

本公司董事會（「董事會」）深信企業管治為本公司成功的關鍵。於截至二零零六年三月三十一日止年度，本公司已採用並遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「守則」）所列之條文，惟本文所披露之若干偏離除外。

本公司會定期審閱其企業管治常規，以確保該常規持續符合守則規定。

### 董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則，作為其有關董事進行證券交易之操守準則。經向全體董事作出特定查詢後，董事已確認，本公司已於截至二零零六年三月三十一日止期間遵守上市規則附錄十所載標準守則之要求。

### 董事會

董事會負責領導和管理本集團並監督本集團之業務、決策及表現。董事會亦授權執行董事及管理層管理本公司日常業務，而彼等於總裁領導下履行職責。

董事會目前由四名執行董事及三名獨立非執行董事組成。

董事會每年至少舉行四次例會，議程包括批准全年及中期業績，以及檢討本集團之業務運作及內部監控系統。除此等例會外，董事會亦就批准重大或特別事項召開會議。

於本年度內，董事會共召開七次董事會會議。

The board of directors of the Company (the "Board") believes that corporate governance is essential to the success of the Company. The Company has applied the principles in and complied with the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 March 2006 except for certain deviations disclosed herein.

The Company periodically reviews its corporate governance practices to ensure that they continuously meet the requirements of the Code.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the directors have confirmed compliance with the required standard set out in the Model Code as provided in Appendix 10 of the Listing Rules for the year ended 31 March 2006.

### BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Group and oversees the Group's businesses, strategic decisions and performance. The Board has delegated the day-to-day management of the Company's business to the Executive Directors and management team who perform their duties under the leadership of the President.

The Board comprises four executive directors and three independent non-executive directors.

Regular Board meetings are held at least four times a year to approve annual and interim results, and to review the business operation and the internal control system of the Group. Apart from these regular meetings, Board meetings are also held to approve major or special issues.

Seven Board meetings were held during the year ended 31 March 2006.

## 董事會 (續)

本年度董事會成員、董事會會議次數及各董事之出席情況如下：

### 董事會成員

#### 執行董事

劉得還先生 (總裁)  
陳婉薇女士 (副總裁)  
尹楚輝先生  
麥漢佳先生

#### 獨立非執行董事

畢滌凡先生  
蔡毓藩先生  
廖毅榮先生

本公司已收到各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關其獨立性之規則。本公司認為所有獨立非執行董事均屬獨立人士。

董事會已根據本公司性質及業務目標，維持適合本公司業務需要之均衡技能及經驗。董事名單及彼等之簡歷已載列於第22至24頁之董事會報告書內。

## 主席及行政總裁

根據守則條文第A.2.1條，主席及行政總裁之角色應予以區分，不應由同一人擔任。

劉得還先生為本公司董事會主席兼總裁。董事會認為，總裁與行政總裁之角色相同。董事會認為，現行架構為本集團提供強大兼一致的領導，並使業務得以有效率及有效能地策劃及執行。因此，董事會相信，劉得還先生繼續擔任本公司之董事會主席兼總裁符合本公司股東之最佳利益。然而，本集團將於日後適當時候檢討現有架構。

## BOARD OF DIRECTORS (continued)

Members of the Board, number of Board meetings held and the attendance of each member during the year are set out as follows:

Members of the Board	出席會議次數／董事會會議次數	
	Number of meetings attended/	Number of Board meetings held
<b>Executive directors</b>		
Mr. LAU Tak Wan (President)		7/7
Ms. CHAN Yuen Mei, Pinky (Vice-President)		7/7
Mr. WAN Chor Fai		6/7
Mr. MAK Hon Kai, Stanly		7/7
<b>Independent non-executive directors</b>		
Mr. Barry John BUTTIFANT		2/7
Mr. CHOI Yuk Fan		2/7
Mr. LIU Ngai Wing		2/7

The Company has received from each Independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rule. The Company considers that all of the Independent non-executive directors are independent.

Given the nature and business objectives of the Company, the Board has a balance of skill and experience appropriate for the requirements of the business of the Company. List of directors and their biographical details are set out on pages 22 to 24.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the Code provision A.2.1, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual.

Mr. LAU Tak Wan is the Chairman of the Board and the president of the Company. In the opinion of the Board, the role of the president and the chief executive officer is the same. The Board considers that the present structure provides the Group with strong and consistent leadership and allows for efficient and effective business planning and execution. Hence, the Board believes that it is in the best interest of the shareholders of the Company that Mr. LAU Tak Wan will continue to assume the roles of the Chairman of the Board and the president of the Company. However, the Company will review the current structure as and when it becomes appropriate in future.

## 獨立非執行董事

根據守則第A.4.1條，非執行董事應有指定委任期，並可予重選；此外，根據守則第A.4.2條，每位董事（包括有指定委任期的董事）應最少每三年輪值辭任。

目前，三名獨立非執行董事的委任任期並非指定，而是根據公司章程細則條文於股東週年大會輪值辭任和重選。他們的任期將於須重選時檢討。此外，根據公司章程細則的條文，董事會主席及／或董事總經理並不需要輪值辭任，在確定每年須辭任的董事數目時也不須把他們考慮在內。

本公司建議在即將舉行的股東週年大會作出某些公司章程細則修訂，規定所有董事（不論委任期是否指定）須最少每三年輪值辭任，包括董事會主席和本公司董事總經理。

修訂將更新本公司之章程細則並使其與守則規定貫徹一致。

## 薪酬委員會

本公司於二零零五年十二月六日成立薪酬委員會，並由兩名獨立非執行董事及一名執行董事組成。

薪酬委員會負責向董事會提出有關（其中包括）本公司所有董事及高級管理層薪酬政策及結構之建議，並獲董事會授權責任，代表董事會釐定本公司所有執行董事及高級管理層之具體薪酬。

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Under the Code provision A.4.1, the non-executive directors should be appointed for a specific term, subject to re-election and under the Code provision A.4.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Currently, the three Independent non-executive directors are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the bye-laws of the Company, and their appointment will be reviewed when they are due for re-election. In addition, under the provisions of the bye-laws of the Company, the Chairman of the Board and/or the Managing Director of the Company are not subject to retirement by rotation or be taken into account in determining the number of directors to retire each year.

The Company will propose certain amendments to its bye-laws at its forthcoming annual general meeting to require that all directors (whether appointed for specific terms or not) including the Chairman of the Board and the Managing Director of the Company to retire by rotation at least once every three years.

The amendments shall also bring the bye-laws of the Company up to date and in line with the Code requirements.

## REMUNERATION COMMITTEE

The Remuneration Committee was established on 6 December 2005 with a specific written terms of reference. The Remuneration Committee comprise two independent non-executive directors and one executive director.

The Remuneration Committee is responsible for making recommendations to the Board on, among other things, the Company's policy and structure for the remuneration of all directors and senior management of the Company and is delegated by the Board with the responsibility to determine on behalf of the Board the specific remuneration packages for all Executive directors and senior management of the Company.

## 薪酬委員會 (續)

薪酬委員會成員如下：

### 獨立非執行董事

廖毅榮先生 (主席)  
蔡毓藩先生

### 執行董事

劉得還先生

因薪酬委員會於二零零五年十二月設立，故本年度並沒有舉行任何會議。

## 董事之提名

本公司並未設立提名委員會。守則建議之提名委員會職責及職能由董事會集體履行，且概無董事參與釐定本身之委任條款，亦無獨立非執行董事參與評核本身之獨立性。

## 核數師之酬金

於本年度內，本公司之核數師羅兵咸永道會計師事務所就向本集團提供下列服務分別收取之費用如下：

服務種類	Type of services	收取之費用 Fees charged 港元 HK\$
本集團之審核費用	Audit fee for the Group	1,638
稅務服務	Taxation services	82
總額	Total	<u>1,720</u>

## REMUNERATION COMMITTEE (continued)

Members of the Remuneration Committee are as follows:

### Independent non-executive directors

Mr. LIU Ngai Wing (Chairman)  
Mr. CHOI Yuk Fan

### Executive director

Mr. LAU Tak Wan

Since the Remuneration Committee was established in December 2005, no Remuneration Committee meeting was held during the year.

## NOMINATION OF DIRECTORS

The Company did not establish a Nomination Committee. The duties and functions of the Nomination Committee recommended in the Code are performed by the Board collectively with no director being involved in fixing his/her own terms of appointment and no independent non-executive director being involved in assessing his own independence.

## AUDITORS' REMUNERATION

During the year, PricewaterhouseCoopers, the external auditors of the Company, provided following services to the Group and their respective fees charged are set out as follows:

## 審核委員會

本公司已設立審核委員會，並書面訂立特別職權範圍。

審核委員會負責檢討和監察本集團之財務申報過程及內部監控系統，並向董事會提供建議及意見。

於本年度內，審核委員會共召開兩次審核委員會會議。

本年度審核委員會成員，審核委員會會議次數，及各成員之出席情況如下：

### 審核委員會成員

#### 獨立非執行董事

畢滌凡先生 (主席)  
蔡毓藩先生  
廖毅榮先生

於本年度內，審核委員會履行如下職責：

- (1) 與核數師共同審閱經審核之年度財務報告及審閱未經審核之中期財務報告，並提出建議供董事會批准；
- (2) 審閱會計準則之變動及評估可能對本集團財務報告書產生之潛在影響；
- (3) 審閱本集團之內部監控系統，及商議有關事項包括財務、經營、程序遵守及風險管理等工作；
- (4) 檢討有關規管及法定要求之合規事宜；及
- (5) 就委聘或續聘核數師提供建議及批准委聘條件。

## AUDIT COMMITTEE

The Audit Committee was established with a specific written terms of reference.

The Audit Committee is responsible for reviewing and supervising the financial reporting process and internal control system of the Group and providing advice and recommendations to the Board.

Two Audit Committee meetings were held during the year ended 31 March 2006.

Members of the Audit Committee, number of Audit Committee meetings held and the attendance of each member during the year are set out as follows:

<b>Members of the Audit Committee</b>	<b>出席會議次數／ 審核委員會會議次數 Number of meetings attended/Number of Audit Committee meetings held</b>
<b>Independent non-executive directors</b>	
Mr. Barry John BUTTIFANT ( <i>Chairman</i> )	2/2
Mr. CHOI Yuk Fan	2/2
Mr. LIU Ngai Wing	2/2

During the year, the Audit Committee has performed the following duties:

- (1) reviewed with the auditors the annual audited financial statements and reviewed the unaudited interim financial statements, with recommendations to the Board for approval;
- (2) reviewed the change in accounting standards and assessment of potential impacts on the Group's financial statements;
- (3) reviewed the Group's internal control system and discussed the relevant issues including financial, operational, compliance controls and risk management functions;
- (4) reviewed the compliance issues with the regulatory and statutory requirements; and
- (5) made recommendation on the appointment or reappointment of the external auditors and approved their terms of engagement.

## 問責及審核

董事明白彼等須負責根據法定及規管要求編制相關會計期間之本集團賬目。董事於編制截至二零零五年九月三十日止六個月及截至二零零六年三月三十一日止年度賬目時，已採納適當會計政策並貫徹採用該等政策。申報年度賬目已按持續經營之基準編制。

核數師發表其有關申報責任的聲明載列於第31頁之核數師報告書內。

## 內部監控

現任董事會每年審閱本公司之內部監控系統，並會採取任何必須及適當行動令內部監控系統保持妥善，以保障股東投資及本公司資產，並每年與審核委員會檢討內部監控系統之成效。

## ACCOUNTABILITY AND AUDIT

The directors of the Company acknowledge their responsibility for the preparation of the accounts of the Group for the relevant accounting periods in accordance with statutory and regulatory requirements. In preparing the accounts for the six months ended 30 September 2005 and for the year ended 31 March 2006, the directors have adopted appropriate accounting policies and applied them consistently. The accounts for the reporting year have been prepared on a going concern basis.

A statement by the auditors about their reporting responsibilities is set out on page 31 to the accounts.

## INTERNAL CONTROLS

The Board review the internal control system of the Company annually and will take any necessary and appropriate action to maintain an adequate internal control system to safeguard shareholders' investments and the Company's assets. The effectiveness of the internal control system was also discussed on an annual basis with the Audit Committee.