

Corporate Governance

The Company is committed to achieving and maintaining the highest standards of corporate governance. The Board considers that effective corporate governance practices are essential to enhancing shareholder value and protecting stakeholder interests. Accordingly, the Board attributes a high priority to identifying and implementing appropriate corporate governance practices to ensure effective internal controls, transparency and accountability.

Compliance with the Code on Corporate Governance Practices

The Company is fully compliant with all code provisions of the Code on Corporate Governance Practices in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2011.

Securities Transactions

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct of the Group regarding Directors' securities transactions. All Directors of the Company confirmed that they have complied with the Model Code in their securities transactions throughout the accounting period covered by this interim report.

Audit Committee

The Audit Committee of the Company comprises three Independent Non-executive Directors who possess the appropriate accounting, business or financial management expertise. They contribute to enhancing the financial governance, internal controls and risk management of the Company. It is chaired by Mr Cheong Ying Chew, Henry with Mr Lan Hong Tsung, David and Dr Wong Yick Ming, Rosanna as members. The Audit Committee is authorised to obtain external legal or other independent professional advice if it considers necessary. The Committee meets regularly with management, the internal auditor and representatives of the external auditor of the Company and reviews matters relating to audit, accounting and financial statements as well as internal controls, risk evaluation and general compliance of the Group and reports directly to the Board. The terms of reference of the Audit Committee adopted by the Board are published on the website of the Company. The unaudited condensed consolidated interim financial report of the Group for the six months ended 30 June 2011 has been reviewed and endorsed by the Audit Committee of the Company.

Remuneration Committee

The Remuneration Committee of the Company comprises three members with expertise in human resources and personnel emoluments. The Remuneration Committee is chaired by the Chairman of the Company, Mr Fok Kin-ning, Canning with Mr Cheong Ying Chew, Henry and Mr Lan Hong Tsung, David, both Independent Non-executive Directors, as members. The Remuneration Committee is charged with the responsibility of assisting the Board in achieving its objective of attracting, retaining and motivating employees of the highest calibre and experience needed to develop and implement the strategy of the Group. It is also responsible for the development and administration of a fair and transparent procedure for setting policies on the remuneration of Directors and senior management of the Company and for determining their remuneration packages. The terms of reference of the Remuneration Committee adopted by the Board are published on the website of the Company.