. Given the essential unitary nature of the board, non-executive directors have the same duties of care and skill and fiduciary duties as executive directors.

### A.5 董事責任

#### 原則

每名董事須不時瞭解其作為發行人董事的職責，以及發行人的經營方式、業務活動及發展。由於董事會本質上是個一體組織，非執行董事應有與執行董事相同的受信責任以及以應有謹慎態度和技能行事的責任。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規 (包括任何偏差及所考慮理由)
A.5.1	<p>Every newly appointed director shall receive a comprehensive, formal and tailored induction on the first occasion of his appointment, and subsequently such briefing and professional advice as is necessary.</p> <p>每名新委任董事須於首次接受委任時獲取一份全面、正式兼特為其而設之就任須知，其後按需要可接受簡介及專業意見。</p>	✓	<p>Upon appointment, every Director is given comprehensive documentations of the business operation of the Group and regulatory and statutory requirements as director of the Company together with meetings with senior executives and department heads to brief the business of the Group.</p> <p>每名董事於獲委任時會獲取有關本集團業務營運之全套文件，以及作為本公司董事之監管及法規規定，並與高級行政人員及部門主管舉行會議，獲簡介本集團業務。</p> <p>Directors are provided with continuous updates on the latest changes or material development in statutes, the Listing Rules, corporate governance practices etc. and are encouraged to participate in continuous professional development seminars to update their knowledge for discharging directors' responsibilities.</p> <p>董事不斷就法規、上市規則及企業管治常規守則等事宜之最新變動或重大發展獲得更新資料，並獲鼓勵參與持續專業發展研討會，以更新彼等對履行董事職責之認識。</p>



## CORPORATE GOVERNANCE REPORT 企業管治報告

	<b>Summary of Code provisions</b> 守則條文概要	<b>Alignment?</b> 是否符合 守則條文?	<b>Governance practices of the Company</b> <b>(including any deviations and</b> <b>considered reasons)</b> 本公司之管治常規(包括任何偏差及所考慮理由)
A.5.2	<p>Functions of non-executive directors shall include the following: 非執行董事之職能須包括下列各項:</p> <p>(a) participating in board meetings to bring an independent judgement; 參與董事會會議, 提供獨立的意見;</p> <p>(b) taking the lead where potential conflicts of interest arise; 倘出現潛在利益衝突時發揮牽頭引導作用;</p> <p>(c) serving on the audit, remuneration and other governance committees, if invited; and 應邀出任審核委員會、薪酬委員會及其他管治委員會成員; 及</p> <p>(d) scrutinising the issuer's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance. 監察發行人於達致協定企業目標和目的及監管匯報表現方面之事宜。</p>	✓	<p>NEDs including INEDs of the Company continue to perform these functions. 非執行董事(包括本公司獨立非執行董事)持續履行該等職能。</p>
A.5.3	<p>Every director shall give sufficient time and attention to the affairs of the issuer. 每名董事須就發行人事務給予充足時間及關注。</p>	✓	<p>Directors continue to give appropriate time and attention to the affairs of the Company. 董事持續就本公司事務給予適當時間及關注。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

	<b>Summary of Code provisions</b> 守則條文概要	<b>Alignment?</b> 是否符合 守則條文?	<b>Governance practices of the Company</b> <b>(including any deviations and considered reasons)</b> 本公司之管治常規 (包括任何偏差及所考慮理由)
A.5.4	<p>Directors must comply with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 when dealing in the securities of the issuer.</p> <p>董事於買賣發行人證券時，必須遵守附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）。</p> <p>Written guidelines for relevant employees' dealings in the securities of the issuer, which shall be on no less exacting terms than the Model Code, shall be established.</p> <p>就相關僱員買賣發行人證券制定不寬鬆於標準守則條款之書面指引。</p> <p>"Relevant Employee" includes any employee of the issuer, a director or employee of a subsidiary or holding company of the issuer who is likely to be in possession of unpublished price-sensitive information in relation to the issuer or its securities.</p> <p>「相關僱員」包括發行人任何僱員、發行人附屬公司或控股公司董事或僱員，彼等可能持有關於發行人或其證券之未公佈股價敏感資料。</p>	✓	<p>The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company that they have complied with the required standard set out in the Model Code during the year from 1 April 2005 to 31 March 2006 (both days inclusive).</p> <p>本公司採納上市規則附錄10所載標準守則。全體董事於本公司作出具體查詢後，確認彼等於二零零五年四月一日至二零零六年三月三十一日（首尾兩日包括在內）止年度一直遵守標準守則所載的準則規定。</p> <p>The Model Code has been extended to and has become equally applicable to dealings in the securities of the Company by members of senior management as indicated in the Company's latest annual report and relevant employees who are likely in possession of unpublished price-sensitive information in relation to the Company.</p> <p>標準守則已延伸至同樣適用於由本公司最近期年報所示高級管理層成員及可能持有關於本公司之未公佈股價敏感資料的相關僱員的證券交易。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

### A.6 Supply of and access to information

#### Principle

Directors should be provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities as directors of an issuer.

### A.6 資料提供及使用

#### 原則

董事應獲提供適當的適時資料，其形式及素質須使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為發行人董事的職責及責任。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
A.6.1	In respect of regular board meetings, and so far as practicable in all other cases, board papers shall be sent in full to all directors at least 3 days (or such other period as agreed) before a board or board committee meeting. 就董事會定期會議及所有其他適用情況而言，所有董事會文件須於董事會或董事委員會會議舉行前最少3日或其他協定期間送呈全體董事。	✓	Board papers are sent to all Directors/board committee members at least 3 days (or such other period as agreed) before the relevant meetings. 董事會文件於相關會議舉行前最少3日或其他協定期間送呈全體董事／董事委員會成員。
A.6.2	Management shall supply the board and its committees with adequate information in a timely manner. The board and each director shall have separate and independent access to the issuer's senior management. 管理層須適時向董事會及其委員會提供適當資料。董事會及每名董事可個別及單獨聯絡發行人高級管理層。	✓	The Company continues to supply the Board and the committees with adequate information in a timely manner. 本公司不斷向董事會及委員會適時提供適當資料。  There are formal and informal contacts between the Board and the senior management from time to time at board meeting or other events. 董事會及高級管理層不時於董事會會議或其他場合作正式及非正式交流。
A.6.3	All directors are entitled to have access to board papers and related materials. Where queries are raised by directors, steps must be taken to respond as promptly and fully as possible. 全體董事有權獲取董事會文件及相關資料。倘董事提出疑問，須於可行情況下採取步驟作出迅速及全面的回應。	✓	Board papers, minutes of meetings and related corporate documentation are made available for inspection by all Directors. 董事會文件、會議紀錄及相關的公司文件可供全體董事查閱。  All Directors are entitled to have access to senior management who will respond to queries raised by the Directors promptly. 全體董事可聯絡高級管理層，以便他們迅速回應董事之提問。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### B. Remuneration of Directors and Senior Management

#### B.1 The level and make-up of remuneration and disclosure

##### Principle

An issuer should disclose information relating to its directors' remuneration policy and other remuneration related matters. There should be a formal and transparent procedure for setting policy on executive directors' remuneration and for fixing the remuneration packages for all directors. Levels of remuneration should be sufficient to attract and retain the directors needed to run the company successfully, but companies should avoid paying more than is necessary for this purpose. No director should be involved in deciding his own remuneration.

### B. 董事及高級管理人員薪酬

#### B.1 薪酬及披露的水平及組成

##### 原則

發行人應披露其董事酬金政策及其他薪酬相關事宜的資料；應設有正規而具透明度的程序，以制訂有關執行董事酬金的政策及釐訂各董事的薪酬待遇。所定薪酬的水平應足以吸引及挽留公司成功營運所需的一眾董事，但公司應避免為此支付過多的酬金。任何董事不得參與訂定本身的酬金。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規 (包括任何偏差及所考慮理由)
B.1.1	Remuneration committee shall be established with specific written terms of reference. A majority of the members of the remuneration committee shall be INEDs. 薪酬委員會須設立並具備特定書面職權範圍成立。大多數薪酬委員會成員須為獨立非執行董事。	✓	On 2 December 2004, the Board has established a remuneration committee with specific written terms of reference. A majority of the members of the remuneration committee are INEDs. 於二零零四年十二月二日，董事會按特定書面職權範圍成立。大多數薪酬委員會成員均為獨立非執行董事。
B.1.2	Remuneration committee shall consult the chairman and/or chief executive officer about their proposals on the remuneration of other executive directors and have access to professional advice if necessary. 薪酬委員會須就其他執行董事之薪酬建議諮詢主席及／或行政總裁，及於有需要時獲取專業意見。	✓	The managing director who is a member of the remuneration committee is involved in recommending proposals of the remuneration of other executive directors prior to their due consideration and approval by the remuneration committee. 董事總經理為薪酬委員會成員，於薪酬委員會作出適當考慮及批准前，就其他執行董事之薪酬建議提供推薦意見。  The managing director of the Company is to abstain from voting when his remuneration is considered by the remuneration committee. His remuneration is recommended by the chairman and reviewed and determined by the remuneration committee. 當薪酬委員會考慮本公司董事總經理之酬金時，彼須放棄投票。彼之酬金由主席建議，並由薪酬委員會審閱及釐定。

## CORPORATE GOVERNANCE REPORT 企業管治報告

	<b>Summary of Code provisions</b> 守則條文概要	<b>Alignment?</b> 是否符合 守則條文?	<b>Governance practices of the Company</b> <b>(including any deviations and</b> <b>considered reasons)</b> 本公司之管治常規(包括任何偏差及所考慮理由)
B.1.3	The terms of reference of the remuneration committee shall include, as a minimum, the prescribed specific duties. 薪酬委員會之書面職權範圍須最少包括所訂明之特定職責。	✓	Terms of reference of the remuneration committee contain the specific duties prescribed by the CG Code. 薪酬委員會之書面職權範圍載有企業管治守則所訂明特定職責。
B.1.4	The remuneration committee shall make available its terms of reference. 薪酬委員會須提供其書面職權範圍。	✓	Terms of reference of the remuneration committee (including its role and functions) are available on the Company's website. 薪酬委員會之書面職權範圍(包括其職務及職能)可於本公司網站查閱。
B.1.5	The remuneration committee shall be provided with sufficient resources to discharge its duties. 薪酬委員會須獲提供充足資源以履行其職責。	✓	The remuneration committee is entitled to seek independent professional advice, at the Company's expenses, if it considers necessary in order to perform its duties. 薪酬委員會有權按其認為就履行職責所需徵求獨立專業意見,費用由本公司承擔。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### C. Accountability and audit

#### C.1 Financial reporting

##### Principle

The board should present a balanced, clear and comprehensible assessment of the Company's performance, position and prospects.

### C. 問責及核數

#### C.1 財務匯報

##### 原則

董事會應平衡、清晰及全面地評核公司的表現、情況及前景。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
C.1.1	Management shall provide explanation and information to the board to enable the board to make an informed assessment of the financial information. 管理層須向董事會提供解釋及資料，致使董事會就財務資料作出知情評審。	✓	Directors are regularly provided with relevant reports and updates on the Company's business and financial information. 董事定期獲提供有關本公司業務及財務資料之相關報告及更新資料。
C.1.2	The directors shall acknowledge in the CG Report their responsibility for preparing the accounts, and there shall be a statement by the auditors about their reporting responsibilities in the auditors' report to the financial statements. 董事須於企業管治報告內確認彼等編製賬目之責任。核數師須提供聲明，列明其對財務報表內核數師報告之申報責任。	✓	The Directors are responsible for preparing accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the results and cash flows of the Group for the year then ended. In preparing the accounts for the year ended 31 March 2006, the Directors have:- 董事負責就每個財政年度編製可真實公平地反映本公司及本集團財政狀況及本集團截至該日止年度業績及現金流量之賬目。於編製截至二零零六年三月三十一日止年度之賬日時，董事已：  (a) selected suitable accounting policies and applied them consistently; 選定及貫徹應用適當會計政策；  (b) made judgements and estimates that are prudent and reasonable; and 作出審慎合理之判斷及估算；及  (c) prepared accounts on the going concern basis. 按持續經營基準編製賬目。  The auditors' report states the auditors' reporting responsibilities. 核數師報告列明核數師申報責任。
C.1.3	The board's responsibility to present a balanced, clear and understandable assessment shall extend to annual and interim reports, other price-sensitive announcements and other disclosures. 董事會作出平衡、清晰及可理解的評估之責任須涵蓋年度及中期報告、其他影響股價公佈及其他披露事項。	✓	The Board endeavours to present a balanced, clear and understandable assessment of the Group's position in all corporate communications. 董事會致力於所有公司通訊對本集團狀況作出平衡、清晰及可理解的評估。

# CORPORATE GOVERNANCE REPORT 企業管治報告

## C.2 Internal controls

### Principle

The board should ensure that the issuer maintains sound and effective internal controls to safeguard the shareholders' investment and the issuer's assets.

## C.2 內部監控

### 原則

董事會應確保發行人的內部監控系統穩健妥善而且有效，以保障股東的投資及發行人的資產。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
C.2.1	<p>Directors shall conduct a review of the effectiveness of internal control system of the issuer and its subsidiaries at least annually and report to shareholders that they have done so in the CG report. The review should cover all material controls, including financial, operational and compliance controls and risk management.</p> <p>董事須最少每年審閱發行人及其附屬公司內部監控系統的功效，並於企業管治報告向股東匯報彼等已履行上述職務。審閱工作須涵蓋所有重大監控程序，包括財務、營運及合規監控與風險管理。</p>	✓	<p>Under the transitional arrangements, code provisions on internal control are to be implemented for accounting periods commencing on or after 1 July 2005. In the case of the Company with a March year end, the code provisions on internal controls are effective to accounting period commencing 1 April 2006. The Company will have to include in its interim report for the six months ending 30 September 2006 if there is deviation from the code provisions and any considered reasons for the deviation, if any, and provide a statement on compliance with the code provisions on internal controls in its CG report to be contained in the annual report for the financial year ending 31 March 2007.</p> <p>根據過渡安排，於二零零五年七月一日或之後開始之會計期間須推行有關內部監控之守則條文。就年結日訂於每年三月之本公司而言，有關內部監控之守則條文將於二零零六年四月一日起之會計期間生效。本公司須於截至二零零六年九月三十日止六個月之中期報告內，載入有關守則條文之偏離情況及任何有關偏離情況之經考慮理由(如有)，並於截至二零零七年三月三十一日止財政年度年報之企業管治報告內載列遵守有關內部監控守則條文的聲明。</p> <p>The management and internal auditor are reviewing the operation of the Group and considering the current procedures and the required enhancement and will submit status report from time to time for the review by the audit committee and the Board of the state of internal controls of the Group before the required disclosure period.</p> <p>管理層及內部核數師正審閱本集團營運及考慮現有程序與所規定改進工作，將於所規定披露期間前，不時提交進度報告，以供本集團審核委員會及董事會審閱內部監控情況。</p>

## CORPORATE GOVERNANCE REPORT 企業管治報告

### C.3 Audit committee

#### Principle

The board should establish formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the company's auditors. The audit committee established by an issuer pursuant to the Listing Rules should have clear terms of reference.

### C.3 審核委員會

#### 原則

董事會應就如何應用財務匯報及內部監控原則及如何維持與公司核數師適當的關係作出正規及具透明度的安排。發行人根據《上市規則》成立的審核委員會須具有清晰的職權範圍。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
C.3.1	Minutes shall be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes of audit committee meetings shall be sent to all members of the committee for their comment and records within a reasonable time after the meeting. 會議紀錄須由正式委任之會議秘書存置。審核委員會會議紀錄之初稿及最終稿須於會議舉行後合理時間內送交委員會全體成員，以供彼等評論及記錄存檔。	✓	Minutes of the audit committee meetings are kept by the company secretary as secretary of the audit committee. 審核委員會會議紀錄由作為審核委員會秘書之公司秘書存置。  Draft and final versions of minutes of the audit committee meetings are sent to all committee members for their comments and records within a reasonable time. 審核委員會會議紀錄之初稿及最終稿已於合理時間內送呈委員會全體成員，以供彼等評論及記錄存檔。
C.3.2	A former partner of the issuer's existing auditing firm shall be prohibited from acting as a member of the issuer's audit committee for a period of 1 year commencing on the date of his cessation: 發行人現有核數公司之前任合夥人，於彼終止出任以下各項當日起計一年期間內，不得出任發行人審核委員會成員：  (a) to be partner of the firm; or 該核數公司合夥人；或  (b) to have any financial interest in the firm, 於該核數公司擁有任何財務利益，  whichever is the later. 以日期較後者為準。	✓	None of the four audit committee members are former partners of the external auditors. 四名審核委員會成員均非外聘核數師之前任合夥人。



## CORPORATE GOVERNANCE REPORT 企業管治報告

	<b>Summary of Code provisions</b> 守則條文概要	<b>Alignment?</b> 是否符合 守則條文?	<b>Governance practices of the Company</b> <b>(including any deviations and</b> <b>considered reasons)</b> 本公司之管治常規 (包括任何偏差及所考慮理由)
C.3.3	The terms of reference of the audit committee shall include at least the prescribed specific duties. 審核委員會之書面職權範圍須最少包括所訂明之特定職務。	✓	Terms of reference of the audit committee contain the specific duties prescribed by the CG Code. 審核委員會之書面職權範圍載有企業管治守則所訂明特定職責。
C.3.4	The audit committee shall make available its terms of reference. 審核委員會須提供其書面職權範圍。	✓	Terms of reference of the audit committee (including its role and functions) are available on the Company's website. 審核委員會之書面職權範圍 (包括其職務及職能) 可於本公司網站查閱。
C.3.5	Where the board disagrees with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditors, the issuer shall include in the CG report a statement from the audit committee explaining its recommendation and reason why the board has taken a different view. 倘董事會就甄選、委任、辭任或罷免外聘核數師與審核委員會有意見分歧，發行人須於企業管治報告內載入審核委員會建議之聲明，當中闡述其意見及持與董事會不同意見之理由。	✓	The audit committee has recommended to the Board to re-appoint Deloitte Touche Tohmatsu as the external auditors subject to shareholders approval at the forthcoming AGM. The Board endorsed the audit committee's recommendation on the re-appointment of external auditors. 審核委員會建議董事會續聘德勤•關黃陳方會計師行為外聘核數師，該建議有待於應屆股東週年大會獲股東批准。董事會已認可審核委員會續聘外聘核數師之建議。
C.3.6	The audit committee shall be provided with sufficient resources to discharge its duties. 審核委員會須獲提供充足資源以履行其職責。	✓	The audit committee is entitled to seek independent professional advice, at the Company's expenses, if it considers necessary in order to perform its duties. 審核委員會有權按其認為就履行職責所需徵求獨立專業意見，費用由本公司承擔。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### D. Delegation by the board

#### D.1 Management functions

##### Principle

An issuer should have a formal schedule of matters specifically reserved to the board for its discretion. The board should give clear directions to management as to the matters that must be approved by the board before decisions are made on behalf of the issuer.

### D. 董事會權力的轉授

#### D.1 管理功能

##### 原則

發行人應有一個正式的預定計劃表，列載特別要董事會作決定的事項。董事會在代表發行人作出決定前，亦應明確指示管理層哪些事項須由董事會批准。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規 (包括任何偏差及所考慮理由)
D.1.1	When the board delegates aspects of its management and administration functions to management, it must also give clear directions as to the powers of management. 當董事會賦予管理層其管理及行政職能時，必須就管理層之權力提供清晰指引。	✗	The Board delegates certain management and administration functions to management as it considers appropriate from time to time, with directions as to the powers of management including circumstances where management shall report back and obtain prior approval from the board. 董事會不時賦予管理層其認為合適之若干管理及行政職能，就管理層之權力提供指引，包括管理層向董事會匯報及取得董事會事先批准之情況。  The Board shall revisit such delegations to ensure clear directions and powers are given and proper reporting procedures are followed. 董事會須重新評估有關授權，以確保給予清晰指引及權力，並遵守適當匯報程序。
D.1.2	The issuer shall formalise the functions reserved to the board and those delegated to management and review those arrangements on a periodic basis. 發行人須制定董事會獨有職能及管理層獲賦予職能，並定期審閱該等安排。	✗	The Board has set out level of authority and express terms of reference of the relevant board committees and reserves the rights to oversee all other matters not delegated, in particular, major acquisitions or disposals, connected transactions for the Board's decision and requests the management to report periodically to the Board. 董事會已就相關董事委員會制定權力水平及明確職權範圍，並保留權利監管所有其他未授權之事項，特別是主要收購或出售及關連交易，以供董事會決定，並要求管理層定期向董事會匯報。  The Board has recently reviewed the terms of reference of such committees and reform and renovate some of them to align with better corporate governance standards. 董事會最近已審閱該等委員會之職權範圍，並修改當中若干條文，使之符合更佳企業管治準則。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### D.2 Board committees

#### Principle

Board committees should be formed with specific written terms of reference which deal clearly with the committees' authority and duties.

### D.2 董事會轄下的委員會

#### 原則

董事會轄下各委員會的成立應訂有書面的特定職權範圍，清楚列載委員會權力及職責。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
D.2.1	The board shall prescribe sufficiently clear terms of reference of board committees. 董事會須充分清楚訂明董事會轄下的委員會職權範圍。	✓	Clear terms of reference of the board committee, including, inter alia, audit committee, remuneration committee and other executive committees have been duly adopted. 董事會轄下的委員會包括(其中包括)審核委員會、薪酬委員會及其他行政委員會的職權範圍已清楚訂明，並獲正式採納。
D.2.2	The terms of reference of board committees shall require such committees to report back to the board on their decisions or recommendations. 董事會轄下的委員會之職權範圍要求該等委員會向董事會匯報其決定或建議。	✓	Such term is included in the terms of reference of board committees. 有關職權已載於董事會轄下的委員會職權範圍內。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### E. Communication with shareholders

#### E.1 Effective communication

##### Principle

The board should endeavour to maintain an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

### E 與股東溝通

#### E.1 有效溝通

##### 原則

董事會應盡力與股東持續保持對話，尤其是藉股東周年大會或其他全體會議與股東溝通及鼓勵他們的參與。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
E.1.1	A separate resolution on each substantially separate issue shall be proposed by the chairman of a general meeting. 股東大會主席須就每項實際獨立之事項個別提呈決議案。	✓	A separate resolution is proposed on each substantially separate issue at a general meeting. 已於股東大會就每項實際獨立之事項個別提呈決議案。
E.1.2	Chairman of the board shall attend the annual general meeting and arrange for the chairman of the audit, remuneration committees or in his absence, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval. 董事會主席須出席股東週年大會，並安排審核委員會及薪酬委員會主席，或彼缺席，則為委員會其他成員，或彼未能出席，則其正式委任代表出席股東大會解答任何提問，以批准關連交易或任何其他須待獨立股東批准之交易。	✓	The deputy chairman of the Board and members of the audit committee and remuneration committee have attended the 2005 AGM of the Company to answer any questions from the shareholders. 董事會副主席及審核委員會與薪酬委員會成員已出席本公司二零零五年股東週年大會，解答股東任何提問。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### E.2 Voting by poll

#### Principle

The issuer should regularly inform shareholders of the procedure for voting by poll and ensure compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the issuer.

### E.2 以投票方式表決

#### 原則

發行人應定期通知股東以投票方式表決的程序，並確保符合《上市規則》有關以投票方式表決的規定及發行人本身的組織章程文件。

	Summary of Code provisions 守則條文概要	Alignment? 是否符合 守則條文?	Governance practices of the Company (including any deviations and considered reasons) 本公司之管治常規(包括任何偏差及所考慮理由)
E.2.1	Procedures for and the rights of shareholders to demand a poll shall be disclosed in the issuer's circulars to shareholders. 股東要求以投票表決之程序及權利須於發行人致股東之通函內披露。	✓	Procedures for and the rights of shareholders to demand a poll have been disclosed in the Company's circulars to shareholders issued during the year under review. 股東要求以投票表決之程序及權利已於回顧年內在本公司致股東之通函內披露。
E.2.2	The issuer shall count all proxy votes and, except where a poll is required, the chairman of a meeting shall indicate to the meeting the level of proxies lodged on each resolution, and the balance for and against the resolution. 發行人須點算所有委任代表票數，除要求以投票表決之情況外，大會主席須向大會指明各項決議案所提交委任代表數目以及贊成與反對有關決議案之票數。	✓	The Company held two general meetings during the year under review, that is, the 2005 AGM and an extraordinary general meeting ("EGM") in December 2005. Votes cast at the 2005 AGM and EGM were properly counted and recorded and poll results for the relevant resolutions transacted at the EGM were published in newspapers on the business day following the said meeting and posted on the websites of the Stock Exchange and the Company. 本公司於回顧年度曾舉行兩次股東大會，即二零零五年股東週年大會及於二零零五年十二月舉行之股東特別大會（「股東特別大會」）。於二零零五年股東週年大會及股東特別大會所投票數已妥為點算及記錄，而於股東特別大會就有關決議案進行以投票表決之結果，已於上述大會後營業日刊載於報章及聯交所與本公司之網站。
E.2.3	The chairman of a meeting shall at the commencement of the meeting provide an explanation on: 大會主席須於大會開始時闡釋以下各項：  (a) the procedures for demanding a poll by shareholders before putting a resolution to the vote on a show of hands; and 以在決議案以舉手方式表決之前股東要求以投票方式表決的程序；及  (b) the detailed procedures for conducting a poll and then answer questions from shareholders whenever voting by way of a poll is required. 在要求以投票方式表決的情況下，以投票方式進行表決然後回答股東提出任何問題的詳細程序。	✓	Procedures for demanding and conducting a poll were properly explained to all shareholders at general meetings held during the year under review. 本公司已於回顧年度舉行之股東大會上，向全體股東妥為闡釋進行以投票表決之要求及程序。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### (b) Directors' securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules (including amendments as effected from time to time) as its own code of conduct to regulate securities transactions by directors of the Company and specified employees who, by reference to their positions and duties, are likely to be in possession of unpublished price-sensitive information of the Group. Following specific enquiry by the Company, the Directors have confirmed that they have complied with the required standard set out in the Model Code.

### (b) 董事進行證券交易

本公司已採納上市規則附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」,包括不時生效之修訂),作為其本身監管本公司董事及基於彼等之職位及職務有可能掌握本集團未公開影響股價資料之特定僱員所進行證券交易之操守準則。經本公司作出具體查詢後,董事確認,彼等一直遵守標準守則所載規定準則。

### (c) Board of directors

During the year under review, eight board meetings including four quarterly board meetings and four ad hoc board meetings in relation to the major connected transaction and rights issue were held and details of the directors' attendance are set out below:

### (c) 董事會

於回顧年度,本公司曾舉行八次董事會會議,包括四次季度董事會會議及四次有關主要交易及供股之特別董事會會議,董事之出席情況載列如下:

		<b>Attendance</b> 出席情況
<b>Non-executive chairman</b>	<b>非執行董事</b>	
Dr CHA Chi Ming	查濟民博士	5/8
<b>Executive deputy chairman</b>	<b>執行副主席</b>	
Mr CHA Mou Sing Payson	查懋聲先生	6/8
<b>Executive directors</b>	<b>執行董事</b>	
Mr CHA Mou Zing Victor	查懋成先生	8/8
Mr CHEUNG Tseung Ming	張昌明先生	7/8
Mr CHUNG Sam Tin Abraham	鍾心田先生	8/8
Ms HO Pak Ching Loretta	何柏貞女士	8/8
Mr TANG Moon Wah	鄧滿華先生	6/8
<b>Non-executive directors</b>	<b>非執行董事</b>	
Mr CHA Mou Daid Johnson	查懋德先生	7/8
Ms WONG CHA May Lung Madeline	王查美龍女士	3/8
The Honourable Ronald Joseph ARCULLI	夏佳理議員	7/8
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>	
Dr CHENG Kar Shun Henry	鄭家純博士	3/8
Dr The Honourable CHEUNG Kin Tung Marvin	張建東博士	6/8
Mr CHEUNG Wing Lam Linus (appointed on 25 January 2006 and only one board meeting was held after his appointment)	張永霖先生(於二零零六年一月二十五日獲委任,彼獲委任後,僅曾舉行一次董事會會議)	1/1

## CORPORATE GOVERNANCE REPORT 企業管治報告

During the period from 23 June 2005 to 24 January 2006, the Company experienced to have only two independent non-executive directors which was below the minimum number of three as required under Rule 3.10(1), the Company has endeavoured to identify the right person to fill the vacancy and made relevant announcements on 23 June and 22 September 2005 to update the progress to the shareholders and public in relation thereto.

Save for Dr CHA Chi Ming, Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor, Mr CHA Mou Daid Johnson and Ms WONG CHA May Lung Madeline who are family members, all other directors of the Company have no relationship with each other.

於二零零五年六月二十三日至二零零六年一月二十四日止期間，本公司僅有兩名獨立非執行董事，人數低於第3.10(1)條所規定最少三名獨立非執行董事之要求，故本公司盡力物色合適人選填補空缺，並於二零零五年六月二十三日及九月二十二日作出有關公佈，就此向股東及公眾人士提供最新進展。

除查濟民博士、查懋聲先生、查懋成先生、查懋德先生及王查美龍女士為家族成員外，本公司所有其他董事各自間均無任何關係。

### (d) Chairman and chief executive officer

The roles of chairman, deputy chairman and chief executive officer of the Company are exercised by three different individuals. The chairman of the Company is Dr CHA Chi Ming who is a non-executive director, the deputy chairman is Mr CHA Mou Sing Payson who is an executive director, and both of them are responsible for the management of the Board. Mr CHA Mou Zing Victor is the managing director of the Company who is responsible for the overall and day-to-day operation and management of the Group's business.

### (d) 主席與行政總裁

本公司主席、副主席及行政總裁之職務由三名不同人士擔任。本公司主席為非執行董事查濟民博士；副主席為執行董事查懋聲先生，彼等均負責董事會管理。查懋成先生擔任本公司董事總經理，負責本集團業務之整體日常運作及管理。

### (e) Non-executive directors

Despite that all non-executive directors of the Company were appointed with no specific term, they are subject to the rotation clause in the Company's articles of association whereby not less than one-third of the Directors for the time being including the non-executive directors need to retire at each annual general meeting to ensure no Director will serve in the Board for more than three years.

### (e) 非執行董事

儘管本公司全體非執行董事均並無按特定任期獲委任，惟彼等須根據本公司之組織章程細則輪值告退，而根據組織章程細則，當時不少於三分之一之董事（包括非執行董事）須於各股東週年大會退任，以確保並無董事於董事會服務超過三年。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### (f) Remuneration of directors

The remuneration committee of the Company was established on 2 December 2004 and is regulated by the terms of reference approved by the Board. According to its terms of reference, the members of the remuneration committee comprise the managing director and three independent non-executive directors of the Company. Subsequent to the board meeting held on 22 September 2005, the terms of reference were amended to set the composition of the members of the remuneration committee to comprise the managing director of the Company and two independent non-executive directors of the Company to cope with the vacancy occurred during the year. The terms of reference of the remuneration committee can be found in the Company's website, [www.hkri.com](http://www.hkri.com).

The principal role and function of the remuneration committee is to exercise the powers of the Board to determine and review the remuneration packages of individual executive directors and senior management members, including salaries, bonuses, benefits in kind, share options and other plans. Such factors as remuneration paid for comparable positions, time commitment and responsibilities of the executive directors and senior management members will be considered.

During the year under review, no meeting of the remuneration committee was held but there were seven written resolutions of the remuneration committees passed by all the committee members as from time to time for transacting businesses including but not limited to determination of salary revision and bonus payment to executive directors and senior management members, appointment and determination of the remuneration package of new senior management members and determination of special gratuity granted to senior management member leaving the Company. The directors' fees and other emoluments payable to the Directors and senior management members of the Company for the year ended 31 March 2006 have been reviewed and approved by the remuneration committees as delegated by the Board.

The current members of the remuneration committee are Mr CHA Mou Zing Victor, Dr CHENG Kar Shun Henry and Dr The Honourable CHEUNG Kin Tung Marvin with Dr CHEUNG takes a lead role as chairman thereof.

### (f) 薪酬委員會

本公司之薪酬委員會於二零零四年十二月二日成立，並由董事會批准之職權範圍所規管。根據其職權範圍，薪酬委員會成員由本公司董事總經理及三名獨立非執行董事組成。於二零零五年九月二十二日舉行董事會會議後，本公司修訂有關職權範圍，將薪酬委員會成員之組成定為由本公司董事總經理及本公司兩名獨立非執行董事組成，以配合年內出現之空缺。薪酬委員會之職權範圍可於本公司網站[www.hkri.com](http://www.hkri.com)查閱。

薪酬委員會之主要職務及職能為行使董事會權力，以釐定及檢討個別執行董事及高級管理人員之薪酬待遇，包括薪金、花紅、實物利益、購股權及其他計劃。薪酬委員會考慮執行董事及高級管理人員可資比較職位所給予之薪酬、所付出時間及職責等因素。

於回顧年度，薪酬委員會並無舉行任何會議，惟委員會成員不時就處理事務通過七項薪酬委員會書面決議案，包括但不限於釐定執行董事及高級管理人員之薪金調整及花紅、委任新高級管理人員及釐定其薪金待遇，以及釐定高級管理人員離開本公司所獲授之特別獎金。截至二零零六年三月三十一日止年度，董事會所授權之薪酬委員會已審閱及批准應付本公司董事及高級管理人員之董事袍金及其他酬金。

薪酬委員會現任成員為查懋成先生、鄭家純博士及張建東博士，其中張博士為薪酬委員會主席。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### (g) Nomination of directors

The Company has not set up a nomination committee. However, the Board established as a single purpose committee comprising Dr CHA Chi Ming, Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor, The Honourable Ronald Joseph ARCULLI and Dr The Honourable CHEUNG Kin Tung Marvin in order to expedite the identification of a right candidate to fill the vacancy occurred upon the re-designation of an independent non-executive director to a non-executive director during the year in 2005. Besides, the Board had discussed the nomination of the third independent non-executive director in a number of board meetings held throughout the year under review. In January 2006, the special committee passed a written resolution signed by all the committee members to appoint Mr CHEUNG Wing Lam Linus as an independent non-executive director of the Company.

### (h) Auditors' remuneration

The auditors' remuneration for the year under review was HK\$3.9 million (2005: HK\$3.2 million). In addition to the audit fee, the Company has appointed Deloitte Touche Tohmatsu, its external auditors, for other non-audit services including tax compliance, special services rendered in relation to the issue of HK\$1,410.0 million convertible bonds, the major connected transaction in relation to the acquisition of CDW Building Limited and the rights issue of the Company, for around HK\$3.5 million (2005: HK\$1.3 million) in the year under review.

### (g) 提名董事

本公司並無成立提名委員會。然而，董事會成立一個單一目的委員會，成員包括查濟民博士、查懋聲先生、查懋成先生、夏佳理議員及張建東博士，以加快物色合適人選填補二零零五年內一名非執行董事調任獨立非執行董事所產生之空缺。此外，董事會曾於回顧年度舉行之多個董事會會議上討論第三名獨立非執行董事之提名。於二零零六年一月，該特別委員會通過由全體委員會成員簽署之書面決議案，委任張永霖先生為本公司獨立非執行董事。

### (h) 核數師酬金

核數師於回顧年度之酬金為3.9百萬港元（二零零五年：3.2百萬港元）。除審計費用外，本公司於回顧年度內，以約3.5百萬港元（二零零五年：1.3百萬港元）委聘其外聘核數師德勤•關黃陳方會計師行，處理非審計服務，當中包括稅務申報、發行1,410.0百萬港元可換股債券、有關收購CDW Building Limited之主要關連交易及本公司之供股。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### (i) Audit committee

The audit committee of the Company was established on 17 July 1998 and is regulated by the terms of reference approved by the Board. According to its terms of reference, the members of the audit committee comprise non-executive directors with a majority (including the chairman) being independent non-executive directors of the Company. The terms of reference of the audit committee can be found in the Company's website, [www.hkri.com](http://www.hkri.com).

The principal role and function of the audit committee is to assist the Board in meeting its responsibilities for ensuring an effective system of internal control and compliance, and in meeting its external financial reporting objectives.

During the year under review, the audit committee met twice together with senior management and external auditors and had considered the external auditors' projected audit fees, their independence and the nature and scope of the audit, reviewed and discussed the interim and final financial statements together with the management's findings and responses and auditor's reviews and reports before submission to the Board for approval. The attendance rate of the members of the audit committee for the two meetings held was 100%.

The current members of the audit committee are The Honourable Ronald Joseph ARCULLI, Dr CHENG Kar Shun Henry, Dr The Honourable CHEUNG Kin Tung Marvin and Mr CHEUNG Wing Lam Linus with Dr CHENG takes a lead role as chairman thereof.

### (i) 審核委員會

本公司審核委員會於一九九八年七月十七日成立，受董事會批准之職權範圍所規管。根據其職權範圍，審核委員會成員由非執行董事組成，其中（包括主席）大多數為本公司獨立非執行董事。審核委員會之職權範圍可於本公司網站[www.hkri.com](http://www.hkri.com)查閱。

審核委員會之主要職務及職能為協助董事會履行其保持有效之內部監控及守章制度之職責，以及符合其對外財務報告目標。

於回顧年度，審核委員會曾與高級管理人員及外聘核數師舉行兩次會議，以考慮外聘核數師之預計審核費用，其獨立身份及審核性質與範圍，並於提交董事會批准前，審閱及討論中期及全年財務報表，連同管理層之發現及回應以及核數師之意見及報告。審核委員會成員於該兩次會議之出席率均為100%。

審核委員會現任成員為夏佳理議員、鄭家純博士、張建東博士及張永霖先生，其中鄭博士為審核委員會主席，擔當主導角色。