

# Corporate Governance Report

## 企業管治報告

The Board of directors (“**Directors**”) of the Company is committed to achieving high standards of corporate governance by emphasizing transparency, independence, accountability, responsibility and fairness. The Board strives to ensure that effective self-regulatory practices exist to protect the interests of the shareholders of the Company and to enhance long-term shareholders’ value.

本公司董事（「**董事**」）會承諾透過加強透明度、獨立性、問責性、責任及公平性，以達致高企業管治水平。董事會致力確保有效之自身監管常規，以保障本公司股東之利益及提升長遠股東價值。

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

#### 企業管治守則之遵守

During the year, the Company has complied with most of the code provisions and where appropriate, adopted some of the recommended best practices as set out in the Corporate Governance Code and Corporate Governance Report (“**CG Code**”). Set out below are the details of the deviation from the code provisions of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”):

於年內，本公司一直遵守企業管治守則及企業管治報告（「**企業管治守則**」）所載述之大部分守則條文，並在適當情況下，採用了一些建議最佳常規。下文載列有關偏離聯交所證券上市規則（「**上市規則**」）之守則條文詳情：

**CG Code Provision A.2.1 requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual**

企業管治守則第**A.2.1**條規定主席與行政總裁之角色應有區分，並不應由一人同時兼任

Mr. Kwong Jimmy Cheung Tim is the chairman of the Board and is holding the office of chief executive officer of the Company. While this is a deviation from CG Code Provision A.2.1, dual role leadership has been in practice by the Company for decades and has withstood the test of time. The Board considers this arrangement to be appropriate for the Company as it can preserve the consistent leadership culture of the Company and allow efficient discharge of the executive functions of the chief executive. The Board believes that a balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high caliber individuals including two non-executive Directors and three independent non-executive Directors. Meanwhile, the day-to-day management and operation of the Group are delegated to divisional management under the leadership and supervision of Mr. Kwong in the role of chief executive officer who is supported by the executive Directors and senior management.

鄭長添先生為董事會主席並擔任本公司首席行政總裁。雖然此與企業管治守則第**A.2.1**條有所偏離，但雙角色領導模式於本公司推行已久且行之有效。董事會認為此安排對本公司而言是恰當的，既能繼續貫徹本公司之領導文化亦能提升行政總裁的執行能力。董事會認為董事會成員不乏經驗豐富及具才幹之人士（包括**2**位非執行董事及**3**位獨立非執行董事），足以確保權力及職能平衡。在主席及首席行政總裁鄭先生的領導及監督，與一眾執行董事及高層管理人員之輔助下，本集團日常管理及營運事宜均由各部門管理人員負責。

## THE BOARD

### Board Composition

The Board currently comprises 6 Directors, with 2 executive Directors and 4 independent non-executive Directors (“INEDs”). The Board has in its composition a balance of skills and experience necessary for decision making and fulfilling its business needs. The participation of non-executive Directors in the Board bring independent judgment on issues relating to the Group’s strategy, performance, risk management, conflicts of interest and management process to ensure that the interests of all shareholders of the Company have been duly considered.

Each of the non-executive Directors has entered into a service contract for a term of 3 years and is subject to termination by either party giving not less than one month’s prior written notice to the other.

The Board considers that all of the independent non-executive Directors are independent and has received from each of them the annual confirmations of independence in accordance with Rule 3.13 of the Listing Rules.

The composition of the Board during the year and up to date of this report is set out as follows:

#### Executive Directors:

Mr. Kwong Jimmy Cheung Tim  
– Chairman and Chief Executive Officer  
Ms. Lui Yuk Chu – Deputy Chairman  
Ms. Koon Ho Yan Candy (resigned on 18 April 2017)

#### Non-executive Directors:

Mr. Tse Wing Chiu Ricky (resigned on 18 April 2017)  
Mr. Lai Law Kau (resigned on 18 April 2017)

## 董事會

### 董事會之組成

董事會目前由6位董事組成，其中2位為執行董事，4位為獨立非執行董事（「獨立非執行董事」）。董事會之組成具備為本集團作決策及符合其業務需要所必須的技能和經驗之均衡搭配。非執行董事參與董事會，為有關本集團之策略、表現、風險管理、利益衝突及管理程序等事項提供獨立決定，以確保本公司全體股東之利益得到充份考慮。

每位非執行董事已與本公司訂立為期3年之服務合約，並可由任何一方向另一方發出不少於1個月之事先書面通知終止服務合約。

董事會認為全體獨立非執行董事均為獨立人士，並已接獲各獨立非執行董事根據上市規則第3.13條規定作出之年度獨立確認書。

董事會於年內及截至本報告日期止之成員如下：

#### 執行董事：

鄭長添先生  
– 主席兼首席行政總裁  
雷玉珠女士 – 副主席  
官可欣女士（於2017年4月18日辭任）

#### 非執行董事：

謝永超先生（於2017年4月18日辭任）  
賴羅球先生（於2017年4月18日辭任）

**Independent non-executive Directors:**

Mr. Kan Ka Hon  
Mr. Lau Sin Ming  
Mr. Foo Tak Ching  
Mr. Wu Koon Yin Welly  
(appointed on 1 January 2017)

The Board is responsible for the approval and monitoring of the Group's overall strategies and policies, approval of business plans, evaluating the performance of the Group and oversight of management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

The Board focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates day-to-day operations of the Group to executive Directors and senior management of every business segment, while reserving certain key matters for its approval. Decisions of the Board are communicated to the management through executive Directors who have attended Board meetings.

The Company had arranged for appropriate liability insurance for the directors of the Group for indemnifying their liabilities arising from the corporate activities.

All Directors have been provided, on a monthly basis, with the Group's management information updates to give them aware of the Group's affairs and facilitates them to discharge their duties under the relevant requirements of the Listing Rules.

**獨立非執行董事：**

簡嘉翰先生  
劉善明先生  
傅德楨先生  
吳冠賢先生（於2017年1月1日獲委任）

董事會負責批准及監察本集團之整體策略及政策、批准業務計劃、評估本集團之表現及監管管理層。董事會亦負責透過領導及監管本公司事務來促進本公司及其業務之成功。

董事會專注於整體策略及政策，尤其著重本集團之增長及財務表現。

董事會將本集團之日常運作交由執行董事及各業務分部之高級管理層處理，同時保留對若干主要事項作出審批之權利。董事會之決定由出席董事會會議之執行董事轉達管理層。

本公司已為本集團之董事投購適當之責任保險，以對彼等因企業活動而產生之責任提供彌償。

全體董事每月均獲本集團管理層提供有關本集團之最新資料，以便彼等掌握本集團之事務狀況及履行彼等於上市規則相關規定下的職責。

## Professional Development

The Company provides regular updates on the business development of the Group. The Directors are regularly briefed on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, the Company has been encouraging the Directors to enroll in professional development courses and seminars relating to the Listing Rules, companies ordinance and corporate governance practices organized by professional bodies or chambers in Hong Kong. All Directors are requested to provide the Company with their respective training records pursuant to the Code.

All Directors, namely, Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu, Ms. Koon Ho Yan Candy, Mr. Tse Wing Chiu Ricky, Mr. Lai Law Kau, Mr. Kan Ka Hon, Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly, have participated in appropriate continuous professional development to develop and refresh their knowledge and skills during the year. Such professional development was completed either by way of attending briefings, conference, forum, courses and seminars and self-reading which are relevant to the business or directors' duties.

## 專業發展

本公司定期提供本集團業務發展的最新資料。董事獲定期提供有關上市規則及其他適用法律規定的最新發展簡報，確保遵守及維持良好的企業管治常規。此外，本公司一直鼓勵董事參與由香港專業團體或商會舉辦，有關上市規則、公司條例及企業管治常規的專業發展課程及研討會。全體董事均須根據該守則之規定向本公司提供彼等各自的培訓記錄。

全體董事（包括鄭長添先生、雷玉珠女士、官可欣女士、謝永超先生、賴羅球先生、簡嘉翰先生、劉善明先生、傅德楨先生及吳冠賢先生）於年內均已參加適當的持續專業發展以擴充及更新彼等之專業知識及技能。完成專業發展的方式包括出席有關業務或董事職務之簡報會、會議、論壇、課程及研討會以及閱讀相關資料。

## Attendance of Directors at Various Meetings

## 董事於各會議之出席率

Details of the attendance of individual Directors at Board meetings, committee meetings and shareholder meetings held during the year ended 31 March 2017 are as follows:

截至2017年3月31日止年度，個別董事於董事會會議、委員會會議及股東大會之出席情況詳情如下：

### Attendance record of Directors and Committee Members in 2016/17

#### 2016/17 年度內董事及委員會成員的出席紀錄

		2016 AGM 2016年 股東週年大會	General meetings 股東大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
<b>Number of meetings</b>	<b>會議次數</b>	1	4	5	2	2	2
<b>Executive Directors</b>	<b>執行董事</b>						
Kwong Jimmy Cheung Tim	鄭長添	1/1	4/4	5/5	-	2/2	2/2
Lui Yuk Chu	雷玉珠	0/1	0/4	5/5	-	-	-
Koon Ho Yan Candy (resigned on 18 April 2017)	官可欣 (於2017年4月18日辭任)	0/1	0/4	5/5	-	-	-
<b>Non-executive Directors</b>	<b>非執行董事</b>						
Tse Wing Chiu Ricky (resigned on 18 April 2017)	謝永超 (於2017年4月18日辭任)	1/1	4/4	5/5	-	-	-
Lai Law Kau (resigned on 18 April 2017)	賴羅球 (於2017年4月18日辭任)	1/1	4/4	5/5	-	-	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Kan Ka Hon	簡嘉翰	1/1	4/4	5/5	2/2	2/2	2/2
Lau Sin Ming	劉善明	1/1	4/4	5/5	2/2	2/2	2/2
Foo Tak Ching	傅德楨	1/1	4/4	5/5	1/2	2/2	2/2
Wu Koon Kin Welly (appointed on 1 January 2017)	吳冠賢 (於2017年1月1日獲委任)	0/1	1/4	2/5	0/2	0/2	0/2

## Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties:

- (a) to develop and review the Company policies and practices on corporate governance, monitoring of the corporate governance practices and procedures; and maintenance of appropriate and effective risk management and internal control systems of the Group to ensure compliance with applicable rules and regulations;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 of the Listing Rules (Corporate Governance Code and the Corporate Governance Report).

During the year ended 31 March 2017, the Board had performed the above-mentioned corporate governance functions by reviewing the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements.

## 企業管治功能

董事會負責履行以下企業管治職責：

- (a) 制定及檢討本公司的企業管治政策及常規，監督公司治理規範和程序；維持本集團適當有效的風險管理和內部監控制度，確保遵守適用的規章及制度；
- (b) 檢討及監察本集團董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司於遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守上市規則附錄14（企業管治守則及企業管治報告）的情況。

於截至2017年3月31日止年度內，董事會已審閱本公司之企業管治及遵守法律及監管規定之政策及常規，以履行上述企業管治職能。

## DELEGATION BY THE BOARD

### Board Committees

The Board has delegated authority to 4 standing Committees with specific roles and responsibilities. Their terms of reference and composition are reviewed and updated regularly to ensure that they remain appropriate and reflect changes in good practice and governance. The terms of reference of each of the Committees are available on the Company's website. The attendance record of the Committee members is shown on page 28 of this Annual Report.

### Audit Committee

The Audit Committee, comprising 4 INEDs, namely Mr. Kan Ka Hon (chairman of the Audit Committee), Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly, held 2 meetings for the year ended 31 March 2017.

The principal functions of Audit Committee include:

- to oversee the relationship with the Auditor;
- to review the interim and annual financial statements before publication;
- to oversee the Group's financial reporting system and internal control procedures; and
- to review of the internal control and risk management framework.

During the year ended 31 March 2017, the Audit Committee (i) reviewed the reports from the Auditor, accounting principles and practices adopted by the Group, management representation letters, and management's response in relation to the annual results for the year ended 31 March 2016 and the interim results for the six months ended 30 September 2016; and (ii) reviewed the financial reports for the year ended 31 March 2016 and for the six months ended 30 September 2016 and recommended the same to the Board for approval; and (iii) reviewed the effectiveness of risk management and internal control.

## 董事會權力之轉授

### 董事委員會

董事會授權4個常設委員會負責特定的角色和職責。董事會定期檢討及更新各委員會的職權範圍及組成，以確保仍然妥善恰當並反映良好常規及管治的變動。各委員會的職權範圍載於本公司網站。委員會成員的出席紀錄載於本年報第28頁。

### 審核委員會

審核委員會由4名獨立非執行董事組成，包括簡嘉翰先生（審核委員會主席）、劉善明先生、傅德楨先生及吳冠賢先生。截至2017年3月31日止年度，審核委員會已舉行2次會議。

審核委員會之主要職責包括：

- 監察與核數師之關係；
- 於刊發中期及全年財務報表前進行審閱；
- 監察本集團之財務報告系統及內部監控程序；及
- 檢討內部監控及風險管理架構。

於截至2017年3月31日止年度內，審核委員會舉行了兩次會議，並且已(i)審閱就有關截至2016年3月31日止年度之全年業績及截至2016年9月30日止6個月之中期業績由核數師所作出之報告、本集團採納之會計準則及常規、管理層聲明函件及管理層之回應；以及(ii)審閱並向董事會提出建議以批准截至2016年3月31日止年度及截至2016年9月30日止6個月之財務報告及(iii)審閱風險管理及內部監控。

## Auditor's Remuneration

The fees in relation to the audit service provided by Deloitte Touche Tohmatsu, the external auditor of the Company, for the year ended 31 March 2017 amounted to HK\$2,366,000 (2016: HK\$2,080,000), and those in relation to non-audit services amounted to HK\$623,000 (2016: HK\$724,000).

## Review of 2016/17 Consolidated Financial Statements

The Audit Committee reviewed the 2016/17 consolidated financial statements in conjunction with the external auditor of the Company. Based on this review and discussions with management, the Audit Committee was satisfied that the consolidated financial statements were prepared in accordance with applicable accounting standards, and fairly present the Group's financial position and results for the year ended 31 March 2017.

## Remuneration Committee

The Remuneration Committee, comprising 5 members, including Mr. Lau Sin Ming (chairman of the Remuneration Committee), Mr. Kan Ka Hon, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly who are INEDs, and Mr. Kwong Jimmy Cheung Tim who is an executive Director, held 2 meetings for the year ended 31 March 2017.

The principal functions of the Remuneration Committee include:

- to recommend to the Board on the Company's policies and structure for the remuneration of the Directors and senior management of the Group;
- to recommend to the Board on the remuneration package of all executive Directors and senior management of the Group; and
- to review and approve the management's remuneration proposals with reference to corporate goals and objectives by the Board from time to time.

## 核數師酬金

本公司之外聘核數師德勤•關黃陳方會計師行於截至2017年3月31日止年度提供的審核服務費用為2,366,000港元(2016年:2,080,000港元),而有關非核數服務的費用則為623,000港元(2016年:724,000港元)。

## 審閱2016/17年度的綜合財務報表

審核委員會聯同本公司外聘核數師審閱了2016/17年度的綜合財務報表。根據這項審閱以及與管理層的討論,審核委員會確信綜合財務報表是按適用的會計準則編制,並公平呈列了本集團截至2017年3月31日止年度的財政狀況及業績。

## 薪酬委員會

薪酬委員會由5名成員組成,包括獨立非執行董事劉善明先生(薪酬委員會主席)、簡嘉翰先生、傅德楨先生及吳冠賢先生,以及執行董事鄭長添先生。截至2017年3月31日止年度,薪酬委員會已舉行2次會議。

薪酬委員會之主要職責包括:

- 就本集團董事及高級管理人員之薪酬政策及架構向董事會提出建議;
- 就本集團全體執行董事及高級管理人員之薪酬待遇向董事會提出建議;及
- 董事會不時參考企業目標及宗旨,檢討及批准管理層的薪酬方案。



The primary objective of the Company's remuneration policy is to attract, retain and motivate the personnels by providing fair reward for their contributions to the Group's performance. In this context, the remuneration policy is to set the overall remuneration package at a competitive level and in a form that permits additional remuneration to be earned for high performance over a sustained period. The remuneration packages are determined with reference to the time commitment and responsibilities of each individual, the Company's performance and the prevailing market conditions.

During the year ended 31 March 2017, the Remuneration Committee reviewed the remuneration policies and structure for the Directors and senior management of the Group.

### **Nomination Committee**

The Nomination Committee, comprising 4 members, including Mr. Foo Tak Ching (chairman of the Nomination Committee), Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Wu Koon Yin Welly who are INEDs and Mr. Kwong Jimmy Cheung Tim who is an executive Director, held 2 meetings for the year ended 31 March 2017.

The principal functions of the Nomination Committee include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board;
- to identify and nominate suitable candidates of directors for the Board's consideration; and
- to assess the independence of the independent non-executive Directors.

本公司薪酬政策之主要目的為吸引、挽留及鼓勵人材，對彼等為本集團表現所作出之貢獻提供公平回報。有鑒於此，薪酬政策制訂具競爭水平之整體薪酬待遇，並以容許長期能維持高效表現者可賺取額外薪酬之形式推出。薪酬待遇經參考個別人士的供職時間及職責、本公司之業績以及現行市況後釐定。

於截至2017年3月31日止年度內，薪酬委員會已審閱本集團董事及高級管理層之薪酬政策及架構。

### **提名委員會**

提名委員會由4名成員組成，包括獨立非執行董事傅德楨先生（提名委員會主席）、簡嘉翰先生、劉善明先生及吳冠賢先生及執行董事鄺長添先生。截至2017年3月31日止年度，提名委員會已舉行2次會議。

提名委員會之主要職責包括：

- 檢討董事會的架構、規模及組成（包括技能、知識及經驗）；
- 物色並提名董事合適候選人以供董事會考慮；及
- 評核獨立非執行董事的獨立性。

The Board adopted a nomination policy which set out the approach to achieving board diversity in the Company in order to enhance the effectiveness of the Board and its corporate governance standard. The Company recognizes the importance of having a diverse team of board members, which is an essential element in maintaining a competitive advantage. The Nomination Committee has been delegated the authority to review and assess the diversity of the Board and its skills and experience by way of consideration of a number of factors, including but not limited to, gender, age, cultural and educational background, and professional experience. The Nomination Committee will give consideration to the policy when identifying and selecting suitably qualified candidates. The Policy will be reviewed on a regular basis.

During the year ended 31 March 2017, the Nomination Committee (i) reviewed the structure, size, composition and diversity of the Board; (ii) assessed the independence of independent non-executive Directors; and (iii) discuss the resolution on appointment of Mr. Wu Koon Yin Welly as an independent non-executive Director of the Company.

### Executive Committee

The Executive Committee currently comprises all the executive Directors, namely Mr. Kwong Jimmy Cheung Tim (chairman of the Executive Committee) and Ms. Lui Yuk Chu.

It meets as and when required between regular Board meetings of the Company, and operates as a general management committee under the direct authority of the Board. Within the parameters of authority delegated by the Board, the Executive Committee is committed to the implementation of the Group's strategy set by the Board, monitors the Group's investment and trading performance, funding and financing requirements, and reviews the management performance.

董事會採納一項提名政策，該政策載列本公司達致董事局多元化的方法，從而達致提升董事會的效能，以及其企業管治水平。本公司重視董事會成員多元化，此為維持競爭優勢的必要元素。提名委員會已獲授權透過考慮多項因素，包括但不限於性別、年齡、文化及教育背景以及專業經驗，檢討及評估董事會的多元化程度、其技能及經驗。提名委員會於物色及甄選合適資格人選時，將會考慮該政策。提名委員會將不時檢討該政策。

於截至2017年3月31日止年度內，提名委員會已(i)審閱董事會的架構、規模、組成及多元化；及(ii)評核獨立非執行董事的獨立性；及(iii)討論關於聘任吳冠賢先生為本公司獨立非執行董事的議案。

### 行政委員會

行政委員會目前由全體執行董事組成，包括鄭長添先生（行政委員會主席）及雷玉珠女士。

行政委員會於有需要時於本公司定期董事會會議之間召開會議，並在董事會直接授權下以一般管理委員會模式運作。在董事會授予之權力範圍下，行政委員會致力落實董事會所制訂之本集團策略、監控本集團之投資及交易表現、資金及融資需求，並檢討管理層表現。

## COMPANY SECRETARY

The company secretary assists the Board by ensuring good information flow within the Board and that the Board policy and procedures are followed. Mr. Lee Po Wing, the company secretary of the Company, has taken not less than 15 hours of relevant professional training during the year.

## ACCOUNTABILITY AND AUDIT

The Board leads and maintains effective controls over the Group's activities, with executive responsibility for the running of the Group's business being delegated to management. The management provides all members of the Board with monthly updates in order to give a balanced and understandable assessment of the Group's performance, position and prospects to enable them to discharge their duties.

### Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks and it is willing to take in achieving the Group's strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems and reviewing their effectiveness. The Board is also responsible for overseeing the design, implementation and monitoring of the risk management and internal control systems. The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operating systems or in achievement of the Group's business objectives.

## 公司秘書

公司秘書協助董事會，確保董事會成員之間資訊交流良好，以及遵循董事會政策及程序。本公司之公司秘書李寶榮先生於本年度已接受不少於15小時的相關專業培訓。

## 問責性及審核

董事會領導和維持對集團活動之有效監控，將經營集團業務之執行責任交由管理層處理。管理層向所有董事會成員提供每月一次的更新資料，讓董事對本集團表現、狀況及前景有公平及易於理解的評估，並讓董事可履行職責。

### 風險管理及內部監控

董事會負責評估和確定在實現本集團策略目標及願意採用的風險的性質和程度目標，並確保本集團建位並保持有效的風險管理和內部監控制度，並審查其有效性。董事會也是負責監督風險管理和內部監控制度的設計，實施和監督內部監控制系統。風險管理和內部監控制度旨在提供合理的，但不是絕對的保證，以防重大的錯報或損失，並管理而不是消除操作系統故障或實現集團業務目的風險。

The Board, through the Audit Committee, conducts a review of the effectiveness of the Group's risk management and internal control systems by requiring all department managers to undergo a detailed self-risk assessment process using a common risk management framework. It covers all material controls, including financial, operational and compliance controls, on an annual basis. It also considers the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting and financial reporting function.

Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, credit, operational (administrative, system, human resources, reputation), market, liquidity, legal and regulatory risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

The internal control system includes a defined management structure with specified limits of authority. The Board has clearly defined the authorities and key responsibilities of each division to ensure adequate checks and balances. The internal control system has been designed to safeguard the Group's assets against authorized use of disposition, to ensure the maintenance of proper accounting records for producing reliable financial information, and to ensure compliance with applicable laws, regulations and industry standard.

董事會通過審核委員會對本集團有效性進行了檢討風險管理和內部監控制度，要求所有部門經理採用共同的風險管理框架，接受詳細的自我風險評估。每年涵蓋所有重要的監控，包括財務，運營也考慮了全年的基準和合規監控。並考慮了資源，員工的資歷和經驗，培訓計劃及本集團會計及財務報告功能。

根據企業風險管理框架，以制定政策和程序去鑑察，評估，管理，控制和匯報風險的政策和程序。這些風險包括策略，信貸，營運（行政，制度，人力資源，名聲），市場，流動性，法律和監管風險。董事會通過審核委員會不斷監察風險。

內部監控制度包括具有特定權限制的定義的管理結構。董事會明確界定了各部門的主管和主要職責，以確保充分的制衡。內部監控制度的目的是為了保護本集團的資產免受授權使用的棄置，確保維持正確的會計記錄，以生產可靠的財務信息，並確保遵守適用的法律法規和行業標準。

The Group does not have an internal audit function. During the year under review, the Board has reviewed the effectiveness of the internal control system of the Group and there were no major issue but areas for improvement have been identified by the Audit Committee and appropriate measures taken. The Board is of the view that the enterprise risk management and internal control systems in place for the year and up to the date of issuance of the annual report is effective and adequate. In addition, the Board is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

### Financial Reporting

The Directors acknowledge their responsibilities for keeping proper accounting records and preparing financial statements for each financial year/period which give a true and fair view of the state of affairs of the Group as at the end of the financial year/period and of the profit and loss for the year/period. In preparing the financial statements, the Directors have adopted all applicable Hong Kong Financial Reporting Standards in all material respects, selected appropriate accounting policies and then applied them consistently, made judgements and estimates that are fair and reasonable. The Directors use the going concern basis in preparing the financial statements unless this is inappropriate.

The Company recognises that a clear, balanced and timely presentation of financial report is crucial in maintaining the confidence of stakeholders. Reasonable disclosure of Company's financial position and prospects are provided in the report. Annual and interim results are published within three and two months after the end of the relevant financial year period respectively.

本集團沒有內部審核職能。在回顧年度內，董事會已經審查了本集團內部監控制度的有效性進行了檢討，並沒有發生重大問題，但審核委員會已經確定適當改進，並採取了相應的措施。董事會認為，本年度和年度報告發佈之日起實施的企業風險管理和內部監控制度是有效和充分的。此外，董事會目前認為，鑑於本集團業務規模，性質及複雜性，本集團目前並無急需設立內部審核職能。情況將不時予以審查。

### 財務報告

董事確認其保存適當會計紀錄及編製各財務年度／期間財務報表之責任，以真實公平地反映集團於財政年度／期間結束時候之財務狀況及該年度／期間之盈虧。在編製財務報表時，董事已於各重要範疇採納所有適用之香港財務報告準則、選定適當之會計政策且一致地應用、作出公平合理之判斷和估計。除非並不適合，否則董事運用持續經營基準來編製財務報表。

本公司深信，清晰、持平且準時地刊發財務報告，對維持各方信心十分關鍵，報告對本公司的財務狀況和前景提供合理披露。於相關財政年度／期間結束後，分別於三個月及兩個月內刊發年度和中期業績。

A statement of the Company's external auditor about their reporting responsibilities is included in the Independent Auditor's Report on pages 67 to 73 of the Annual Report.

本公司外聘核數師就其報告責任作出之聲明載於本年報第67至73頁之獨立核數師報告。

## COMPLIANCE WITH MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard as set out in the Model Code regarding securities transactions by Directors throughout the year ended 31 March 2017.

## 遵守上市規則之標準守則

本公司已採納上市規則附錄十所載之上市發行人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行為守則。經向全體董事作出具體查詢後，本公司知悉於截至2017年3月31日止年度內由董事進行的證券交易並無違反標準守則載列的規定標準。

## MATERIAL RELATED PARTY TRANSACTIONS

During the year ended 31 March 2017, the Group entered into certain transactions with “related parties” as defined under the applicable accounting standards. Details of the material related party transactions are disclosed in note 28 to the consolidated financial statements of this Annual Report.

## 重大關連人士交易

於截至2017年3月31日止年度內，本集團亦曾與適用會計準則界定為「關連人士」的人士／公司進行若干交易。重大關連人士交易的詳情載於本年報之綜合財務報表附註28。

## SHAREHOLDERS' RIGHTS

### Convening a special general meeting

Special general meetings may be convened upon receipt of the written request submitted by any shareholder(s) of the Company not less than one-tenth of the share capital of the Company carrying the rights of voting at general meetings of the Company. Such written requisition must state the purposes of the meeting, and signed by the requisitioner(s) and deposited at the principal place of business of the Company at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong (for the attention of the Company Secretary).

## 股東權利

### 召開股東特別大會

股東特別大會可於接獲持有不少於本公司十分之一股本並有權於本公司股東大會上投票之任何本公司股東遞交之書面要求後召開。有關書面要求必須列明召開大會之目的，並由發出要求者簽署及送呈本公司之主要營業地點（地址為香港九龍長沙灣青山道481-483號香港紗廠大廈第6期7樓A座），抬頭請註明公司秘書收。

### Putting enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary and deposit at the Company's principal place of business in Hong Kong or by e-mail to [info@eminencehk.com](mailto:info@eminencehk.com).

### Putting forward proposal at general meeting

Shareholders can submit a written requisition to move a resolution at the general meeting. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the general meeting, or shall not less than one hundred shareholders.

The written requisition must state the resolution, accompanied by a statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at the general meeting. It must also be signed by all of the shareholders concerned and be deposited at Company's principal place of business in Hong Kong for the attention of the Company Secretary.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses giving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

## SHAREHOLDER RELATIONS

The Company has adopted a Shareholders' Communication Policy in March 2012 reflecting mostly the current practices of the Company for the communication with its shareholders. Information will be communicated to shareholders through:

- continuous disclosure to the Stock Exchange of all material information;

### 向董事會作出查詢

股東可透過向公司秘書寄發郵件至本公司之香港主要營業地點或發送電郵至 [info@eminencehk.com](mailto:info@eminencehk.com) 向董事會作出查詢及提問。

### 於股東大會提呈決議案

股東可提出書面請求於股東大會上動議決議案。股東人數須佔於提出請求日期有權於股東大會上投票之所有股東之總投票權不少於二十分之一之股東，或不少於一百名股東。

有關書面請求須列明有關決議案，連同一份聲明，內容有關任何所建議決議案提述之事宜或將在股東大會上處理之事務。該書面請求亦須由全體有關股東簽署，並交回本公司於香港主要營業地點，抬頭請註明公司秘書收。

有關股東須寄存一筆合理及足夠款項，用以支付本公司根據適用法例及規則發出決議案通知及傳閱有關股東提交之聲明所需之開支。

### 股東關係

本公司於2012年3月採納一項股東溝通政策，其主要反映本公司現時與股東溝通的慣例。本公司將透過以下渠道向股東傳達信息：

- 向聯交所持續披露所有重大信息；

- periodic disclosure through the annual and interim reports;
- notices of meetings and explanatory materials;
- the annual general meetings and other general meetings; and
- the Company's website at [www.eminence-enterprise.com](http://www.eminence-enterprise.com)
- 透過年報及中期業績報告作定期披露；
- 大會通告及說明材料；
- 股東週年大會及其他股東大會；及
- 本公司網站 [www.eminence-enterprise.com](http://www.eminence-enterprise.com)

The Board endeavours to maintain an on-going dialogue and meetings with shareholders. The Board is grateful to Shareholders for their views, and welcomes their questions and concerns raised in relation to the management and governance of the Group.

董事會致力保持與股東之間的持續對話及會議。董事會感謝股東的意見，並歡迎彼等就本集團的管理及管治提出問題或關注事項。

### 2016 Annual General Meeting

### 2016年股東週年大會

The Board and the management are committed to the constructive use of the AGM as a forum to meet with Shareholders and to hear their view and answer their questions about the Group and its business.

董事會及管理層致力以具建設性的方式使用股東週年大會作為與股東會面的平台，聽取股東意見並回答彼等有關本集團及其業務的問題。

The Chairman and a majority of other Directors along with key executives and the external auditor attended the 2016 AGM and addressed concerns raised by Shareholders about the resolutions being proposed and the Company's business.

主席及大部分其他董事連同主要行政人員及外聘核數師均出席2016年股東週年大會，並回應股東有關建議決議案及本公司業務的關注事項。

At the 2016 AGM, the Company continued its practice of proposing separate resolutions on each substantially separate issue. All resolutions were passed by way of poll verified by the registrar scrutineer. The poll voting results are available on the Company's website.

於2016年股東週年大會，本公司一如過往，就每項大體上獨立的事宜提出獨立決議案。所有決議案均以股數投票方式表決通過，並由股份過戶登記處核證。投票表決結果載於本公司網站。

### Matters resolved at the 2016 AGM

### 2016年股東週年大會上議決的事項

- received the audited financial statements for the year ended 31 March 2016 together with the Reports of the Directors and the Auditor
- 接納截至2016年3月31日止年度之經審核財務報表連同董事會報告及核數師報告



- re-election of Ms. Lui Yuk Chu, Ms. Koon Ho Yan Candy and Mr. Foo Tak Ching as Directors
- re-appointment of Deloitte Touche Tohmatsu as Auditor of the Company and authorization to the Directors to fix the Auditor's remuneration
- approval of a general mandate for the Directors to buy back shares of an amount not exceeding 10% of the total number of the Company's issued shares as at the date of 2016 AGM
- approval of a general mandate for the Directors to allot and issue of new shares of an amount not exceeding 20% of the total number of the Company's issued share as at the date of 2016 AGM
- 重選雷玉珠女士、官可欣女士及傅德楨先生為董事
- 續聘德勤•關黃陳方會計師行為本公司核數師，並授權董事釐定核數師酬金
- 批准向董事授出一般授權，可回購不超過本公司於2016年股東週年大會當日已發行本公司股份總數10%的股份
- 批准向董事授出一般授權，可配發及發行不超過本公司於2016年股東週年大會當日已發行本公司股份總數20%的新股份

### 2017 Annual General Meeting

All Shareholders are encouraged to attend the 2017 AGM and exercise their rights to vote. They are invited to ask questions related to the business of the meeting, and will have an opportunity to meet with the Directors following the conclusion of the meeting.

Apart from normal business at the 2017 AGM, the Board has proposed general mandates for the buy back of Company's shares and the issue of the Company's shares. Further details of business to be conducted at the 2017 AGM will be set out in the circular to Shareholders to be sent together with this Annual Report and posted on the Company's website.

### CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2017, the Company has not made any changes to its Bye-Laws. A consolidated version of the Memorandum of Association and Bye-Laws of the Company is available on the website of the Company.

### 2017年股東週年大會

所有股東敬請撥冗出席2017年股東週年大會及行使其投票權。彼等可詢問有關會議事務的問題，於會議完結後亦有機會與董事會面。

除於2017年股東週年大會上的一般事務外，董事會已建議給予回購及發行本公司股份的一般授權。有關2017年股東週年大會將進行的事務的進一步詳情將載於與本年報一併寄發之股東通函中，並將刊登於本公司網站。

### 憲章文件

於截至2017年3月31日止年度內，本公司並無對其公司細則作出任何更改。本公司之組織章程大綱及公司細則之合訂版本可於本公司網站查閱。

**CHANGES AFTER CLOSURE OF FINANCIAL YEAR** 財政年度結束後的變動

This report takes into account the changes that have occurred since 1 April 2017 to the date of approval of this report.

本報告已計及自2017年4月1日起至本報告通過日期之期間出現的變動。