

1. CORPORATE GOVERNANCE

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 risk management and internal controls.

This section describes the Company’s corporate governance practices with specific reference to the Corporate Governance Code contained in Appendix 14 of the Listing Rules. During the financial year ended 31 March 2023, 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

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，以保障其股東的利益，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風險管理及內部控制系統。

本部分闡述本公司的企業管治常規，當中特別參照上市規則附錄14所載企業管治守則（「企業管治守則」）。截至2023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 objectively in the best interests of the Group.

Proposals for appointments to the Board are based on the Company's board diversity and nomination policies.

The Board currently comprises of 6 members; two executive directors, one non-executive director and three independent non-executive directors (with a female independent non-executive director).

Under Code Provision C.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 the Chairman and CEO of the Group. The Board believes that with Mr. Joseph C. C. Wong acting as both Chairman and CEO ensures consistent leadership and further enables better strategic planning for the Group. The Board also believes that the non-separation of roles does not affect the balance of power and authority within the Board.

The non-executive director and independent non-executive directors are highly experienced individuals with a broad range of expertise and experience including in areas such as accounting, tax, law, risk management and compliance in banks and financial technology. 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，並客觀地以本集團之最佳利益行事。

委任董事會成員的建議乃根據本公司董事會成員多元化政策及提名政策而提出。

董事會有六名成員，包括兩名行政董事、一名非行政董事及三名獨立非行政董事(其中一名獨立非行政董事為女性)。

根據企業管治守則的守則條文第C.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，確保本集團內統一領導，從而使本集團之整體策略計劃更佳。董事會亦相信，董事會內之權力制衡並不會受到不區分角色影響。

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，彼等分別來自包括會計、稅務、法律、銀行風險管理及合規以及金融科技等界別。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)

The Company has in place effective mechanisms to ensure independent views and input are available to the Board. The Board conducts a review on such mechanisms annually and is of the view that the mechanisms have been properly implemented and are effective. In particular, the Company plans Board and Board committees meeting schedules well in advance and provides remote facilities for attendance, so as to facilitate active attendance and participation in the meetings. Board members, especially independent non-executive Directors, are welcome and are encouraged to raise enquiries, suggestions and views during the meetings. The Board process as stated above, including agenda setting and provision of meeting information, facilitates effective and active participation by all Directors.

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 B.2.2, 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 B.2.2. 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").

3. 董事會(續)

本公司已設立有效機制，以確保董事會可獲取獨立意見及資料。董事會每年對該等機制進行審查，認為該等機制已適當實施並具成效。尤其是，本公司預早規劃董事會及董事委員會會議的時間表，並提供遙距參與設施，以方便成員出席和參與會議。本公司歡迎董事會成員(特別是獨立非行政董事)在會議上提出查詢、建議及意見。上述董事會流程(包括設定議程及提供會議資料)有利於所有董事有效和積極參與。

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B.2.2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B.2.2條告退，惟須根據本公司的公司細則告退。

3. BOARD OF DIRECTORS (Continued)

Both the Board and management have clearly defined roles and responsibilities. The Board is ultimately responsible for establishing the overall long term strategic direction and objectives of the Group, monitoring the performance of senior management and oversees corporate governance and risk management and internal control systems. Management is responsible for formulating and implementing operational and business strategies and plans to achieve the Group's strategic direction. Directors have access to management for enquiries, explanations, briefings or informal discussions on the Group's operations and businesses.

The Board held a total of nine board meetings and passed circular resolutions during the financial year ended 31 March 2023 and up to the date of this Report. At the board meetings, different issues and matters were discussed and reviewed including, approval of the Group's FY2022/23 interim results and FY2022/23 final results; reviewing financial and operating performances of the Group; approval of new and/or renewals of borrowing facilities; annual review of continuing connected transactions; conducting an annual review of the effectiveness of the system of internal controls of the Company and its subsidiaries, reviewing risk management framework, identifying top risks and corresponding mitigation actions and evaluating and prioritising ESG related issues. Details of the directors' attendance at the board meetings during the financial year and up to the date of this Report are set out below. All businesses transacted at the board meetings are well documented and records are maintained in accordance with applicable laws and regulations.

3. 董事會 (續)

董事會及管理層均有明確界定的角色和職責。董事會負責確立本集團整體長遠策略方向及目標策略、監察高級管理人員之表現以及監控企業管治、風險管理及內部監控系統。管理層則負責制定營運及業務策略及政策及達致本集團策略方向的計劃。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。

董事會於截至2023年3月31日止財政年度及直至本報告日期共舉行九次董事會會議並通過多項書面決議案。在該九次董事會會議上討論及檢討多方面事宜，包括通過本集團2022/23財政年度中期業績及2022/23財政年度末期業績；檢討本集團財務及營運表現；批准新及／或重續借貸融資；年度檢討持續關聯交易；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；檢討風險管理框架、辨別重大風險及相關緩解措施並評估及確定ESG相關事宜的優先順序。於本財政年度及直至本報告日期，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
29 April 2022	2022年4月29日	6	6
23 June 2022	2022年6月23日	6	6
8 July 2022	2022年7月8日	6	5
16 August 2022	2022年8月16日	6	6
5 September 2022	2022年9月5日	6	6
24 November 2022	2022年11月24日	6	6
24 March 2023	2023年3月24日	6	4
27 April 2023	2023年4月27日	6	6
27 June 2023	2023年6月27日	6	6

3. BOARD OF DIRECTORS (Continued)

3. 董事會(續)

Director 董事		No. of board meetings attended/held during the financial year ended 31 March 2023 and up to the date of this Report 於截至2023年 3月31日止財政年度及 直至本報告日期出席／ 召開之董事會會議數目
Executive Directors		
Mr. Joseph C. C. Wong (Chairman and Chief Executive Officer)	行政董事 黃創增先生 (主席及行政總裁)	7/9
Mr. Wallace Kwan Chi Kin (Chief Financial Officer)	關志堅先生(首席財務總裁)	9/9
Non-executive Directors		
Mr. Suriyan Joshua Kanjanapas	非行政董事 黃瑞欣先生	8/9
Dr. Agnes Kwong Yi Hang (<i>independent</i>) (<i>retired on 16 August 2022</i>)	鄺易行博士(獨立) (於2022年8月16日退任)	3/9
Mr. Jeff Ho Chi Kin (<i>independent</i>)	何致堅先生(獨立)	9/9
Mr. Ricky Lai Kai Ming (<i>independent</i>)	黎啟明先生(獨立)	9/9
Ms. Honnus Cheung Ho Ling (<i>independent</i>) (<i>appointed from 16 August 2022</i>)	張可玲女士(獨立) (於2022年8月16日獲委任)	6/9

During the financial year, the Company held its AGM on 16 August 2022. No other general meetings were held during the financial year. Details of the directors' attendance at the AGM are set out below:

16 August 2022

Mr. Wallace Kwan Chi Kin
Mr. Suriyan Joshua Kanjanapas
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming
Ms. Honnus Cheung Ho Ling

The Chairman of the Company did not attend the AGM due to personal reasons. The Group's auditor was present at the AGM.

於本財政年度，本公司於2022年8月16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：

2022年8月16日

關志堅先生
黃瑞欣先生
何致堅先生
黎啟明先生
張可玲女士

本公司主席因個人原因未出席股東週年大會。本集團核數師亦出席股東週年大會。

3. BOARD OF DIRECTORS (Continued)

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 internal controls, risk management or 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 are adequately prepared for the meeting. At the time when papers are sent to the directors, they are requested to contact the Company Secretary or the Group CFO, where applicable should they have any questions.

The proceedings of board meetings are generally conducted by the Chairman of the Company who ensures that sufficient time is allocated for discussion and consideration of items on the agenda and also ample opportunities are given to directors to speak, express their views and share their concerns. The Chairman values insightful and strategic advice from other directors and further promotes a culture conducive to the exchange of constructive communication within the Board. The Chairman held a meeting on 27 April 2023 with the independent non-executive directors without the presence of other directors.

Under Code Provision C.1.4, 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. Courses have been regularly circulated to directors for their selection and materials are circulated for their reading. E-training on the website of the HKEX was also made available to the directors.

3. 董事會 (續)

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內部監控、風險管理或財務表現之報告。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。於向董事發送文件時，會請彼等就任何問題(如有)聯繫公司秘書或本集團首席財務總裁(如適用)。

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，同時亦給予各董事充足機會發言，提出意見及表達其關注的事項。主席重視其他董事提出的有見地的策略建議，並在董事會內部進一步提倡一種有利於交流建設性溝通的文化。在無其他董事出席的情況下，主席與獨立非行政董事於2023年4月27日舉行了一次會議。

根據守則條文第C.1.4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並定期發送相關課程及閱讀材料予各董事選修及閱讀。董事亦可於香港交易所網站上進行電子培訓。

3. BOARD OF DIRECTORS (Continued)

Summary of Directors' training records for the year is set out below:

Director 董事		Training Areas (note) 培訓範疇(附註)
Mr Joseph C.C. Wong (Chairman and Chief Executive Officer)	黃創增先生 (主席及行政總裁)	a
Mr. Suriyan Joshua Kanjanapas (Non-executive director)	黃瑞欣先生 (非行政董事)	b
Mr. Wallace Kwan Chi Kin (Chief Financial Officer)	關志堅先生 (首席財務總裁)	a,b
Dr. Agnes Kwong Yi Hang (independent) (retired on 16 August 2022)	鄺易行博士(獨立) (於2022年8月16日退任)	a
Mr. Jeff Ho Chi Kin (independent)	何致堅先生(獨立)	a,b
Mr. Ricky Lai Kai Ming (independent)	黎啟明先生(獨立)	a
Ms. Honnus Cheung Ho Ling (independent) (appointed from 16 August 2022)	張可玲女士(獨立) (於2022年8月16日獲委任)	a

Note:

- a Attending courses/seminars relevant to the business or directors' duties or professional knowledge
- b Reading materials relating to technical knowledge in finance or law or relevant to the Company's business

3. 董事會(續)

年內董事培訓紀錄概列如下：

附註：

- a 出席與業務或董事職責或專業知識相關的課程/研討會
- b 與財務或法律方面的技術知識有關或與本公司業務有關的閱讀材料

4. CONFIRMATION OF INDEPENDENCE

The Company confirms that it has received from each of its independent non-executive directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and the Company considers the independent non-executive directors to be independent.

5. BOARD DIVERSITY

(1) Board Diversity Policy

- We believe that board appointments should first and foremost be based on merit
- We embrace diversity by being inclusive and support gender, ethnic, cultural, generational and geographical diversity, amongst others
- We believe that an optimal and balanced board should comprise of both male and female members with an appropriate balance of different skills, educational and industry background, experience, knowledge and independence

(2) Objective and Benefits of Board Diversity

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.

Regarding the Board's current composition, the Board comprises five male and one female Directors which represent 83% and 17%, respectively, of the total members of the Board, with different age, experience, background and diversity perspectives, which have been disclosed in biographical details of Directors and Senior Executives in Report of the Directors.

The Nomination Committee will continuously monitor and review the implementation and operation of Board Diversity Policy, and also review this policy annually to ensure its effectiveness.

4. 獨立性確認函

本公司確認已接獲各獨立非行政董事根據上市規則3.13條發出之年度獨立性確認函，且本公司仍認為獨立非行政董事為獨立人士。

5. 董事會成員多元化

(1) 董事會成員多元化政策

- 本集團相信，用人唯才應為董事會委任董事的首要原則
- 董事會兼收並蓄，奉行多元化政策，並支持性別、種族、文化、年紀及地域多樣化
- 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、知識及獨立性之間取得適度平衡的男性及女性成員組成

(2) 董事會成員多元化的目標及裨益

本集團相信多元化及兼收並蓄，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。

根據董事會現有結構，董事會由五名男性董事及一名女性董事組成，分別佔董事會成員總數83%及17%，由不同年齡，經驗、背景及具多元化視野之董事組成，已於董事會報告書中的董事及高級管理人員的履歷詳情中披露。

提名委員會將繼續監管及檢討董事會成員多元化政策的實行及運作，亦每年檢討該政策以確保其行之有效。

6. NOMINATION POLICY

- Nomination Committee to consider director retirements, re-election and eligibility within a reasonable time before proposing to the Board
- To review and assess proposed candidates' backgrounds, experience, expertise according to a) Board diversity policy of the Company; b) current board composition of the Company and c) Group's strategic objectives
- To consider how a proposed candidate (whether new or seeking re-election) can contribute to and support or has in the past contributed to and supported the Board
- For directors considering re-election, to review and assess if they have attended board, committee and general meetings, and frequency of attendance
- To consider if a proposed candidate can devote sufficient time to discharge his/her duties and responsibilities
- If the position is for an INED, to ensure listing rules requirements on independence are met

7. PROCEDURE FOR NOMINATION

- (i) Refer/propose name to Company Secretary who will inform the Nomination Committee with CV of the proposed candidate.
- (ii) Presents candidate and his/her CV and where possible, other relevant background information to the Nomination Committee for consideration according to the Nomination Policy.
- (iii) Where necessary, the Nomination Committee or the Chairman of the Nomination Committee meets the proposed candidate to assess suitability.
- (iv) Nomination Committee confirms or rejects proposed candidate with proper reasons.
- (v) To restart process when a proposed candidate is rejected.

6. 提名政策

- 提名委員會在向董事會提出董事退任、重選連任及資格的建議前在合理時間內考慮
- 根據a)本公司的董事會成員多元化政策；b)本公司目前的董事會組成；及c)本集團的戰略目標，審查及評估建議候選人的背景、經驗及專業知識
- 考慮建議候選人(無論是新候選人還是尋求連任的候選人)如何能為董事會作出貢獻及支持，或於過去對董事會所作出的貢獻及支持
- 考慮重選連任的董事時，審查及評估彼等有沒有出席董事會、委員會及股東大會，以及其出席次數
- 考慮建議候選人能否投入足夠的時間履行其職責及責任
- 倘該職位為獨立非行政董事，需確保有關建議候選人符合上市規則內有關獨立性的規定

7. 提名程序

- (i) 向公司秘書提交／提議建議候選人的名稱，公司秘書其後將向提名委員會提供有關建議候選人的履歷。
- (ii) 根據提名政策，向提名委員會提交候選人及其履歷，以及在可行的情況下，提供其他相關的背景資料，以供委員會考慮。
- (iii) 提名委員會或提名委員會主席於需要時會與建議候選人會面，以評估其合適性。
- (iv) 提名委員會會以正當理由確認或拒絕建議候選人。
- (v) 建議候選人被拒絕時，有關流程將重新開始。

8. 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 various professional development seminars and read materials on finance, business and corporate secretarial updates, receiving more than 20 hours of training during the financial year.

9. 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 Hong Kong Financial Reporting Standards ("HKFRS") ensuring that the financial statements present a true and fair 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 auditors, RSM Hong Kong about their reporting responsibilities on the Group's financial statements are set out in the Independent Auditor's Report on pages 33 to 43.

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. The Group's consolidated financial statements have been prepared on a going concern basis (see notes to financial statements "2. Basis of Preparation" on pages 50 to 51).

8. 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各項專業發展研討會並研讀財務、商業及公司秘書的最新資訊，接受多於20個小時的培訓。

9. 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本集團首席財務總裁。本集團首席財務總裁及其屬下人員負責遵照香港財務報告準則（「香港財務報告準則」）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。本集團首席財務總裁須定期與外聘核數師溝通。本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，本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申美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33頁至43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。本集團的綜合財務報表已按持續經營基準編製（請參閱第50至51頁上的財務報表附註2「編製基礎」）。

10. AUDITORS' REMUNERATION

The Board appointed RSM Hong Kong as the external auditor of the Company and certain of its subsidiaries at the 2022 AGM until the conclusion of the next annual general meeting. During the year, HK\$1,974,000 was paid or payable to RSM Hong Kong for the provision of audit services.

The Group also engaged other auditors in overseas for auditing and miscellaneous services and total fees paid amounted to HK\$136,000.

11. BOARD COMMITTEES

To assist the Board in the discharge of its duties, the Board is supported by four 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.

All businesses transacted at board committee meetings are recorded and minuted with copies provided to the Board. Full minutes of Board Committee meetings are kept by the Company Secretary. Draft and final versions of the minutes are sent to all committee members for their comments and records within a reasonable time (generally 14 days) after the committee meeting.

(1) Audit Committee

The Audit Committee comprises of four non-executive directors; Mr. Jeff Ho Chi Kin (independent) (Chairman of the Audit Committee), Mr. Suriyan Joshua Kanjanapas, Dr. Agnes Kwong Yi Hang (independent) (retired on 16 August 2022) replaced by Ms. Honnus Cheung Ho Ling (independent) (appointed from 16 August 2022) and Mr. Ricky Lai Kai Ming (independent).

10. 核數師酬金

董事會於2022年股東週年大會委任羅申美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，本公司就羅申美會計師事務所提供之核數服務向其支付或應付港幣1,974,000元。

本集團亦於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136,000元。

11. 董事委員會

為協助董事會履行職務，在董事會以下設有四個董事委員會。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。

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，該等記錄的副本亦會提供予董事會。董事委員會的完整會議記錄由公司秘書保存。會議記錄的草稿及最終版本會在委員會會議結束後的合理時間內（一般為14天）發送予所有委員會成員，供其評論及記錄。

(1) 審核委員會

審核委員會由四名非行政董事，分別為何致堅先生（獨立）（審核委員會主席）、黃瑞欣先生、鄺易行博士（獨立）（於2022年8月16日退任），由張可玲女士（獨立）（於2022年8月16日獲委任）取代及黎啟明先生（獨立）組成。

11. BOARD COMMITTEES (Continued)

(1) Audit Committee (Continued)

The terms of reference of the Audit Committee is available on the Company's website (www.stelux.com) and HKEXnews website (www.hkexnews.hk) respectively.

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 five times during the financial year and up to the date of this Report (together with the external auditors, in two meetings) to discuss matters, including, the Group's audit service plan, the review of accounting standards 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, ESG related issues and risks on the Group's businesses (if any); to review all significant business affairs managed by the executive directors in particular on continuing connected transactions and to review the Group's interim results for FY2022/23 and results for the year ended 31 March 2023 before they were presented to the Board for approval.

11. 董事委員會(續)

(1) 審核委員會(續)

審核委員會的職權範圍已分別於本公司網站(www.stelux.com)及披露易網站(www.hkexnews.hk)登載。

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及直至本報告日期舉行五次會議，兩次連同外聘核數師，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準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，包括在本公司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、ESG相關事宜及有關本集團業務(如有)的風險；檢討行政董事負責的一切重要商業事務，特別是持續關聯交易；以及在呈報本集團2022/23財政年度中期業績及截至2023年3月31日止年度業績予董事會核准前，審閱該等業績。

11. BOARD COMMITTEES (Continued)

(1) Audit Committee (Continued)

Attendance of directors at the Audit Committee meetings held on:

29 April 2022

21 June 2022

22 November 2022

27 April 2023

20 June 2023

Mr. Jeff Ho Chi Kin

Dr. Agnes Kwong Yi Hang

(retired on 16 August 2022)

Mr. Ricky Lai Kai Ming

Ms. Honnus Cheung Ho Ling

(appointed from 16 August 2022)

Mr. Suriyan Joshua Kanjanapas

(2) Remuneration Committee

The Company's Remuneration Committee comprises of Mr. Ricky Lai Kai Ming (Chairman of the Remuneration Committee), Dr. Agnes Kwong Yi Hang (retired on 16 August 2022) replaced by Ms. Honnus Cheung Ho Ling (appointed from 16 August 2022) and Mr. Jeff Ho Chi Kin (all independent non-executive directors of the Company) and Mr. Joseph C.C. Wong (Group Chairman and CEO).

11. 董事委員會 (續)

(1) 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：

2022年4月29日

2022年6月21日

2022年11月22日

2023年4月27日

2023年6月20日

何致堅先生

鄺易行博士

(於2022年8月16日退任)

黎啟明先生

張可玲女士

(於2022年8月16日獲委任)

黃瑞欣先生

(2) 薪酬委員會

本公司的薪酬委員會由黎啟明先生(薪酬委員會主席)、鄺易行博士(於2022年8月16日退任)(由張可玲女士(於2022年8月16日獲委任)取代)及何致堅先生(均為本公司獨立非行政董事)及黃創增先生(集團主席及行政總裁)組成。

11. BOARD COMMITTEES (Continued)

(2) Remuneration Committee (Continued)

The terms of reference of the Remuneration Committee is available on the Company's website (www.stelux.com) and HKEXnews website (www.hkexnews.hk) respectively.

Code Provision E.1.2 deals with the terms of reference of the Remuneration Committee. The Company has adopted the terms of reference under Code Provision E.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.

Mr. Joseph C. C. Wong did not participate in the Group's executive bonus scheme for FY2022/23, and further waived his entitlement to his basic salary for part of FY2022/23.

11. 董事委員會 (續)

(2) 薪酬委員會 (續)

薪酬委員會的職權範圍已分別於本公司網站(www.stelux.com)及披露易網站(www.hkexnews.hk)登載。

守則條文第E.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E.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其行政董事個人的報酬。

黃創增先生並無參加本集團2022/23財政年度的行政人員花紅計劃，並放棄其在2022/23財政年度部分基本薪金。

11. BOARD COMMITTEES (Continued)

(2) Remuneration Committee (Continued)

Attendance of directors at the Remuneration Committee held on:

23 June 2022

Mr. Joseph C. C. Wong (abstaining with respect to his remuneration)
Dr. Agnes Kwong Yi Hang
(retired on 16 August 2022)
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming

27 June 2023

Mr. Joseph C. C. Wong (abstaining with respect to his remuneration)
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming
Ms. Honnus Cheung Ho Ling
(appointed from 16 August 2022)

(3) Nomination Committee

The Nomination Committee comprises of Mr. Joseph C. C. Wong (Chairman of the Nomination Committee, Group Chairman and CEO), Mr. Suriyan Joshua Kanjanapas (Non-executive director) and three independent non-executive directors, namely, Mr. Jeff Ho Chi Kin, Dr. Agnes Kwong Yi Hang (retired on 16 August 2022) replaced by Ms. Honnus Cheung Ho Ling (appointed from 16 August 2022) and Mr. Ricky Lai Kai Ming.

11. 董事委員會 (續)

(2) 薪酬委員會 (續)

董事於下列日期舉行的薪酬委員會的出席情況：

2022年6月23日

黃創增先生(黃先生就其薪酬的動議棄權)
鄺易行博士
(於2022年8月16日退任)
何致堅先生
黎啟明先生

2023年6月27日

黃創增先生(黃先生就其薪酬的動議棄權)
何致堅先生
黎啟明先生
張可玲女士
(於2022年8月16日獲委任)

(3) 提名委員會

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)，黃瑞欣先生(非行政董事)及三名獨立非行政董事何致堅先生、鄺易行博士(於2022年8月16日退任)(由張可玲女士(於2022年8月16日獲委任)取代)及黎啟明先生組成。

11. BOARD COMMITTEES (Continued)

(3) Nomination Committee (Continued)

The terms of reference of the Nomination Committee is available on the Company's website (www.stelux.com) and HKEXnews website (www.hkexnews.hk) respectively.

Code Provision B.3.1 deals with the terms of reference of a Nomination Committee. The Company has adopted the terms of reference under Code Provision B.3.1. During the financial year, and up to the date of this Report, the Committee met twice. The Committee considered the independence of its retiring independent non-executive director and confirmed having received from each of its independent non-executive directors an annual confirmation of his/her independence.

Attendance of directors at the Nomination Committee meetings held on:

8 July 2022

Mr. Joseph C. C. Wong
Mr. Suriyan Joshua Kanjanapas
Dr. Agnes Kwong Yi Hang
(retired on 16 August 2022)
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming

27 June 2023

Mr. Joseph C. C. Wong
Mr. Suriyan Joshua Kanjanapas
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming
Ms. Honnus Cheung Ho Ling
(appointed from 16 August 2022)

11. 董事委員會 (續)

(3) 提名委員會 (續)

提名委員會的職權範圍已分別於本公司網站(www.stelux.com)及披露易網站(www.hkexnews.hk)登載。

守則條文第B.3.1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B.3.1條所載的職權範圍。於本財政年度及截至本報告日期，委員會曾舉行兩次會議。委員會考慮退任的獨立非行政董事的獨立性，並確認已收到各獨立非行政董事的年度獨立性確認函。

董事於下列日期舉行的提名委員會會議的出席情況：

2022年7月8日

黃創增先生
黃瑞欣先生
龐易行博士
(於2022年8月16日退任)
何致堅先生
黎啟明先生

2023年6月27日

黃創增先生
黃瑞欣先生
何致堅先生
黎啟明先生
張可玲女士
(於2022年8月16日獲委任)

11. BOARD COMMITTEES (Continued)

(4) 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 performance of the Group and our shareholders' interests in a sustainable manner. The Corporate Governance Committee comprises Mr. Wallace Kwan Chi Kin (Chairman of the Corporate Governance Committee and Chief Financial Officer) and three independent non-executive directors, namely, Mr. Jeff Ho Chi Kin, Mr. Ricky Lai Kai Ming and Dr. Agnes Kwong Yi Hang (retired on 16 August 2022) replaced by Ms. Honnus Cheung Ho Ling (appointed from 16 August 2022).

The terms of reference of the Corporate Governance Committee is available on the Company's website (www.stelux.com) and HKEXnews website (www.hkexnews.hk) respectively.

Code Provision A.2.1 deals with the terms of reference of a corporate governance committee. The Company has adopted the terms of reference under Code Provision A.2.1. The Corporate Governance Committee held a meeting to review the Company's compliance with the Code Provisions and disclosure in the Corporate Governance Report. Since 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.

11. 董事委員會(續)

(4) 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(企業管治委員會主席及首席財務總裁)及三名獨立非行政董事何致堅先生、黎啟明先生及鄺易行博士(於2022年8月16日退任)(由張可玲女士(於2022年8月16日獲委任)取代)。

企業管治委員會的職權範圍已分別於本公司網站(www.stelux.com)及披露易網站(www.hkexnews.hk)登載。

守則條文第A.2.1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A.2.1條所載的職權範圍。企業管治委員會舉行一次會議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。自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。

11. BOARD COMMITTEES (Continued)

(4) Corporate Governance Committee (Continued)

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

27 April 2023

Mr. Wallace Kwan Chi Kin
Mr. Jeff Ho Chi Kin
Mr. Ricky Lai Kai Ming
Ms. Honnus Cheung Ho Ling
(appointed from 16 August 2022)

12. RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it has overall responsibility for ensuring that the Group establishes and maintains appropriate risk management and internal control systems and for reviewing their effectiveness. The Group's risk management and internal control systems are designed to manage and minimise risk of failures in the Group's operational systems, and to achieve our objectives. Such systems can only provide reasonable but not absolute assurance against material misstatement or loss.

During the year, the Group has complied with all the code provisions on risk management and internal control under the Corporate Governance Code.

The main features of the Group's Risk Management and Internal Control Systems, include:

(1) Risk Management

The Group's risk management process is a four-step process involving identifying, assessing, responding to and monitoring risks which could affect the Group from achieving its strategic or business objectives.

11. 董事委員會 (續)

(4) 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：

2023年4月27日

關志堅先生
何致堅先生
黎啟明先生
張可玲女士
(於2022年8月16日獲委任)

12. 風險管理及內部監控

董事會知悉其有責任確保本集團制定及維持適當的風險管理及內部監控系統以及審查有關系統之效用。本集團風險管理及內部監控系統用於管理及減低本集團營運系統的失效風險，從而達致本集團之目標。該等系統只可就重大錯誤陳述或損失提供合理而非絕對之保證。

年內，本集團已符合企業管治守則項下風險管理及內部監控的所有守則條文。

本集團的風險管理及內部監控系統的主要特點包括：

(1) 風險管理

本集團的風險管理程序有四個步驟，包括識別、評估、回應及監察可能對本集團達致策略或業務目標造成影響的風險。

12. RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

(1) Risk Management (Continued)

In order to ensure the risk management process is executed effectively and as an integral part of our business, the Board has established the following risk management and reporting framework which specifies the responsible parties and their roles and responsibilities for managing risks of the Group.

The Board

- oversees management in the design, implementation and monitoring of the risk management and internal control systems
- evaluate and determine the Group's key risks which would significantly affect it achieving strategic or business objectives
- review the Group's key risks and mitigation actions and ensure the effectiveness of risk management and internal control systems

Audit Committee

- oversees design and operating effectiveness of the Group's underlying risk management process and internal control systems
- review effectiveness of the Group's risk management and internal controls with support from the Internal Audit Function and reporting to the Board

Risk Steering Committee

- members comprised of key executives of the Group
- assess and determine the Group's key risks and ensure appropriate mitigation actions/controls are in place
- track progress of mitigation actions/controls over identified key risks and report to Audit Committee
- provide confirmation to the Board on the effectiveness of the Group's risk management and internal control systems annually

12. 風險管理及內部監控(續)

(1) 風險管理(續)

為確保風險管理程序可有效執行並作為本集團業務之整合部分，董事會已設立以下風險管理及報告框架，訂明各負責部門及其就管理本集團風險的職責及責任。

董事會

- 監督管理層對風險管理及內部監控系統之制定、實施及監察
- 評估及判斷可能對本集團達成策略或業務目標造成重大影響的主要風險
- 審閱本集團的主要風險及減低風險之措施，以及確保風險管理及內部監控系統之有效性

審核委員會

- 監測本集團相關風險管理程序及內部監控系統之制定及操作效用
- 在內部審計部的協助下審閱本集團的風險管理及內部監控的有效性，並向董事會報告

風險督導委員會

- 成員包括本集團的主要執行人員
- 評估及判斷本集團的主要風險，並確保實施適當減低風險的措施／監控
- 跟進已識別主要風險之緩減措施／監控，並向審核委員會報告
- 每年向董事會確認本集團的風險管理及內部監控系統的有效性

12. RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

(1) Risk Management (Continued)

Business Units and Functional Support Management

- management meets periodically to identify new and review existing risks
- design, implement and monitor mitigation actions and internal control activities in their day-to-day operations
- ensure risk management process and mitigation actions and internal controls follow guidelines or recommendations provided by the Risk Committee and Internal Audit Function

Internal Audit Function

- carry out analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems
- support the Audit Committee in reviewing the effectiveness of the Group's risk management and internal control systems

(2) Internal Control

Internal control is a process for the Board and management to assure achievement of the Group's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and our internal policies.

The Group has the following major internal controls in place:

- Policies and SOPs are in place set to govern staff in shop operations, integrity of trading practices, compliance on handling personal data of customers, acquisition and disposal of capital assets, financial reporting, etc.
- Authorisation and approval matrix are set based on nature and type of transactions.

12. 風險管理及內部監控(續)

(1) 風險管理(續)

業務單位及部門支援管理

- 管理層定期進行會議，以識別新風險及審閱現有風險
- 制定、實施及監測日常營運的減低風險措施及內部監控措施
- 確保風險委員會及內部審計部提供的風險管理程序及風險減低措施及內部監控指引或建議獲遵從

內部審計部

- 就本集團的風險管理及內部監控系統的合適性及有效性進行分析及獨立評估
- 支援審核委員會審閱本集團的風險管理及內部監控系統的有效性

(2) 內部監控

內部監控為董事會及管理層確保達致本集團有關營運有效性及效率、可靠財務匯報制度及遵守法律、法規及內部政策的程序。

本集團已實行下列主要內部監控措施：

- 落實政策及標準經營程序以監管營運店舖之員工、交易常規的完整性、處理客戶個人資料的合規性、資本資產的收購及出售、財務報告等。
- 根據不同交易性質及類型制定不同授權及批准的基礎。

12. RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

(2) Internal Control (Continued)

- Employees' Code of Conduct is available on the Company's intranet, Employee Handbooks and Operations Manuals. Employees are required to strictly follow the Code of Conduct to ensure the Group operates to the highest standards of business behaviour and ethics.
- Business plans and budgets of individual business units are prepared and regularly monitored by management.
- Regular management meetings are held to review business updates, cash positions and to monitor operating performance against budgets and relevant KPIs.
- Regular reviews on store portfolio.
- Information access to Accounting, Human Resources, CRM and other IT systems are restricted and managed on a need-to-know basis in order to protect data and ensure data integrity.
- Major or material connected transactions require pre-approval of independent non-executive directors and all continuing connected transactions are reviewed on an annual basis pursuant to the requirements of the Listing Rules.
- The Group has a Whistle-blowing Policy to allow staff to anonymously report any suspected fraud or employee's misconduct to the Head of Internal Audit who will refer the report to the Audit Committee and the Board for further investigation and/or actions. The Whistle-blowing Policy is periodically monitored and reviewed by the Head of Internal Audit.

12. 風險管理及內部監控(續)

(2) 內部監控(續)

- 操守守則載於本公司內聯網、僱員手冊及業務手冊之內。僱員需要嚴格遵守操守守則，確保本集團的營運符合業務行為及道德的最高標準。
- 管理層定期制定及監察個別業務單位的業務計劃及預算。
- 管理層定期舉行會議，參照有關各預算及相關關鍵績效指標，檢討業務的最新情況、現金狀況及經營表現。
- 定期審閱店舖組合。
- 限制並以「有需要知道」的原則管理有關會計、人力資源、CRM及其他電腦系統的資料，以保障資料及確保資料的完整性。
- 主要或重大關聯交易需要獨立非行政董事的事前批准，而所有持續關聯交易根據上市規則每年予以審閱。
- 本集團設有「舉報」政策，供員工向內部審計部主管匿名報告任何涉嫌欺詐或員工不當行為，而內部審計主管將向審核委員會及董事會報告，以作出進一步調查及／或行動。舉報政策由內部審計主管定期監察及檢討。

12. RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

(2) Internal Control (Continued)

- The Company has a system which sets out the requirements and procedures for handling and disseminating inside information to the public. Any material information which comes to the knowledge of one or more officers should be promptly identified, assessed and escalated, where appropriate, to the attention of the Board.
- Our internal audit function conducts regular reviews and ad hoc engagements which cover risk assessment and monitoring operational, financial and compliance (including ESG) aspects.

(3) Internal Audit

Under Code Provision D.2.5, an internal audit function should be in place. The key tasks of the Group's Internal Audit Function include:

- provides independent and objective assurance to the Audit Committee and the Board with respect to the Group's risk management and internal control systems;
- conduct independent audits on the Group's financial, operational and compliance controls and make recommendations on improving work flow efficiency and effectiveness;
- conduct special reviews on areas of concerns as identified by senior management or the Board;
- conduct investigations on business ethics, employee misconduct, fraud cases and other violations of the Group's policies practices and standards; and
- oversee the "whistle-blowing" policy.

The internal audit function also conducts audits on ESG related systems and practices implemented by the Group to monitor compliance and to minimise risks to our businesses.

12. 風險管理及內部監控(續)

(2) 內部監控(續)

- 本公司設有制度列明處理及向公眾傳播內幕資料的要求和程序。如一名或以上的高級人員知悉任何重要資料，則須即時查明、評估及向董事會提呈(如適用)有關資料。
- 內部審計部進行定期審閱及特設行動，包括風險評估及監測營運、財務及合規(包括環境、社會及管治)等方面。

(3) 內部審計

根據守則條文第D.2.5條，須設立內部審計部。本集團內部審計部的主要職責包括：

- 就本集團的風險管理及內部監控系統向審核委員會及董事會提供獨立和客觀的保證；
- 就本集團的財務、經營及合規監控進行獨立審計，並就改善營運流程效率及效用提供建議；
- 就高級管理層或董事會成員識別的問題進行特別審閱；
- 調查有關業務道德、員工不當行為、欺詐個案、及其他違反本集團政策慣例及標準之事宜；及
- 監測「舉報」政策。

內部審核職能部門亦對本集團實施的ESG相關系統及慣例進行審核，以監控合規，並將我們的業務風險降至最低。

12. RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

(4) Annual Review by the Board

Under Code Provision D.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 D.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 through the Audit Committee, reviews the overall effectiveness of the Group's risk management process and internal control systems annually. During the current financial year, the reviews covered the following:

- (i) any significant change in the nature and extent of significant risks and in the control environment of the Group;
- (ii) the significant control weaknesses (including financial, operational and compliance controls) as identified by the Internal Audit Function and the consideration of effectiveness over its recommendations on improving internal business environment;
- (iii) major investigation findings on internal control matters as presented by the Internal Audit function;
- (iv) the effectiveness of the Group's financial reporting and listing related compliance processes;

12. 風險管理及內部監控 (續)

(4) 董事會之年度審閱

根據守則條文第D.2.1條，董事應最少每年對本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、營運及合規監控以及風險管理職能。

根據守則條文第D.2.2條，董事會的年度檢討應特別審視本集團會計及財務匯報職能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。

董事會透過審核委員會每年閱審本集團的風險管理程序及內部監控系統的整體成效。於本財政年度，審閱包括以下：

- (i) 重大風險的性質及程度以及本集團監控環境的任何重大改變；
- (ii) 內部審計部識別的重大監控缺陷(包括財務、營運及合規監控)，以及有關其就改善內部業務環境建議的效用性之考慮；
- (iii) 內部審計部就內部監控事宜的主要調查結果；
- (iv) 本集團財務報告及上市規則相關合規程序的有效性；

12. RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

(4) Annual Review by the Board (Continued)

- (v) the Group's risk management system, key risks and corresponding mitigation actions which were summarized by the Risk Steering Committee and the Internal Audit Function based upon discussion with senior management of different business units and functional supports; and
- (vi) the performance, staff qualification and experience, training and adequacy of the Group's accounting, financial reporting and internal audit functions.

The Board and the Audit Committee respectively, conducted an annual review of the Group's risk management and internal control systems for the year ended 31 March 2023 on 27 April 2023 and concluded that adequate and effective risk management and internal control systems of the Group are being maintained.

13. DIVIDEND POLICY

The Company's decision to pay dividends to its shareholders is based on a combination of factors including, the financial performance of the Group, its future developments and capital investments, its liquidity requirements for business operations and external market conditions, like the general operating environment.

14. INVESTOR RELATIONS

We welcome dialogue with existing and prospective investors as a way to promote a greater understanding of the Group's business model and the way we conduct our businesses.

In order to reflect certain amendments to the Listing Rules and the applicable laws of Bermuda, a special resolution approving the adoption of new bye-laws of the Company was passed by the shareholders of the Company at the 2022 AGM.

Consolidated version of the Company's constitutional documents is available on the website of each of the Hong Kong Stock Exchange and the Company.

12. 風險管理及內部監控 (續)

(4) 董事會之年度審閱 (續)

- (v) 本集團由風險督導委員會及內部審計部根據與不同業務單位及部門支援的高級管理層之討論而概括的風險管理制度、主要風險及相應減低風險措施；及
- (vi) 本集團會計、財務匯報及內部審計部的表現、員工資歷及經驗、培訓及充足性。

董事會及審核委員會已分別對本集團截至2023年3月31日止年度的風險管理及內部監控系統於2023年4月27日進行年度檢討，並總結本集團有維持合適及有效的風險管理及內部監控系統。

13. 股息政策

本公司向其股東派付股息的決定基於多項因素，包括本集團的財務表現、其未來發展及資本投資、其業務營運的流動資金需求及外圍市況，如一般營運環境。

14. 投資者關係

我們歡迎與現有及潛在投資者進行對話，藉此促進對本集團的業務模式及開展業務方式的進一步了解。

為反映對上市規則及百慕達適用法律作出的若干修訂，本公司股東於2022年股東週年大會上通過一項批准採納本公司之新公司細則的特別決議案。

本公司組織章程文件的綜合版本已刊載於香港聯交所及本公司網站。

15. 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.
- 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.

15. 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。
- iii. 如董事自遞交呈請後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。

15. SHAREHOLDERS RIGHTS (Continued)

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

- 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:

the Company's principal office, 27/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong; or by email to ir@stelux.com.

(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 principal office, 27/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

15. 股東權利(續)

(1) 股東要求召開股東特別大會程序(續)

- 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其他薪酬內扣除。

(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：

香港九龍新蒲崗太子道東698號寶光商業中心27樓本公司主要辦事處；或電郵至ir@stelux.com。

(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樓本公司主要辦事處。

16. 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.

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. However, due to COVID-19 restrictions, a hybrid AGM was held, with certain directors attending the AGM by virtual conferencing and physical attendance by staff and other services providers were kept to the minimum. The Chairman and CEO of the Company was not present and, the Chairman of the Audit Committees were virtually present at the Company's AGM held in 2022. Shareholders are given at least 21 days' notice of the AGM. The Company encourages shareholders' participation.

In addition, the Company's website (www.stelux.com) contains company information which is easily accessible for investors and shareholders. Mechanisms for enabling shareholder participation is reviewed annually by the Board.

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

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

17. 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.

16. 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發佈關於本集團及其業務的資料。

本公司視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。然而，由於新型冠狀病毒疫情的限制，我們舉行了一個混合模式股東週年大會，部分董事以虛擬方式出席股東週年大會，而員工及其他服務供應商的實際出席率保持在最低水平。本公司的主席兼行政總裁並無出席，審核委員會的主席以虛擬方式出席本公司於2022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21日向股東發出會議通知。本公司鼓勵股東出席會議。

此外，本公司網站(www.stelux.com)載有公司資料以便各投資者及股東查閱。董事會每年檢討股東參與機制。

股東如有任何查詢，可以書面方式郵寄至：

(i) 本公司主要辦事處 (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ir@stelux.com向公司秘書提交。

17. 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本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。

18. 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.

18. 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。