

Corporate governance

Going through the transitional period, the Board has been committed to raising the Group's corporate governance level. The objective is to enhance operational and management efficiencies and to promote corporate transparency, so as to uphold its responsibilities and maximise shareholders' value.

Bossini believes that good corporate governance provides a sound framework to assist the Board in fulfilling its responsibilities to shareholders. The Group has continually strengthened its corporate governance and increased its transparency to shareholders and investors. To promote good corporate governance company wide, a Group Policy that laid down solid foundations for the overall management of the Group was therefore issued in March 2004.

Board of Directors

Bossini's Board comprises eight directors, including six executive directors and two independent non-executive directors. The Board is accountable to stakeholders, including but not limited to shareholders, employees and business partners. It is responsible for setting strategic directions for the Group's development as well as evaluating the effectiveness and efficiencies of operational and financial management.

The Board regularly reviews the principles and other aspects of corporate governance. During the year under review, the Board was particularly committed to raising the Group's operational efficiencies. By strengthening various strategic and budgetary planning as well as internal systems, the Group underwent radical changes, leading to widened margins and increased profit levels.

Audit Committee

The Group's Audit Committee (the "Committee") is established for the purpose of reviewing and providing supervision over the Group's financial reporting processes and internal controls. The Committee comprises the two independent non-executive directors. Regular meetings were conducted to review the Group's financial performance.

Corporate transparency and investor relations

Bossini proactively enhances its corporate transparency and communications with shareholders through half-yearly and annual results announcements, annual reports and timely release of corporate news and financial summaries. The corporate website, www.bossini.com, plays an integral role in helping the Group to keep investors, shareholders and the public abreast of its latest developments. In addition, regular meetings with investors, analysts and the media were also conducted so as to maintain publicity and transparency in the investment community and at the public level.