

## 1. CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to improve transparency and protect the interests of shareholders in general. The Board of directors (the “Board”) of the Company is committed to making sure that effective self-regulatory practices exist to protect the interests of its shareholders. These include a Board comprising experienced and high calibre members, board committees, and effective and sound systems of internal controls.

This Corporate Governance Report (“Report”) describes the Company’s corporate governance practices with specific reference to the Corporate Governance Code contained in Appendix 14 (the “Corporate Governance Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). During the financial year ended 31 March 2016, the Company complied with the provisions of the Corporate Governance Code except for certain deviations. These deviations with considered reasons are set out in this Report.

## 2. DIRECTORS’ AND EMPLOYEES’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix 10 of the Listing Rules (the “Model Code”) as the code of conduct regarding directors’ securities transactions.

The Company has also made specific enquiry of all its directors to ascertain whether they have complied with or whether there has been any non-compliance with the required standard set out in the Model Code.

In addition, the Board has established written guidelines on no less exacting terms than the Model Code for relevant employees of the Company and its subsidiaries (the “Group”) in respect of these employees’ dealings in the securities of the Company.

## 1. 企業管治常規守則

本集團致力維持高水平企業管治，以確保維持更高透明度以及維護股東整體利益。本公司董事會（「董事會」）致力確保具備有效的自我監察常規，以保障股東的利益，當中包括設立由資深能幹人員組成的董事會、董事委員會以及實施有效及完善的內部控制系統。

本企業管治報告（「報告」）闡述本公司的企業管治常規，當中特別參照香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）。截至2016年3月31日止財政年度，本公司已遵守企業管治守則條文，惟本報告所述偏離事項則除外。偏離守則之因由，在本報告內亦有詳述。

## 2. 董事及僱員進行證券交易

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」）作為董事進行證券交易之操守守則。

本公司亦已向全體董事作出具體查詢，以確定彼等是否遵守標準守則所載規定標準，並無違規的情況。

此外，董事會已就本公司及其附屬公司（「本集團」）有關僱員買賣本公司證券事宜訂立書面指引，指引條文不比標準守則寬鬆。

### 3. BOARD OF DIRECTORS

The Board assumes responsibility for leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising its affairs. Every director is expected to discharge his or her duties in good faith and up to the standard of prevailing applicable laws and regulations, acting in the best interests of the Group and the Company's shareholders.

Appointments to the Board are based on merit having regard to an appropriate balance of skills, experience, independence and knowledge.

Subsequent to the resignation of Ms. Mary Ma and Mr. Alex Wong on or before 30 September 2016, the Board will comprise of 6 members; two executive directors, three independent non-executive directors and one non-executive director.

Mr. Vincent Lau Tak Bui resigned as an executive director of the Company on 1 July 2015 due to retirement.

Under Code Provision A.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. Under the current organisation structure of the Group, Mr. Joseph C. C. Wong is both Chairman and CEO of the Group. The Board is of the opinion that vesting the roles of both Chairman and CEO in Mr. Joseph C. C. Wong has the benefit of ensuring consistent leadership within the Group thus enabling more effective and efficient strategic planning for the Group. The Board also believes that the balance of power and authority is not compromised and is adequately ensured by the composition of the existing Board.

The non-executive and independent non-executive directors are highly experienced individuals with a broad range of expertise and experience including in areas such as management accounting, finance, academia and healthcare consulting. Together, they ensure that the Board maintains high standards of financial accounting and other mandatory reporting; providing adequate checks and balances to safeguard the interests of shareholders in general and the Group as a whole.

### 3. 董事會

董事會負有領導及監控本集團的責任，並集體負責統管並監督本集團事務以促使其業務成功。各董事應本著真誠且符合現行適用法例及法規所訂標準履行其責任，以本集團及本公司股東之最佳利益行事。

委任董事會成員，會根據技能、經驗、獨立性及知識的適當比重作考慮。

繼馬雪征女士和黃宇錚先生在2016年9月30日或之前辭任後，董事會有六名成員，包括兩名行政董事、三名獨立非行政董事及一名非行政董事。

劉德杯先生因退休而辭任其董事會行政董事職務，自2015年7月1日生效。

根據企業管治守則的守則條文第A.2.1條規定，主席與行政總裁（「行政總裁」）的角色應有區分，並應由不同人士擔任。根據本集團現有組織架構，黃創增先生現為本集團主席及行政總裁。董事會認為，主席及行政總裁之角色由黃創增先生同時兼任，好處在於確保本集團內統一領導，從而使本集團之整體策略計劃更有效及有更高效率。董事會亦相信不會令權力制衡受到影響，且現時之董事會組成確保有足夠的權力制衡。

非行政董事及獨立非行政董事為資深專業人士，各自擁有不同專業知識及經驗，彼等分別來自包括管理會計、金融、學術及保健諮詢等界別。彼等須共同確保董事會維持高水平的財務會計及其他法定匯報機制，提供足夠檢測及權衡，以保障股東及本集團整體利益。

3. BOARD OF DIRECTORS (Continued)

To assist the directors to discharge their duties, there are established written procedures to enable the directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expense.

The term of office of the Company's non-executive directors, including the independent non-executive directors, is 3 years, subject to retirement by rotation (pursuant to Bye-law 110(A) of the Company's Bye-laws), whichever is the earlier.

Under 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. Not all directors of the Company retire strictly under Code Provision A.4.2. The Company's Bye-Laws 110(A) stipulates that, one-third of the directors of the Company who have been longest serving in office since their last election, except the Chairman or CEO, shall retire from office by rotation at each annual general meeting ("AGM").

Both the Board and management have clearly defined roles and responsibilities under various internal controls and check and balance mechanisms. The Board is ultimately responsible for establishing the overall strategic direction of the Group, steering the growth of the Group, setting objectives and business development plans within a set of well-defined core values, monitoring the performance of senior management and assuming responsibility for corporate governance. Management is responsible for formulating policies, implementing strategies and plans, and regularly reports to the Strategy Committee and the Board on the Group's performance and operations. Directors have access to management for enquiries, explanations, briefings or informal discussions on the Group's operations and businesses.

3. 董事會 (續)

為協助董事履行職務，董事會已制訂書面程序，讓董事按合理要求，可在適當情況下尋求獨立專業意見，有關費用由本公司支付。

本公司非行政董事（包括獨立非行政董事）的任期為三年，並須根據本公司的公司細則第110(A)條規定輪席告退，以較早者為準。

根據守則條文第A.4.2條，各董事（包括有指定任期的董事）應最少每三年輪席告退一次。本公司細則第110(A)條規定除主席或行政總裁外自上次獲選起計任期最長的三分之一董事須於每次股東週年大會（「股東週年大會」）輪席告退，並非本公司全體董事均須嚴格遵照守則條文第A.4.2條告退，惟須根據本公司的公司細則告退。

董事會及管理層在各項內部監控及制衡機制下均有明確界定的角色和職責。董事會負責確立本集團整體策略方向、帶領集團成長、在界定的核心價值下訂立目標及業務發展計劃、監察高級管理人員之表現以及履行企業管治之責任。管理層則負責制定、執行該等策略及計劃，並定期就本集團之表現及營運向策略委員會及董事會提交報告。各董事均可聯絡管理層，就本集團的營運和業務查詢任何問題、要求作出解答、要求提供簡報或作非正式交流。

## 3. BOARD OF DIRECTORS (Continued)

The Board held a total of five board meetings and passed circular resolutions during the financial year. At the board meetings, different issues and matters were discussed and reviewed including, approval of the Group's FY14/15 final results and the FY15/16 interim results; reviewing financial and operating performances of the Group; approval of new and/or renewals of borrowing facilities; approval of new and/or renewals of continuing connected transactions; and conducting an annual review of the effectiveness of the system of internal controls of the Company and its subsidiaries for the purposes of Code Provision C.2.1 and C.2.2. Details of the directors' attendance at the Board meetings during the financial year are set out below. All businesses transacted at the Board meetings are well-documented and the records are maintained in accordance with applicable laws and regulations.

## 3. 董事會 (續)

董事會於本財政年度共舉行五次董事會會議並通過多項書面決議案。在該五次董事會會議上討論及檢討多方面事宜，包括通過本集團14/15財政年度末期業績及15/16財政年度中期業績；檢討本集團財務及營運表現；批准新及／或重續借貸融資；批准新及／或重續持續關連交易；及按照守則條文第C.2.1條及C.2.2條，對本公司及其附屬公司的內部監控制度的成效進行年度檢討。於本財政年度，各董事於董事會會議之出席詳情載列如下。於董事會會議討論之各項事務均詳細記錄，並按照適用法例及法規存備有關記錄。

Date of board meeting	董事會會議舉行日期	Total no. of Directors 董事總人數	No. of Directors present 出席董事人數
25 June 2015	2015年6月25日	8	7
20 July 2015	2015年7月20日	8	7
6 November 2015	2015年11月6日	8	7
19 January 2016	2016年1月19日	8	7
8 March 2016	2016年3月8日	8	7

  

Director 董事	No. of board meetings attended/held in FY15/16 於15/16財政年度 出席／召開之董事會會議數目
<b>Executive Directors</b>	<b>行政董事</b>
Mr. Joseph C. C. Wong (Chairman and Chief Executive Officer)	黃創增先生 (主席及行政總裁) 5/5
Mr. Vincent Lau Tak Bui (Chief Operating Officer) (retired as a director of the Company on 1 July 2015)	劉德杯先生 (首席營運總監) (於2015年7月1日退休) 1/5
Mr. Wallace Kwan Chi Kin (Chief Financial Officer)	關志堅先生 (首席財務總裁) 5/5
<b>Non-executive Directors</b>	<b>非行政董事</b>
Mr. Sakorn Kanjanapas	黃創江先生 0/5
Ms. Mary Ma	馬雪征女士 5/5
Mr. Alex Wong	黃宇錚先生 5/5
Mr. Nelson Wu Chun Sang (independent)	胡春生先生 (獨立) 5/5
Professor Lawrence Wu Chi Man (independent)	胡志文教授 (獨立) 5/5
Dr. Agnes Kwong Yi Hang (independent)	鄺易行博士 (獨立) 5/5

### 3. BOARD OF DIRECTORS (Continued)

During the financial year, the Company held its AGM on 17 August 2015. No other general meetings were held during the financial year. Details of the directors' attendance at the AGM are set out below:

#### 17 August 2015

Mr. Joseph C. C. Wong  
Mr. Wallace Kwan Chi Kin  
Mr. Alex Wong  
Mr. Nelson Wu Chun Sang  
Professor Lawrence Wu Chi Man  
Dr. Agnes Kwong Yi Hang

The Board is supplied with relevant information by management pertaining to matters to be brought before the Board for decision as well as reports relating to operational and financial performance of the Group before each regular board meeting. At least 14 day's notice of a regular board meeting is given to all directors giving them the opportunity to attend. Board papers are despatched to directors generally at least 3 days before the meeting and in any event as soon as practicable, in all instances, ensuring that they have sufficient time to review the papers and be adequately prepared for the meeting.

The proceedings of the Board at its meetings are generally conducted by the Chairman of the Company who ensures that sufficient time is allocated for discussion and consideration of each item on the agenda and also equal opportunities are given to directors to speak, express their views and share their concerns. The Chairman held one meeting on 23 March 2016 with the non-executive directors (including independent non-executive directors) without the executive directors present.

Under Code Provision A.6.5, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. As such the directors are encouraged to participate in continuous professional development. The directors were furnished with reading materials on the topics of "Inside Information" and "Director's Duties" and these materials would have constituted about 5 hours of reading time.

### 3. 董事會 (續)

於本財政年度，本公司於2015年8月17日舉行股東週年大會。於本財政年度概無舉行其他股東大會。董事出席股東週年大會之詳情載列如下：

#### 2015年8月17日

黃創增先生  
關志堅先生  
黃宇錚先生  
胡春生先生  
胡志文教授  
鄺易行博士

於每次定期董事會會議召開前，管理人員會向董事會提供與將提呈董事會決議事項有關之資料以及有關本集團營運及財務表現之報告。於定期董事會會議舉行至少14天前向全體董事發出通告，讓董事有機會出席。董事會文件一般須於會議舉行至少3天前派發予董事，並無論如何應在切實可行情況下盡快作出有關安排，以確保董事有足夠時間審閱會議文件及為會議作出充足準備。

董事會之會議程序通常由本公司主席主持，彼須確保分配足夠時間讓董事就各項議程作出討論及審議，同時亦給予各董事均等機會發言，提出意見及表達其關注的事項。在無行政董事出席的情況下，主席與非行政董事（包括獨立非行政董事）於2016年3月23日舉行了一次會議。

根據守則條文第A.6.5條，所有董事均須參加持續專業發展以發展及更新其知識及技能。因此，本公司鼓勵董事參加持續專業發展。各董事均透過閱讀「內幕消息」及「董事職責」材料，已構成5小時的閱讀時數。

3. BOARD OF DIRECTORS (Continued)

Professional development seminars attended by the directors during the financial year are set out below:

Mr. Joseph C. C. Wong attended a seminar on “Director’s Duties and New Companies Ordinance” .

Mr. Wallace Kwan Chi Kin attended a seminar on “Director’s Duties and New Companies Ordinance”.

Ms. Mary Ma attended a seminar on “In-house briefing HKEx Corporate Governance Code Changes – Risk Management and Internal Controls”.

Mr. Alex Wong attended a seminar on “INED Forum”.

Dr. Agnes Kwong Yi Hang attended a seminar on “INED Forum”.

Mr. Nelson Wu Chi Man attended the following:-

- (i) Seminar on Corporate Fraud – Problems and Possible Solutions;
- (ii) Financial Instruments;
- (iii) Seminar on Common Misconceptions in China Tax and the Consequences of Non-compliances;
- (iv) Seminar on IFRS – Challenges;
- (v) Financial Reporting Update? New Hong Kong Companies Ordinance;
- (vi) How a multinational company leveraged its ERP system to optimize operational efficiency;
- (vii) Recent trends and developments in China Transfer Pricing;
- (viii) Changes in Financial Reporting under the New Hong Kong Companies Ordinance.

3. 董事會 (續)

本財政年度董事曾閱讀的其他閱讀材料或出席的專業發展研討會如下：

黃創增先生出席「公司董事責任及新公司條例」研討會。

關志堅先生出席「公司董事責任及新公司條例」研討會。

馬雪征女士出席“*In-house briefing HKEx Corporate Governance Code Changes – Risk Management and Internal Controls*”。

黃宇錚先生出席“INED Forum”研討會。

鄭易行博士出席“INED Forum”研討會。

胡春生先生出席以下研討會：—

- (i) Seminar on Corporate Fraud – Problems and Possible Solutions;
- (ii) Financial Instruments;
- (iii) Seminar on Common Misconceptions in China Tax and the Consequences of Non-compliances;
- (iv) Seminar on IFRS – Challenges;
- (v) Financial Reporting Update? New Hong Kong Companies Ordinance;
- (vi) How a multinational company leveraged its ERP system to optimize operational efficiency;
- (vii) Recent trends and developments in China Transfer Pricing;
- (viii) Changes in Financial Reporting under the New Hong Kong Companies Ordinance.



#### 4. BOARD DIVERSITY

##### (1) Policy on Board Diversity

- a. We embrace diversity by being inclusive.
- b. We believe in meritocracy irrespective of gender, ethnicity, culture, generation or geography.
- c. We believe that an optimal and balanced board should comprise of individuals with an appropriate balance of different skills, educational and industry background, experience, independence and knowledge.

##### (2) Objective and Benefits of Board Diversity

To remain competitive in a globalised world, board diversity is at the forefront of the Group's agenda. We believe in diversity and inclusiveness as these bring to the boardroom a spectrum of perspectives and opinions, necessary as we navigate our businesses through a more complex market place and as our customers' aspirations grow in sophistication.

#### 5. COMPANY SECRETARY

The Company Secretary is an employee of the Company and has day to day knowledge of the Group's affairs. She reports to the Chairman and CEO. The Board has access to the advice and services of the Company Secretary to ensure that board procedures and all applicable laws, rules and regulations, are followed.

The Company Secretary attended the following professional development seminars receiving around 20 hours of training during the financial year:-

- (i) Risk Governance;
- (ii) Data privacy in Mainland China;

#### 4. 董事會成員多元化

##### (1) 董事會成員多元化政策

- a. 董事會兼收並蓄，奉行多元化政策。
- b. 本集團用人唯才，不論性別、種族、文化、年紀或地域。
- c. 本集團相信，一個至優及均衡的董事會應由在不同技能、教育及行業背景、經驗及知識之間適度平衡的人士組成。

##### (2) 董事會成員多元化的目標及裨益

為在全球化的世界中保持競爭力，董事會成員多元化對本集團而言至為重要。本集團相信多元化及兼收並蓄，因會為董事會提供更全面的觀點與看法，對本集團在日趨複雜的市場開展業務以及滿足本集團客戶不斷提高且複雜多樣的期望實屬必要。

#### 5. 公司秘書

本公司的公司秘書為本公司的僱員，瞭解本集團的日常事務。公司秘書向主席及行政總裁報告。公司秘書向董事會提供建議及服務以確保遵守董事會程序及所有適用法律、規則及規例。

公司秘書已於本財政年度出席以下專業發展研討會，接受約20個小時的培訓：

- (i) Risk Governance;
- (ii) Data privacy in Mainland China;

5. COMPANY SECRETARY (Continued)

- (iii) Listing compliance update;  
  
Listing enforcement strategy, current theme and case study; and  
  
Integrity Management and Corruption Prevention;
- (iv) Hong Kong and PRC Employment Law Review 2015;
- (v) PRC Labour Law;
- (vi) The IP Year Ahead 2016;
- (vii) Director's Duties and New Companies Ordinance.

6. ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility for the preparation of the Group's accounts and has delegated this responsibility to the Group CFO. The Group CFO and his team are responsible for preparing interim and annual financial statements based on generally accepted accounting principles in Hong Kong ensuring that the financial statements present a fair and true view of the results and the financial position of the Group and that they comply with the disclosure requirements of the Hong Kong Companies Ordinance, the Listing Rules and other applicable laws and regulations. The Group CFO maintains regular communications with the external auditors. He also plays a role in reviewing and making recommendations to the Board on the Group's financial risk management. During the fiscal year, the Group CFO was also responsible for overseeing the Group's investor relations activities.

A statement by the Group's external auditor, PricewaterhouseCoopers about their reporting responsibilities on the Group's financial statements are set out in the Independent Auditor's Report on page 38.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company and its subsidiaries ability to continue as a going concern.

5. 公司秘書 (續)

- (iii) Listing compliance update;  
  
Listing enforcement strategy, current theme and case study; and  
  
Integrity Management and Corruption Prevention;
- (iv) Hong Kong and PRC Employment Law Review 2015;
- (v) PRC Labour Law;
- (vi) The IP Year Ahead 2016;
- (vii) Director's Duties and New Companies Ordinance.

6. 問責及審核

董事會知悉其肩負編製本集團賬目之責任，並已將此責任委派予集團首席財務總裁。集團首席財務總裁及其屬下人員負責遵照香港公認會計原則編製中期及年度財務報表，確保財務報表真實及公平地反映本集團的業績及財務狀況，並遵守香港公司條例、上市規則及其他適用法例及法規之披露規定。集團首席財務總裁須定期與外聘核數師溝通。集團首席財務總裁在本集團財務風險管理方面亦擔當審核及向董事會作出建議的角色。於財政年內，集團首席財務總裁亦負責監管本集團投資者關係事務。

本集團外聘核數師羅兵咸永道會計師事務所就其對本集團財務報表的責任而作出的聲明載於第38頁獨立核數師報告。

董事會並未注意到任何與或對本公司及其附屬公司持續經營能力構成重大疑慮之事件或情況有關之重大不確定因素。



## 7. AUDITORS' REMUNERATION

The Company appointed PricewaterhouseCoopers as the external auditor of the Company and certain of its subsidiaries at the respective 2015 annual general meetings until the conclusion of the next annual general meetings. During the year, HK\$4,749,000 was paid or payable to PricewaterhouseCoopers for the provision of audit services. Details of nature for non-audit related services provided by and the fee paid or payable to PricewaterhouseCoopers are set out as below:

Description 簡介	HK\$ 港幣元
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Taxation compliance	786,000
Advisory and other services	607,000

The Group also engaged other auditors in Hong Kong and overseas for auditing and miscellaneous services and total fees paid amounted to HK\$985,000.

## 8. BOARD COMMITTEES

To assist the Board in the discharge of its duties, the Board is supported by five board committees. Each committee has its defined scope of duties and terms of reference and the committee members are empowered to make decisions on matters within the terms of reference of each committee.

## 7. 核數師酬金

本公司於2015年股東週年大會委任羅兵咸永道會計師事務所為本公司及若干其附屬公司之外聘核數師，任期直至下屆股東週年大會結束為止。年內，本公司就羅兵咸永道會計師事務所提供之核數服務向其支付或應付港幣4,749,000元。羅兵咸永道會計師事務所提供之非核數相關服務性質及向其支付或應付費用之詳情如下：

稅務遵規	786,000
顧問及其他服務	607,000

本集團亦於香港及海外委聘其他核數師提供核數及不同服務，所支付費用合共港幣985,000元。

## 8. 董事委員會

為協助董事會履行職務，在董事會以下設有五個董事委員會。各委員會有既定的職責及職權範圍，委員會成員獲授權可就各委員會職權範圍內的事項作出決策。

8. BOARD COMMITTEES (Continued)

(1) Strategy Committee

The Strategy Committee comprises of two executive directors, namely, Mr. Joseph C. C. Wong (Chairman of the Strategy Committee, Group Chairman and CEO), Mr. Wallace Kwan Chi Kin (Group CFO) and two non-executive directors, namely, Ms. Mary Ma and Mr. Alex Wong . The Strategy Committee meets regularly and its terms of reference includes providing recommendations to the Board on changes to the Group's organisational structure; formulation of key performance indicators for the Group's businesses, annual budgets; and to advise the Board on strategic matters as thought fit and necessary for the expansion and future development of the Group.

The Committee met seven times during the financial year and up to the date of this Report.

Attendance of directors at the Strategy Committee Meetings held on:

23 April 2015  
23 June 2015  
31 August 2015  
13 October 2015  
16 November 2015  
3 February 2016  
8 April 2016

Mr. Joseph C. C. Wong  
Mr. Vincent Lau Tak Bui (up to 1 July 2015)  
Ms. Mary Ma  
Mr. Alex Wong  
Mr. Wallace Kwan Chi Kin

8. 董事委員會 (續)

(1) 策略委員會

本公司策略委員會由二名行政董事黃創增先生(策略委員會主席、本集團主席及行政總裁)及關志堅先生(集團首席財務總監)以及兩名非行政董事馬雪征女士及黃宇錚先生組成。策略委員會定期舉行會議及其職權範圍包括就改變本集團組織架構向董事會提供推薦建議;就本集團的業務及年度預算制訂主要表現指標;及就認為對本集團擴展及日後發展合適及必要的策略事宜向董事會提出意見。

委員會於本財政年度內及截至本報告日期已舉行七次會議。

董事於下列日期舉行的策略委員會會議的出席情況:

2015年4月23日  
2015年6月23日  
2015年8月31日  
2015年10月13日  
2015年11月16日  
2016年2月3日  
2016年4月8日

黃創增先生  
劉德杯先生(至2015年7月1日)  
馬雪征女士  
黃宇錚先生  
關志堅先生

8. BOARD COMMITTEES (Continued)

(2) Audit Committee

The Audit Committee comprises of three independent non-executive directors, namely, Mr. Nelson Wu Chun Sang (Chairman of the Audit Committee), Professor Lawrence Wu Chi Man and Dr. Agnes Kwong Yi Hang and two non-executive directors, namely, Ms. Mary Ma and Mr. Alex Wong.

The terms of reference of the Committee are aligned with the recommendations set out in the Listing Rules and the code provisions set out in the Corporate Governance Code. The Committee provides advice and recommendations to the Board and oversees all matters relating to the external auditors, thus playing an important role in monitoring and safeguarding the independence of the external auditors.

The Committee met four times during the financial year and up to the date of this Report together with the external auditors in three meetings to discuss matters, including, the Group's audit service plan, the review of accounting principles and practices adopted by the Group and other financial reporting matters; to ensure the completeness, accuracy and fairness of the financial statements of the Company; to discuss the effectiveness of the systems of internal control throughout the Group including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget; to review all significant business affairs managed by the executive directors in particular on continuing connected transactions and to review the Group's results for the year ended 31 March 2016 and interim results for 2015/2016 before they were presented to the Board for approval.

8. 董事委員會 (續)

(2) 審核委員會

審核委員會由三名獨立非行政董事胡春生先生 (審核委員會主席)、胡志文教授及鄺易行博士及兩名非行政董事馬雪征女士及黃宇錚先生組成。

委員會的職權範圍乃根據上市規則所載建議及企業管治守則所載守則條文而制定。委員會向董事會提供意見及建議，並監督與外聘核數師有關的所有事宜，因此，其在監察及保持外聘核數師獨立性方面扮演重要角色。

委員會於本財政年度內及截至本報告日期期間舉行四次會議，其中三次連同外聘核數師，會議討論之事項包括本集團之核數服務計劃、檢討本集團採納的會計原則及慣例以及其他財務報告事項；確保本公司財務報表的完整性、準確性及公平性；檢討本集團整體內部監控制度的成效，包括在會計及財務匯報職能方面是否擁有充足的資源、員工是否具備足夠的資歷及經驗，並已接受充足的培訓，及是否備有充足的預算；檢討行政董事負責的一切重要商業事務，特別是持續關連交易；以及在呈報本集團截至2016年3月31日止年度業績及2015/2016財政年度中期業績予董事會核准前，審閱該等業績。

8. BOARD COMMITTEES (Continued)

(2) Audit Committee (Continued)

Attendance of directors at the Audit Committee Meetings held on:

**18 March 2016**

Mr. Nelson Wu Chun Sang  
Professor Lawrence Wu Chi Man  
Dr. Agnes Kwong Yi Hang  
Mr. Alex Wong

**22 June 2015**

**23 November 2015**

**20 June 2016**

Mr. Nelson Wu Chun Sang  
Professor Lawrence Wu Chi Man  
Dr. Agnes Kwong Yi Hang  
Ms. Mary Ma  
Mr. Alex Wong

Ms. Mary Ma appointed Mr. Alex Wong as alternate director to act on her behalf in her absence at the Committee meeting held on 18 March 2016.

(3) Remuneration Committee

The Company's Remuneration Committee comprises of Professor Lawrence Wu Chi Man (Chairman of the Remuneration Committee), Mr. Nelson Wu Chun Sang, Dr. Agnes Kwong Yi Hang (all independent non-executive directors of the Company, Ms. Mary Ma Xuezheng (non-executive director) and Mr. Joseph C. C. Wong (Group Chairman and CEO).

8. 董事委員會 (續)

(2) 審核委員會 (續)

董事於下列日期舉行的審核委員會會議的出席情況：

**2016年3月18日**

胡春生先生  
胡志文教授  
鄺易行博士  
黃宇錚先生

**2015年6月22日**

**2015年11月23日**

**2016年6月20日**

胡春生先生  
胡志文教授  
鄺易行博士  
馬雪征女士  
黃宇錚先生

馬雪征女士未能出席2016年3月18日舉行之委員會會議，委任黃宇錚先生為替任董事，代表其出席。

(3) 薪酬委員會

本公司的薪酬委員會由胡志文教授 (薪酬委員會主席)、胡春生先生、鄺易行博士 (均為本公司獨立非行政董事)、馬雪征女士 (非行政董事) 及黃創增先生 (本集團主席及行政總裁) 組成。

8. BOARD COMMITTEES (Continued)

(3) Remuneration Committee (Continued)

Code Provision B.1.2 deals with the terms of reference of the remuneration committee. The Company has adopted the terms of reference under Code Provision B.1.2 except that the terms of reference do not include reviewing and determining the remuneration packages of senior management. The Company believes that the remuneration packages of senior management should be the responsibility of the executive directors as they are in a better position to appraise the performance of senior management. The Remuneration Committee determines with delegated responsibility the remuneration packages of its individual executive directors. The basic salaries of its executive directors are reviewed annually, and unless there are exceptional circumstances, increases if any, generally align with the average annual increment for the Group's office staff in Hong Kong.

The Committee met once during the financial year and up to the date of this Report. At this meeting, the Committee conducted annual reviews of the basic salaries of its executive directors and determined the annual bonus scheme for FY15/16 for its executive directors.

Attendance of directors at the Remuneration Committee Meeting held on:

**21 August 2015**

Professor Lawrence Wu Chi Man  
Mr. Joseph C. C. Wong  
Mr. Nelson Wu Chun Sang  
Dr. Agnes Kwong Yi Hang  
Ms. Mary Ma

8. 董事委員會 (續)

(3) 薪酬委員會 (續)

守則條文第B.1.2條載有有關薪酬委員會的職權範圍。本公司已採納守則條文第B.1.2條所載的職權範圍，惟不包括有關檢討及釐定高級管理人員薪酬待遇的部分。本公司認為行政董事較適合評估高級管理人員的表現，因此，釐定高級管理人員的薪酬待遇應由行政董事負責。薪酬委員會的職責為釐定行政董事個人的報酬。其行政董事的基本薪金會每年進行審閱，除非有特殊情況，增幅(如有)一般與本集團香港辦事處職員的平均年度增幅相同。

於本財政年度及截至本報告日期，委員會曾舉行一次會議。於該會議上，委員會對其行政董事之基本薪酬作出年度檢討及釐定其行政董事15/16財政年度的年度花紅計劃。

董事於下列日期舉行的薪酬委員會會議的出席情況：

**2015年8月21日**

胡志文教授  
黃創增先生  
胡春生先生  
鄺易行博士  
馬雪征女士

8. BOARD COMMITTEES (Continued)

(4) Nomination Committee

The Nomination Committee comprises of Mr. Joseph C. C. Wong (Chairman of the Nomination Committee, Group Chairman and CEO), three independent non-executive directors, namely, Mr. Nelson Wu Chun Sang, Professor Lawrence Wu Chi Man, Dr. Agnes Kwong Yi Hang and a non-executive director, Mr. Alex Wong.

Code Provision A.5.3 deals with the terms of reference of a nomination committee. The Company has adopted the terms of reference under Code Provision A.5.3. During the financial year, and up to the date of this Report, the Committee met once. At this meeting, the Committee reviewed the structure, size and composition of the Board and considered the independence of Mr. Nelson Wu Chun Sang having served 12 years by the forthcoming Annual General Meeting. The Committee nominated Mr. Nelson Wu Chung Sang for re-election as an independent non-executive director at the forthcoming Annual General Meeting. In the nomination process, the Committee proposes the most appropriate individual with the right balance of skills, experience, and industry background for the position based on merit irrespective of gender, ethnicity, culture, generation or geography.

Attendance of directors at the Nomination Committee Meetings held on:

**23 June 2016**

Mr. Joseph C. C. Wong  
Professor Lawrence Wu Chi Man  
Mr. Nelson Wu Chun Sang  
Dr. Agnes Kwong Yi Hang  
Mr. Alex Wong

8. 董事委員會 (續)

(4) 提名委員會

本公司的提名委員會由黃創增先生 (提名委員會主席、本集團主席及行政總裁)、三名獨立非行政董事胡春生先生、胡志文教授、鄺易行博士及一名非行政董事黃宇錚先生組成。

守則條文第A.5.3條載有有關提名委員會的職權範圍。本公司已採納守則條文第A.5.3條所載的職權範圍。於本財政年度及截至本報告日期，委員會曾舉行一次會議。於該等會議，委員會檢討董事會架構、規模及組成，有鑑於截至應屆股東週年大會胡春生先生獲委任為獨立非行政董事已12年，考慮到其獨立性，委員會提名胡春生先生於應屆股東週年大會重選為獨立非行政董事。於提名過程中，委員會建議根據能力提名具有勝任該職位的技能、經驗及行業背景的合適人選，而不論性別、種族、文化、年紀或地域。

董事於下列日期舉行的提名委員會會議的出席情況：

**2016年6月23日**

黃創增先生  
胡志文教授  
胡春生先生  
鄺易行博士  
黃宇錚先生



8. BOARD COMMITTEES (Continued)

(5) Corporate Governance Committee

Stelux recognises that adopting proper systems, running our businesses within a strong legal framework of rules and procedures, underpinned by sound business ethics are essential to safeguarding the economic performance of the Group and our shareholders' interests in a sustainable manner. The Corporate Governance Committee comprises Mr. Wallace Kwan Chi Kin (Chief Financial Officer, appointed as Chairman of the Committee with effect from 1 July 2015 in place of Mr. Vincent Lau Tak Bui, who resigned as Chairman of the Committee with effect from 1 July 2015), three independent non-executive directors, namely, Mr. Nelson Wu Chun Sang, Professor Lawrence Wu Chi Man, Dr. Agnes Kwong Yi Hang and two non-executive directors, namely, Ms. Mary Ma and Mr. Alex Wong.

Code Provision D.3.1 deals with the terms of reference of a corporate governance committee. The Company has adopted the terms of reference under Code Provision D.3.1. The Corporate Governance Committee held one meeting during the financial year. At this meeting, the Committee amongst other things, reviewed the Company's compliance with the Code Provisions and disclosure in the Corporate Governance Report. Quarterly sales turnover updates are voluntarily issued by the Company and a whistleblowing policy is in place. With the implementation of the statutory disclosure regime for inside information under the Securities and Futures (Amendment) Ordinance 2012 on 1 January 2013, systems are in place on reporting and dissemination of inside information.

8. 董事委員會 (續)

(5) 企業管治委員會

寶光認為以良好的商業道德為本，採用合適的體制，按由規則及程序構成的健全法律框架下經營業務，乃保障本集團財務表現及以可持續的方式保障股東權益的基礎。企業管治委員會由關志堅先生(首席財務總裁，獲委任為委員會主席自2015年7月1日起生效)代替劉德杯先生(企業管治委員會主席及本集團首席營運總監，辭去委員會主席職務，自2015年7月1日起生效)、三名獨立非行政董事胡春生先生、胡志文教授、鄭易行博士及兩名非行政董事馬雪征女士及黃宇錚先生組成。

守則條文第D.3.1條載有有關企業管治委員會的職權範圍。本公司已採納守則條文第D.3.1條所載的職權範圍。企業管治委員會於本財政年度曾舉行一次會議。於該次會議，委員會(其中包括)檢討本公司對守則條文的遵守及於企業管治報告內的披露情況。本公司已自願發佈最新季度銷售營業額及已實施一項舉報政策。隨着2012年證券及期貨(修訂)條例下的內幕消息法定披露政策於2013年1月1日起生效，本公司已制定申報及發放內幕消息的體制。

8. BOARD COMMITTEES (Continued)

(5) Corporate Governance Committee (Continued)

Attendance of directors at the Corporate Governance Committee Meeting held on:

**18 March 2016**

Mr. Wallace Kwan Chi Kin  
Mr. Nelson Wu Chun Sang  
Professor Lawrence Wu Chi Man  
Dr. Agnes Kwong Yi Hang  
Ms. Mary Ma  
Mr. Alex Wong

The above board committees report to the Board on a regular basis. All businesses transacted at the board committee meetings are recorded and minuted. The terms of reference of four of the above board committees are available on the Company's website at [www.stelux.com](http://www.stelux.com).

9. INTERNAL CONTROLS

The internal controls and accounting systems of the Group are designed to provide reasonable assurance that assets are safeguarded against unauthorised use or disposition, transactions are executed in accordance with management's authorisation and the accounting records are reliable for preparing financial information used within the business or for publication and reflecting accountability for assets and liabilities.

The key responsibilities of the Group's Compliance and Internal Controls Department, include:

- to review cost control and performance efficiency of all business units;
- to identify areas for improvement in the Group's system of internal controls and to propose necessary recommendations to the Board; and
- to carry out internal audit work at business units.

8. 董事委員會 (續)

(5) 企業管治委員會 (續)

董事於下列日期舉行的企業管治委員會會議的出席情況：

**2016年3月18日**

關志堅先生  
胡春生先生  
胡志文教授  
鄺易行博士  
馬雪征女士  
黃宇鏗先生

上述董事委員會定期向董事會報告。於董事委員會會議進行的所有事項均有記錄及記入會議記錄。上述其中四個董事委員會的職權範圍於本公司網站 [www.stelux.com](http://www.stelux.com) 可供瀏覽。

9. 內部監控

本集團訂立內部監控及會計制度，旨在合理保障資產，免在未經授權情況下被使用或處置，及確保所有交易均在管理層授權的情況下進行，而會計賬目能可靠地被用作編製公司內部或對外發表的財務資料，並如實地反映公司的資產和負債狀況。

本集團遵規及內部監控部門的主要責任包括：

- 檢討所有業務部門的成本控制及表現效率；
- 識別改善本集團內部監控系統的範疇，並向董事會作出必要的建議；及
- 於各業務部門進行內部審核工作。

9. INTERNAL CONTROLS (Continued)

Under Code Provision C.2.1, the directors should at least annually conduct a review of the effectiveness of the Group's internal controls system reporting to the Company's shareholders in the Corporate Governance Report. The review should cover all material controls, including financial, operational and compliance controls and risk management functions.

Under Code Provision C.2.2, the Board's annual review should, in particular, consider the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

The Board has conducted a review of the effectiveness of the system of internal controls and accounting systems of the Company and its subsidiaries and a board meeting was held on 18 March 2016 for such a review for the period from 1 April 2015 up to and including 18 March 2016. The Board reported that there were no changes in the nature and extent of significant risks and there were no material changes in the control environment during the period under review. According to the opinion of the Board, the Company and its subsidiaries have established sound internal control systems so that our shareholders' investment and the Company's assets are safeguarded. Moreover, in the opinion of the Board, the Company's accounting and financial reporting function was adequately resourced with staff holding appropriate qualifications and experience and with sufficient training and budget provided by the Company.

The effectiveness of the system of internal controls and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function and their training programmes and budget will be reviewed annually.

9. 內部監控 (續)

根據守則條文第C.2.1條，董事應最少每年對集團內部監控制度的成效進行一次檢討，並在企業管治報告中向本公司股東匯報。有關檢討應涵蓋所有重要的監控方面，包括財務、營運及遵規以及風險管理職能。

根據守則條文第C.2.2條，董事會的年度檢討應特別審視公司是否擁有充足的資源、員工是否具備足夠的資歷及經驗，並已接受充足的培訓，及是否在本集團會計及財務匯報職能方面備有充足的預算。

董事會已對本公司及其附屬公司之內部監控制度與會計制度是否有效進行檢討，並就由2015年4月1日至2016年3月18日(包括該日)期間之檢討於2016年3月18日舉行董事會會議。董事會謹呈報，本公司重大風險的性質及程度並無改變，而監控環境在受檢討期間亦無重大改變。根據董事會之意見，本公司及其附屬公司已設立良好之內部監控制度，可保障股東之投資及本公司之資產。此外，董事會認為，本公司在會計及財務匯報職能方面擁有充足的資源、員工具備足夠的資歷及經驗，並已接受充足的培訓，及本公司已提供充足的預算。

今後將每年檢討內部監控制度是否有效、在會計及財務匯報職能方面是否擁有充足的資源、員工是否具備足夠的資歷及經驗，並已接受充足的培訓，及是否備有充足的預算。

## 10. INVESTOR RELATIONS

To promote and enhance investor relations, press meetings, roadshows, and meetings with the investment community are held regularly. The Group values constant dialogue with existing and prospective investors as a way to increase understanding of the Group's business models and the way we conduct our businesses.

## 11. SHAREHOLDERS RIGHTS

### (1) How shareholders can convene an extraordinary general meeting

Shareholders may request to convene an extraordinary general meeting in accordance with section 74 of the Bermuda Companies Act 1981:

- i. The directors of a company, notwithstanding anything in its bye-laws shall, on the requisition of members of the company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the company as at the date of the deposit carries the right of voting at general meetings of the company, or, in the case of a company not having a share capital, members of the company representing not less than one-tenth of the total voting rights of all the members having at the said date a right to vote at general meetings of the company, forthwith proceed duly to convene a special general meeting of the company.
- ii. The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the company, and may consist of several documents in like form each signed by one or more requisitionists.

## 10. 投資者關係

本集團重視與現有及潛在投資者作緊密交流及與投資界定期舉行的記者招待會、路演及會議。本公司將繼續大力提倡和加強投資者關係，以提高其對本集團業務模式及開展業務方式的了解。

## 11. 股東權利

### (1) 股東要求召開股東特別大會程序

股東可根據百慕達《1981年公司法》第74條要求召開股東特別大會：

- i. 任何公司董事，儘管公司細則有所規定，如收到公司股東呈請，於提出呈請之日持有不少於公司於提出呈請之日已繳股本十分之一並享有在公司股東大會的投票權，或如公司沒有股本，則公司股東代表於提出呈請之日持有不少於公司所有股東於股東大會上投票的總投票權的十分之一，則應立刻召開公司股東特別大會。
- ii. 呈請必須列明會議目的，由呈請人簽署及投寄至公司註冊辦事處，及可包括由多於一位呈請人簽署的同一格式的多份文件。

11. SHAREHOLDERS RIGHTS (Continued)

(1) How shareholders can convene an extraordinary general meeting (Continued)

- iii. If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.
- iv. A meeting convened under this section by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.
- v. Any reasonable expenses incurred by the requisitionists by reason of the failure of the directors duly to convene a meeting shall be repaid to the requisitionists by the company, and any sum so repaid shall be retained by the company out of any sums due or to become due from the company by way of fees or other remuneration in respect of their services to such directors as were in default.

(2) Procedures by which enquiries may be put to the board and sufficient contact details to enable these enquiries to be properly directed

Shareholders may send their enquiries to the Board by addressing them to the Company Secretary in writing to:

- (i) the Company's head office, 27/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong; or (ii) by email to [shareholdersenquiries@stelux.com](mailto:shareholdersenquiries@stelux.com).

11. 股東權利 (續)

(1) 股東要求召開股東特別大會程序 (續)

- iii. 如董事自收到呈請後21天內仍未召開大會；該等呈請人，或代表多於全體呈請人一半的總投票權的任何呈請人，則可以自行召開大會，但任何大會皆不能在呈請日起超過三個月後召開。
- iv. 在此條例下由該等呈請人召開的大會須盡可能與由董事召開大會的形式一樣。
- v. 如因董事未能召開大會，任何由該等呈請人支付的合理費用，將由公司付回呈請人。已支付數額將從公司支付給該不履行責任董事的袍金或薪酬內扣除。

(2) 股東可向董事會提出查詢的程序，並提供足夠的聯絡資料以便有關查詢可獲恰當處理

股東可以書面方式透過公司秘書向董事會提出問題，郵寄地址為：

- (i) 香港九龍新蒲崗太子道東698號寶光商業中心27樓本公司總辦事處；或(ii) 電郵至 [shareholdersenquiries@stelux.com](mailto:shareholdersenquiries@stelux.com)。

## 11. SHAREHOLDERS RIGHTS (Continued)

### (3) Procedures and sufficient contact details for putting forward proposals at shareholders' meetings

Shareholders may, subject to (1) above, by way of request in writing request a shareholders' meeting to be convened for the purpose of considering a certain matter, addressing the request to the Company Secretary at:

the Company's head office, 27/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

## 12. COMMUNICATION WITH SHAREHOLDERS

The Company attaches great importance to communication with its shareholders and investors. To foster effective communications, the Company provides extensive information in its annual report, interim report and also publishes information relating to the Group and its businesses on its website: [www.stelux.com](http://www.stelux.com).

The Company regards the AGM as a platform to provide an important opportunity for direct communications between the Board and the Company's shareholders. All directors and senior management will make an effort to attend. External auditors will also attend the AGM. The chairman of the Audit, Remuneration, Nomination and Corporate Governance Committees were all present at the Company's AGM held in 2015. Shareholders are given at least 20 clear business days or 21 days' notice of the AGM (whichever is the longer) and are encouraged to attend the AGM and other shareholders' meetings. The Company supports the Corporate Governance Code principle to encourage shareholders' participation.

Shareholders may send any enquiries they have by addressing them to the Company Secretary in writing to:

(i) the Company's head office, 27/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong; (ii) or by email to [shareholdersenquiries@stelux.com](mailto:shareholdersenquiries@stelux.com).

## 11. 股東權利 (續)

### (3) 在股東大會提出建議的程序及足夠的聯絡資料

在受限於上述第(1)條的情況下，股東可向公司秘書發出書面要求，要求召開股東大會以考慮若干事宜，郵寄地址為：

香港九龍新蒲崗太子道東698號寶光商業中心27樓本公司總辦事處。

## 12. 與股東之間的溝通

本公司十分重視與其股東和投資者的溝通。為促進有效的溝通，本公司在年度報告、中期報告中詳盡公佈本集團的資料，亦透過其網站 [www.stelux.com](http://www.stelux.com) 發佈關於本集團及其業務的資料。

股東週年大會為董事會與本公司股東提供直接溝通的重要渠道。全體董事及高級管理人員會盡量抽空出席股東週年大會。外聘核數師亦會出席股東週年大會。審核委員會主席、薪酬委員會主席、提名委員會主席及企業管治委員會主席也有出席本公司於2015年舉行的股東週年大會。本公司會於舉行股東週年大會前最少20個完整營業日或21日向股東發出會議通知(以時間較長者為準)，並鼓勵股東出席股東週年大會及其他股東會議。本公司堅守企業管治守則，鼓勵股東出席會議。

股東如有任何查詢，可以書面方式郵寄至：

(i) 本公司總辦事處(地址為香港九龍新蒲崗太子道東698號寶光商業中心27樓)；或(ii) 電郵至 [shareholdersenquiries@stelux.com](mailto:shareholdersenquiries@stelux.com) 向公司秘書提交。



### 13. CODE OF CONDUCT

To enhance the ethical standards of employees, the Company has an employee handbook, setting out the Group's requisite standards and an ethical code of conduct for all employees of the Group. Employees at all levels are expected to conduct themselves in an honest, diligent and responsible manner.

### 14. CONCLUSION

The Company recognises that adopting good corporate governance principles and practices are important for the success of the Group and as such we will continue to strengthen and improve the standard and quality of the Group's corporate governance.

### 13. 操守守則

為提高僱員的操守標準，本公司設有員工手冊，為本集團全體員工列明集團所要求的標準及操守守則條文。預期各階級員工均以忠誠、盡職及負責的態度行事。

### 14. 總結

本公司認為採納良好的企業管治原則及慣例對本集團的成功至關重要，因此本公司將繼續加強及改善本集團企業管治的水平及質素。