

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders' interests.

The code on Corporate Governance Practices (the "Code") as contained in Appendix 14 of the Listing Rules became effective for accounting periods commencing on or after 1st January 2005 with the exceptions in respect of the code provision C.2 on internal controls and the disclosure requirements in the Corporate Governance Report relating to internal controls.

In the opinion of the Directors, the Company has complied with the code provisions save for deviations as set out below.

CODE PROVISION A.4.1

Code A.4.1 stipulates that non-executive directors should be appointed for a specific term and subject to re-election.

The term of office for non-executive Directors is the same as for all Directors (i.e. not appointed for a specific term but only subject to retirement from office by rotation and be eligible for re-election in accordance with the provisions of the Company's Bye-laws). At each annual general meeting, one-third of the Directors shall retire from office by rotation. A proposal will be tabled at the coming Annual General Meeting to amend the Bye-laws of the Company to the effect that every Director shall retire from office not later than the third annual general meeting after he was last elected.

Corporate Governance Report

BOARD OF DIRECTORS

The Board of the Company comprises three Executive Directors, four Non-Executive Directors and three Independent Non-Executive Directors. The attendance of individual directors at Board meetings during the accounting period is set out below.

Name	Attendance/Number of Meetings
Mr. Joey Fan	4/4
Mr. Fu Hau Chak, Adrian (Independent)	4/4
Mr. George Ho	2/4
Mr. George Joseph Ho	4/4
Mr. Kwok Chi Hang, Lester (Independent)	4/4
Mr. Leung Kwok Kit	4/4
Mr. Li Kwok Sing, Aubrey (Independent)	3/4
Mr. David Miao	0/4
Mr. Tse Chi Hung, Michael	4/4
Ms. Yeung Shuk Kwan, Patricia	4/4

Each Independent Non-Executive Director has re-affirmed his independence status pursuant to the Listing Rules and the Company considers that they are independent.

The Board of Directors collectively oversees the management of the Company and Management are responsible for day-to-day operations. A formal schedule has been drawn up by the Board on matters that Management must refer to the Board for approval.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman and Chief Executive Officer are segregated. Mr. Tse Chi Hung, Michael and Ms. Yeung Shuk Kwan, Patricia were Chairman and Chief Executive Officer respectively in the year under review.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Directors' Securities Transactions as set out in Appendix 10 of the Listing Rules. Following specific enquiry by the Company, all Directors have confirmed that they fully complied with the Model Code throughout the fiscal year.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the remuneration and share option benefits of Directors and Senior Management for the fiscal year ended 31st March 2006 are set out in note 13 to the consolidated financial statements.

A Remuneration Committee was set up by the Board in April 2005, comprising one non-Executive Director, namely Mr. Leung Kwok Kit and two Independent Non-Executive Directors, namely Messrs. Fu Hau Chak, Adrian and Li Kwok Sing, Aubrey. During the accounting period, no physical meeting was held by the Remuneration Committee but members of the Committee have reviewed the remuneration packages of the Directors and the broad remuneration policies of the Company, which are determined in the light of prevailing market practices.

NOMINATION OF DIRECTORS

No Nomination Committee has been set up by the Board. Any Board member is entitled to recommend suitable candidates that meet the requirements of the Listing Rules for consideration by the Board.

AUDIT COMMITTEE

The Audit Committee comprises two Independent Non-Executive Directors, Messrs. Fu Hau Chak, Adrian and Li Kwok Sing, Aubrey, and a non-Executive Director, Mr. Leung Kwok Kit. Mr. Fu is Chairman of the Committee. The Committee reviews the financial information of the Company, oversees the Company's financial reporting process and internal control systems. The Audit Committee met twice during the relevant period to review the Group's interim and final results. The attendance record of each member is shown below.

Name	Attendance/Number of Meetings
Mr. Fu Hau Chak, Adrian	2/2
Mr. Li Kwok Sing, Aubrey	2/2
Mr. Leung Kwok Kit	2/2

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AUDITORS' REMUNERATION

A summary of fees for audit and non-audit services is as follows:

	2006	2005
	HK\$	HK\$
Audit services	450,000	403,000
Non-audit services	40,210	35,150

The non-audit services represents the services provided for reviewing the quote metering system of QuotePower International Limited for securities quote services as required by the Hong Kong Stock Exchange under its agreement with QuotePower.

ACCOUNTABILITY AND AUDIT

The Directors were responsible for overseeing the preparation of the financial statements for the year ended 31st March 2006.

The Directors' responsibilities in the preparation of the financial statements and the auditors' responsibility are set out in the Auditors' Report.

Under its terms of reference, the Audit Committee reviews with the Auditors the effectiveness of the Company's internal controls during its Audit Committee meetings. No suspected frauds or irregularities or internal control deficiencies had come to the attention of the Audit Committee.