

CORPORATE GOVERNANCE REPORT 企業管治報告

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE

The Board of Directors (“Board”) considers that good corporate governance of the Company is central to safeguarding the interests of the shareholders of the Group and enhancing the performance of the Group. The Board is committed to ensure a high standard of corporate governance. The Company’s corporate governance practices are based on the principles (“Principles”), code provisions (“Code Provisions”) as set out in the Code on Corporate Governance Practices (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (“Listing Rules”).

The Company has applied the Principles and the Code Provisions and complied with the CG Code during the financial year ended 31 March 2006, except the Code Provisions (i) A.2.1 in respect of separate roles of Chairman and Chief Executive Officer, and (ii) A.4.2 in respect of retirement of Directors by rotation at least once every three years.

Set out below are the status and details of compliance by the Company of the CG Code for the year ended 31 March 2006.

THE BOARD

BOARD COMPOSITION

The Board has in its composition a balanced of skills and experience appropriate for the requirements of the business of the issuer. The Board has a balanced mix Directors, i.e. 7 Executive Directors, 1 Non-Executive Director and 3 Independent Non-Executive Directors. The list of all Directors is set out under “Corporate Information” on page 2 and the biographies of the Directors are set out on pages 7 to 9 of this annual report, which demonstrates a diversity of skills, expertise, experience and qualifications.

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

Save as disclosed hereon, to the best of knowledge of the Directors, the Board members have no financial, business, family or other material/relevant relationship with each other.

遵從企業管治常規守則

本公司董事會（「董事會」）深信，本公司達致良好企業管治，乃保障本集團股東利益及提升集團表現之核心元素。董事會在確保高水準企業管治方面不遺餘力。本公司的企業管治常規，是以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14所載之企業管治常規守則（「企業管治守則」）內之原則（「原則」）及守則條文（「守則條文」）作為基礎。

於截至二零零六年三月三十一日止財政年度內，本公司已應用相關的原則及守則條文，並已遵守企業管治守則，惟以下守則條文除外：(i)第A.2.1條，有關主席及行政總裁之職能區分；及(ii)第A.4.2條，有關董事須最少每三年輪值告退一次。

下文載述本公司於截至二零零六年三月三十一日止年度遵行企業管治守則的狀況及詳情。

董事會

董事會組織構成

董事會的成員組合已兼顧上市公司業務所需的技能與經驗。董事會擁有均衡的董事組合，即七位執行董事、一位非執行董事及三位獨立非執行董事。全體董事名單載於本年報第2頁的「公司資料」一節，而董事簡歷則載於本年報第7至9頁。從董事簡歷可見，他們具備了廣泛技能、專長、經驗及資歷。

董事名單（按分類表示）亦於本公司根據上市規則不時刊發之所有公司通訊內披露。

除本報告披露者外，據董事所知，董事會各成員之間並無財務、業務、家庭或其他重大／相關關係。

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During the year ended 31 March 2006, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors. Mr. Ho Fook Hong, Ferdinand, Independent Non-Executive Director of the Company resigned on 1 April 2006. Dr. Chung Hing Wah, Paul was appointed as an Independent Non-Executive Director on 26 June 2006.

The Company has received written annual confirmation from each Independent Non-Executive Director of his independence pursuant to the requirements of the Listing Rules. The Company considers all Independent Non-Executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

BOARD MEETINGS

Board meetings were held at least 4 times during the year roughly on a quarterly basis. Dates for regular Board meetings are scheduled in advance to provide sufficient time for the Directors to prepare for. Special Board meetings will be held when necessary. Notice of meeting will be given at least 14 days before the meeting. Directors are consulted for matters to be included in the agenda and board papers will be served at least 3 days before the meeting. Details of the attendance of the Board meetings held for the year ended 31 March 2006 and up to the date of the publication of this report were as follows:

Name of Director	董事姓名	Attendance/ Number of Meetings 出席／會議數目
Executive Directors		
Mr. Ling Siu Man, Simon (Chairman and Managing Director)	凌少文先生 (主席兼董事總經理)	5/6
Mr. Lee Ka Yue, Peter	李嘉渝先生	6/6
Mr. Wong Ki Cheung	黃其昌先生	6/6
Ms. Li Fung Ching, Catherine	李鳳貞女士	6/6
Mr. Au Wai Man	區偉民先生	6/6
Mr. Liu Hoi Keung, Gary	廖開強先生	6/6
Mr. Lam Kwai Wah	林桂華先生	6/6
Independent Non-Executive Directors		
Mr. Pang Hon Chung	彭漢中先生	5/6
Mr. Cheng Tsang Wai	鄭曾偉先生	4/6
Dr. Chung Hing Wah, Paul (appointed on 26 June 2006)	鍾慶華博士 (於二零零六年六月二十六日獲委任)	1/1
Mr. Ho Fook Hong, Ferdinand (resigned on 1 April 2006)	何福康先生 (於二零零六年四月一日辭任)	2/4
Non-Executive Director		
Mr. Wong Wai Kwong, David	黃偉光先生	3/6

於截至二零零六年三月三十一日止年度，董事會一直遵從上市規則有關委任最少三位獨立非執行董事的規定。本公司獨立非執行董事何福康先生已於二零零六年四月一日辭任。鍾慶華博士於二零零六年六月二十六日獲委任為獨立非執行董事。

本公司已接獲各個獨立非執行董事根據上市規則提交有關其獨立地位之年度確認書。本公司認為，按照上市規則所載之獨立地位指引，各獨立非執行董事均具獨立地位。

董事會會議

董事會於年內最少舉行四次會議，約每季舉行一次。董事會例會之舉行日期為預先編訂，讓董事們有充足時間為開會作準備。特別董事會會議在必要時舉行。開會通告最低限度須於舉行會議前十四天發出。就會議議程所包括的事項，會徵詢董事的意見；並最低限度須於舉行會議前三天送出會議稿件。有關截至二零零六年三月三十一日止年度及截至本報告刊發日期為止已舉行的董事會會議的出席情況如下：

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Minutes of the Board, the Audit Committee, the Remuneration Committee and Executive Committee have been recorded in sufficient details the matters considered in the meetings. All the minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice given by any Director.

Directors can access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable rules and regulations are properly followed.

In addition, all Directors are regularly updated on corporate governance and regulatory matters. There is a guideline for Directors to obtain independent professional advice at the expense of the Company in the furtherance of their duties. The Company has also arranged appropriate Director and officer liability insurance cover in respect of legal action against its Directors.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Chairman is responsible to manage the affairs of the Board and the Chief Executive Officer is responsible to manage the day-to-day operation of the Company's business.

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separated and should not be preformed by the same individual.

Mr. Ling Siu Man, Simon is the Chairman and Chief Executive Officer of the Group. He is responsible for the Group's overall strategic planning, management, objectives setting and corporate development as well as the management of the Board's affairs. The Board considers that this structure is more effective and efficient in running the business. The Board believes that Mr. Ling's appointment to the posts of Chairman and Chief Executive Officer is beneficial to the business prospects of the Group.

董事會、審核委員會、薪酬委員會及執行委員會的會議記錄，對會議內曾討論的事項均有詳盡記錄。所有會議記錄由公司秘書保管，任何董事只要發出合理之預先通知，均可於合理時間內查閱該等會議記錄。

各董事均可獲取公司秘書的意見及服務，以確保董事會程序、所有適用規則及法規均已妥為遵守。

此外，本公司會定期向所有董事匯報有關企業管治及監管事務的最新情況。本公司設有一套指引，規範董事為執行職務而諮詢獨立專業意見(有關費用由本公司承擔)。本公司亦已購買適當的董事及高層人員責任保險，以減低董事面對法律訴訟而承受的風險。

主席和行政總裁

主席負起管理董事會事務的責任，而行政總裁則負責管理本公司業務的日常運作。

守則第A.2.1條訂明，主席和行政總裁之職能應有所區分及不應由同一人擔任。

凌少文先生身兼本集團主席及行政總裁二職，彼負責本集團的整體策略規劃、管理、目標設定及企業發展，以及管理董事會事務。董事會認為，此一架構有助業務的有效運作並提升營運效率。董事會相信，委任凌先生為主席兼行政總裁對本集團的業務前景有利。

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NOMINATION, APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The Group has a formal, considerate and transparent procedure for the appointment of new Director to the Board. The Group has adopted a nomination procedures and the Board of Directors, based on the criteria established, evaluate and select candidates for the directorships. The Board reviews the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations regarding any proposed changes. The Directors identifies suitable individual qualified to become board members and makes recommendation on relevant matters relating to the appointment or re-appointment of directors if necessary, in particular, candidates who can add value to the management through their contribution in the relevant strategic business areas and whose appointments will result on the constitution of strong and diverse board. The meeting of the Board regarding the nomination of directors shall be held at least once a year or when necessary. In case any Director resigns from the Board, reasons for the resignation will be disclosed in the announcement.

Code Provision A.4.1 stipulates that Non-Executive Directors should be appointed for a specific term, subject to re-election. The existing Non-Executive Directors of the Company, except for Mr. Cheng Tsang Wai and Dr. Chung Hing Wah, Paul being Independent Non-Executive Directors of the Company, do not have a specific term of appointment. However, Non-Executive Directors are subject to the requirement to retire by rotation at annual general meetings under the Company's Articles of Association accomplishing the same objective as a specific term of appointment.

In accordance with the Company's Articles of Association, any new Director appointed to fill a casual vacancy or as an addition to the Board should be subject to election by shareholders at the first general meeting after appointment. Every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

董事的提名、委任、重選及免職

本集團訂有一套成文、經深思熟慮而高透明度的委任新董事程序，本集團已經採納一套提名程序，董事會根據已確立的準則範疇評審及挑選擔任董事的人選。董事會定期檢討董事會的架構、人數及組織(包括技能、知識和經驗)，並提出有關建議改動的推薦意見。董事物色合資格作為董事會成員的適當人士，必要時亦會就委任或重新委任董事的相關事宜作出推薦意見，尤其當某些人選可於有關策略業務範疇作出貢獻，從而替管理層增值，及有助董事會之組織強化及多元化。關於董事提名的董事會會議應最低限度每年舉行一次，或當有需要時舉行。倘若有任何董事辭去董事會之職務，須於公佈內披露辭職理由。

守則條文第A.4.1條訂明，非執行董事應有固定任期，並須接受重選。除鄭曾偉先生及鍾慶華博士(他們均為本公司獨立非執行董事)外，本公司現任非執行董事並無固定任期。然而，非執行董事須遵守本公司組織章程細則之規定於股東週年大會上輪流退任，達到固定任期之相同目標。

依據本公司的組織章程細則，任何獲委任填補臨時空缺或作為董事會新增成員之新董事，須於獲委任後的首個股東大會接受股東重選。包括具有固定任期的董事在內的每位董事，應最低限度每三年輪值退任一次。

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The Company's Articles of Association, on the other hand, are inconsistent with Code Provision A.4.2 of the CG Code, which provides that one-third of the directors for the time being (save for the Chairman or Managing Director or Joint Managing Director), or if their number is not three nor a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation at least once every three years and being eligible, offer themselves for re-election at annual general meetings. The Board considers that Mr. Ling Siu Man, Simon, Chairman of the Board, should not subject to retirement to ensure continuity of leadership and stability for growth of the Company.

RESPONSIBILITIES OF DIRECTORS

The principal focus of the Board is on the overall strategic development of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

In addition, the Board is charged with promoting the success of the Group by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith in the best interests of the Company. The Directors are aware of their collective and individual responsibilities to all shareholders of the Group for the manner in which the affairs of the Company are managed, controlled and operated.

Director is required to keep abreast of his responsibilities as a Director and of the conduct, business activities and development of the Group. Non-Executive Directors have the same duties of care and skill and fiduciary duties as Executive Directors.

The functions of Non-Executive Directors have included the functions as specified in Code Provision A.5.2(a) to (d) of the CG Code.

DELEGATION BY THE BOARD

The Board has delegated functions that are necessary and incident to carry out the decision of the Board or to facilitate the day-to-day operation of the Group in ordinary course of business to the senior management and divisional heads of different units.

Major corporate matters that are specifically delegated by the Board to senior management include execution of business strategies and initiatives adopted by the Board, implementation of adequate internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations.

另一方面，本公司的組織章程細則與企業管治守則的守則條文第A.4.2條存在差異，差異在於後者規定當時三分之一董事（主席或董事總經理或聯席董事總經理除外）或最接近但不少於三分之一董事（倘董事會人數並非三或三的倍數）須最低限度每三年輪值告退一次，在符合資格下，可於股東週年大會上膺選連任。董事會認為，董事會主席凌少文先生毋須受輪流告退規限，以確保領導層延續性及本公司的穩定成長。

董事的責任

董事會的首要焦點為本集團整體策略發展。董事會亦監督本集團業務營運的財務表現及內部監控。

此外，董事會亦負責擴展本集團的成就，這主要通過以負責任及具效益的方式引導並監督本公司事務。每一位董事均有責任本於公司最佳利益下真誠行事。董事知悉，他們對於本公司事務如何管理、控制及運作，須向本集團所有股東負起集體和個別的責任。

董事須時常注意其作為董事的責任，並應經常對本集團的作為、業務活動及發展加以留意。非執行董事與執行董事具同等謹慎、熟練及受信責任。

非執行董事的職能包括企業管治守則的守則條文第A.5.2(a)至(d)條所列明的職能。

董事會的授權

董事會已授予高級管理層及不同單位的部門主管所需及相關的權力，以實行董事會的決定或確保本集團於一般業務過程中可暢順地進行日常營運。

董事會已特別授權高級管理層處理的主要企業事務包括：執行董事會採納的業務策略及計劃、實施足夠內部監控及風險管理程序，以及遵從相關法定要求、規則及條例。

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SUPPLY OF AND ACCESS TO INFORMATION

Directors will 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 the Company.

In respect of regular Board meetings, and so far as practicable in all other cases, an agenda and accompanying Board papers are sent in full to all Directors in a timely manner and at least 3 days before the intended date of a Board meeting.

Management is regularly reminded by the Company Secretary that they have an obligation to supply the Board and its committees with adequate information in a timely manner to enable them to make informed decisions. The information supplied must be complete and reliable. The Board and each Director have separate and independent access to the Company's senior management for making further enquires where necessary.

TRAINING FOR DIRECTORS

Every newly appointed Director of the Group will receive an information package from the Company Secretary on his appointment. The package will include guidelines and information such as:

- (a) Guidelines on Directors' Duties;
- (b) Brief notes and guidelines on Disclosure of Directors' Interests in Securities and Corporate Governance Practice;
- (c) The Group's code of conduct regarding the securities transactions by the Directors; and
- (d) A copy of the Company's Corporate Governance Handbook.

The senior management and the Company Secretary will subsequently conduct such briefing as is necessary to ensure that the Director has a proper understanding of the operations and business of the Group, and the Director is aware of his obligation under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements.

資料的提供和查閱

本公司將會及時向各董事提供適當資料，所提供資料的形式和質素，足以讓各董事作出知情決定並履行本公司董事的職務及責任。

就董事會之定期會議而言，及在實際可行之所有其他情況下，所有董事均會及時並最低限度在董事會會議擬定開會之日期三天前，獲送呈會議議程及附帶的全部董事會文件。

公司秘書會經常提醒管理層，他們有責任及時向董事會及其委員會提供足夠資料，讓他們作出知情決定。所提供的資料必須為完整可靠。董事會及各位董事在必要時均可個別及獨立地向本公司高級管理層作出查詢。

董事培訓

每一位新委任的本集團董事在獲委任時均會收到由公司秘書發放的資料封套，該資料封套包括指引及資料如：

- (a) 董事職責指引；
- (b) 關於董事證券權益披露及企業管治常規守則的淺釋及指引；
- (c) 本集團有關董事進行證券交易的行事守則；及
- (d) 本公司企業管治指南。

隨後，本公司高級管理層及公司秘書在需要時會舉行簡報會，確保董事對本集團營運及業務有正確的了解，及董事知悉其在成文法及普通法、上市規則、適用法律規定及其他監管規定下的責任。

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DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted its code of conduct for 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 (the "Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors, the Company has confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year of 2006.

REMUNERATION OF DIRECTORS

The Company enters into Directors' service agreements with each of the Executive Directors (except Mr. Lee Ka Yue, Peter). Such agreements set out the relevant terms for remuneration and other benefits. The remuneration of the Directors was determined with reference to the job responsibilities of the Directors, market conditions and the performance of the Company.

REMUNERATION COMMITTEE

A majority of the members of the Remuneration Committee are Independent Non-Executive Directors. This Committee is authorised by the Board and makes recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management. Details of the attendance of the meeting for the year ended 31 March 2006 and up to the date of this report were as follows:

Members of the Remuneration Committee

Mr. Cheng Tsang Wai (*Chairman*)
Mr. Pang Hon Chung
Ms. Li Fung Ching, Catherine

薪酬委員會成員

鄭曾偉先生 (主席)
彭漢中先生
李鳳貞女士

There is a formal and transparent procedure for setting policy and procedure for fixing the remuneration packages for all Directors and senior management. The Group will gather and summarise information relating to remuneration policy and other remuneration related matters. The Remuneration Committee will meet at least once a year and consider the above information and made recommendation to the Board and have access to professional advice if necessary.

董事證券交易

本集團已採納有關董事進行證券交易的行事守則，其條款之嚴謹程度不遜於上市規則附錄10內之上市公司董事進行證券交易的標準守則（「標準守則」）所規定的標準。經向全體董事作出特定查詢後，本公司已確認所有董事於整個二零零六年度均已遵守標準守則所載之要求標準。

董事薪酬

本公司與每一位執行董事訂立董事服務協議（李嘉渝先生除外）。該等協議載列薪酬及其他福利的相關條款。董事薪酬乃參考董事的職責、市場狀況及本公司業績而釐定。

薪酬委員會

薪酬委員會的大多數成員均為獨立非執行董事。該委員會由董事會授權，並就所有本公司董事及高級管理層薪酬政策及結構事宜向董事會提出推薦意見。截至二零零六年三月三十一日止年度及截至本報告刊發日期為止的會議出席詳情如下：

Attendance/Number of Meeting

出席／會議數目

1/1
1/1
1/1

本集團就釐定所有董事及高級管理層薪酬組合的政策和步驟，已制訂條文及高透明度的程序。本集團會收集並總結有關薪酬政策及其他薪酬相關事宜的資料。薪酬委員會最低限度每年開會一次，並考慮上述資料及向董事會提出推薦意見，在需要時亦可諮詢專業顧問。

CORPORATE GOVERNANCE REPORT 企業管治報告

FINANCIAL REPORTING

The Board is responsible to present a balanced, clear and comprehensible assessment of the Group's performance, position and prospect in the annual and interim reports. Other price-sensitive information and financial disclosures required under the Listing Rules and other statutory requirements will be timely disclosed and reported.

The Directors acknowledge their responsibility for keeping proper accounting records and preparing accounts which give a true and fair view for the year ended 31 March 2006.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Report of the Auditors" on page 33 to 34.

INTERNAL CONTROL

The Board is responsible to ensure that the Group maintains sound and effective internal controls to safeguard the shareholders' investment and the Group's assets.

The Board and the management are responsible for the Group's system of internal controls and for reviewing its effectiveness and its subsidiaries at least annually and to report to the Audit Committee. The system will cover all material controls, including financial, operational and compliance controls and risk management functions. Copy of the minutes of Audit Committee meeting will also be sent to the Board for information.

財務申報

董事會負責在年報和中期報告呈列一份平衡、清晰而全面的本集團業績、狀況及前景評估。上市規則及其他法定規則要求公開的其他股價敏感資料及財務披露事項，均會及時披露及報告。

董事對存置適當會計記錄及編製真實公平的截至二零零六年三月三十一日止年度賬目承擔責任。

本公司外聘核數師就其對財務報表的申報責任的聲明，載於第33至34頁的「核數師報告」。

內部監控

董事會須負責確保本集團保持健全而有效的內部監控，以維護股東的投資及本集團的資產。

董事會及管理層須負責本集團的內部監控系統，並最低限度每年檢討其效能並向審核委員會匯報。系統涵蓋所有重大監控範疇，包括財務、營運及規章管控及風險管理職能。審核委員會會議記錄副本亦會提交董事會供其參考。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDIT COMMITTEE

The Audit Committee comprises a Non-Executive Director and three Independent Non-Executive Directors. Mr. Pang Hon Chung, chairman of the Committee has the appropriate professional qualification and experience in financial matters as required by the Listing Rules. This Committee is authorised by the Board and responsible for reviewing the financial reports, internal controls principals and for maintaining an appropriate relationship with the Company's auditors. Details of the attendance of the Audit Committee meetings held during the year ended 31 March 2006 and up to the date of this report were as follows:

Members of the Audit Committee	審核委員會成員	Attendance/Number of Meetings 出席／會議次數
Mr. Pang Hon Chung (Chairman)	彭漢中先生 (主席)	3/3
Mr. Cheng Tsang Wai	鄭曾偉先生	3/3
Mr. Wong Wai Kwong, David	黃偉光先生	3/3
Dr. Chung Hing Wah, Paul (appointed on 26 June 2006)	鍾慶華博士 (於二零零六年六月二十六日獲委任)	1/1
Mr. Ho Fook Hong, Ferdinand (resigned on 1 April 2006)	何福康先生 (於二零零六年四月一日辭任)	2/2

The Audit Committee met with the external auditors during the year to discuss any areas of concerns during the audits. The Audit Committee reviewed the interim and annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the Listing Rules and the legal requirements.

The Audit Committee has not taken a different view from the Board regarding the selection, appointment, resignation or dismissal of the Company's external auditors.

The Company's annual results for the year ended 31 March 2006 has been reviewed by the Audit Committee.

審核委員會

審核委員會由一名非執行董事及三名獨立非執行董事組成。委員會主席彭漢中於財務事項方面具有上市規則所規定之合適專業資格及經驗。該委員會由董事會授權，負責審閱財務報告、內部監控準則及與本公司核數師保持適當關係。於截至二零零六年三月三十一日止年度及截至本報告日期舉行之審核委員會會議之出席記錄詳情如下：

年內，審核委員會與外聘核數師會晤，討論審核過程中任何有關範疇。審核委員會於中期及年度報告提呈董事會前已進行審閱。審核委員會不僅專注於會計政策及慣例變動之影響，亦關注對會計準則、上市規則及法律規定的遵守。

審核委員會就選定、委任、辭任或罷免本公司外部核數師與董事會並無持不同意見。

本公司截至二零零六年三月三十一日止年度之年度業績已由審核委員會審閱。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDITORS' REMUNERATION

During the year under review, the remuneration paid to the Company's auditors, Ernst & Young, is set out as follows:

		(HK\$'000) (千港元)
Audit services	審核服務	900
Non-statutory audit services relating to connected transaction	有關關連交易之非法定審核服務	5
		905

EXECUTIVE COMMITTEE

All of the members of the Executive Committee are Executive Directors. This Committee is chaired by Mr. Ling Siu Man, Simon. The other members are Mr. Wong Ki Cheung, Ms. Li Fung Ching, Catherine, Mr. Au Wai Man, Mr. Liu Hoi Keung, Gary and Mr. Lam Kwai Wah, Peter. This Committee is authorised by the Board and is responsible for monitoring the execution of strategic plans and day-to-day operations of the business units and making decision on matters relating to the management and operations.

SECURITIES TRANSACTION BY THE RELEVANT EMPLOYEES

Under Code Provision A.5.4 of the CG Code, the Board has established written guidelines on no less exacting terms than the Model Code for relevant employees in respect of their dealings in the Company's securities. "Relevant employee" includes any employee of the Group or a Director or employee of a subsidiary or holding company of the issuer, because of such office or employment, is likely to be in possession of unpublished price sensitive information in relation to the Group and its securities. Having made specific enquiry of all Relevant Employees, the Company confirms that all relevant employees have complied with the written guidelines regarding securities transactions for the year.

核數師酬金

於回顧年內，已付予本公司核數師安永會計師事務所之酬金如下：

	(HK\$'000) (千港元)
Audit services	900
Non-statutory audit services relating to connected transaction	5
	905

執行委員會

執行委員會所有成員均為執行董事。該委員會由凌少文先生擔任主席，其他成員包括黃其昌先生、李鳳貞女士、區偉民先生、廖開強先生及林桂華先生。該委員會由董事會授權，並負責執行監控策略性之計劃及日常業務單位之運作，以及就有關管理及經營之事項作出決定。

有關僱員進行證券交易

根據企業管治守則第A.5.4條，董事會已以書面制定不遜於有關僱員就進行本公司證券交易之標準守則之指引。「有關僱員」包括本集團任何僱員或發行人附屬公司或控股公司之董事或僱員，因該職位或受聘而可能於與本集團及其證券有關之未公佈股價敏感資料得益。經對全體有關僱員進行特定查詢後，本公司確認全體有關僱員於年內已遵守有關證券交易之書面指引。

CORPORATE GOVERNANCE REPORT 企業管治報告

CORPORATE COMMUNICATION

The Group should announce its annual results and interim results in a timely manner before the time limits set out in the Listing Rules. Separate resolutions are proposed at the annual general meetings on each separate issue, including the election of individual Directors. In addition, procedures for demanding a poll at the annual general meeting will be included in the circular to shareholders dispatched together with the annual report. Any results of the poll are published in the newspapers and on the Company's website.

The Group has also maintained a website of <http://www.tonic.com.hk> which enables shareholders of the Group, investors and the general public to access to the information of the Company on a timely basis. Financial information and all corporate communications of the Group are made available on the Group's website and updated regularly.

VOTING BY POLL AT GENERAL MEETINGS

The Company informs the shareholders in its circulars convening a general meeting the procedures for voting by poll and the rights of shareholders to demand a poll to ensure compliance with the requirements on the poll voting procedures. In accordance with article 80 of Articles of Association of the Company, at any general meeting a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- i) the Chairman of the meeting; or
- ii) at least five shareholders present in person or by proxy and entitled to vote; or
- iii) any shareholder or shareholders present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- iv) any shareholder or shareholders present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

企業通訊

本集團應於上市規則所載時限前按時公佈其年度業績及中期業績。就各個別事項於股東週年大會上將提呈個別決議案，包括推選個別董事。此外，要求於股東週年大會以股數投票表決之程序將納入於連同本年報寄發予股東之通函內。任何股數投票表決結果乃於報章及本公司網站公佈。

本集團亦擁有<http://www.tonic.com.hk>之網站，令本集團股東、投資者及公眾人士可按時獲得本公司資料。本集團之財務資料及所有企業通訊可從本集團網站取得，並會定期更新。

於股東大會以股數投票表決

本公司已於其召開股東大會之通函知會股東按股數表決之程序及股東要求按股數表決之權利，以確保符合按股數表決程序之規定。根據本公司組織章程細則第80條，每項於股東大會上提呈進行投票的決議案將以舉手方式表決，除非(在宣佈舉手表決結果之前或當時)以下人士要求以股數投票表決：

- i) 大會主席；或
- ii) 至少五名親身出席大會並有權在大會上投票的股東或其受委代表；或
- iii) 一名或多名親身出席的股東或其受委代表，並佔不少於所有有權出席及於大會投票的股東投票權十分一；或
- iv) 持有賦予權利出席及於大會上投票的股份(該等股份已繳足股款，合計相等於或不少於賦予該權利的所有股份已繳足股款總額十分一)的一名或多名親身出席的股東或其受委代表。

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Unless a poll is so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The Chairman of a meeting should at the commencement of the meeting ensure that an explanation is provided of:

- i) the procedure for demanding a poll by shareholders of the Company before putting a resolution to the vote on a show of hands; and
- ii) the detailed procedures for conducting a poll and then answer any questions from shareholders of the Company whenever voting by way of a poll is required.

除非要求以股數表決且要求未予撤回，否則主席宣佈以舉手方式表決一致或以大多數通過或不通過決議案即為終局及決定性，且載入本公司大會紀錄，即為事實的決定性證明而毋須證明贊成或反對該決議案的數目或比率。

股東大會主席已於會議開始時確保已提供下列說明：

- i) 股東於提呈決議案以供舉手投票表決前要求按股數表決之程序；及
- ii) 進行按股數表決之詳細程序及其後於要求進行按股數表決時回答股東任何問題。